POLICY BRIEF





Advancing Inclusive Sustainable Development by Measuring Poverty and Wellbeing Better

2025

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Solidarity for the Achievement of the SDGs



Abstract

We suggest a concise set of key actions for G20 countries, focused on using multidimensional metrics to improve multiple Sustainable Development Goals (SDGs) and advance equitable wellbeing in line with the G20 Action Plan on Accelerating Progress on the SDGs. Our recommendations draw on recent evidence on interlinkages between SDG indicators and multidimensional poverty and wellbeing measures around the world.

The policy brief aims to support the G20 under South Africa's presidency:

- in its prioritisation of ending poverty and hunger (SDGs 1 & 2) and reducing inequalities (SDG 10), including gender inequality (SDG 5), to achieve the SDGs and Agenda 2063;
- to continue on from India and Brazil in leading the implementation of the G20 Action Plan on Accelerating Progress on the SDGs; and
- to contribute to the work of the recently established G20 Alliance Against Hunger and Poverty, of which OPHI is a founding member.

Diagnosis

Toward an evidence base for equitable sustainable development

The G20 has emphasised the priority areas of ending poverty and hunger (Sustainable Development Goals [SDGs] 1 & 2) and reducing inequalities (SDG 10), including gender inequality (SDG 5), to achieve the SDGs. To realise these priorities, a robust evidence base is needed to guide policies and consolidate commitments already made by the G20 and the wider international community.¹ Building on existing commitments and work by several G20 countries, including Brazil, China, India, Indonesia, Mexico, South Africa, and the US,² the G20 should leverage and advance the use of multidimensional measures of poverty and wellbeing to inform equitable sustainable development.

Multidimensional metrics of poverty and wellbeing provide an evidence base and policy tools to better understand and improve people's lived experiences across the many forms and dimensions of quality of life. They go beyond traditional unidimensional indicators, like GDP per capita, to consider aspects like health, education, living standards, employment, and social inclusion. Multidimensional measures are uniquely suited to inform integrated, cost-effective actions because they help identify SDG interlinkages and priority areas, bridge silos, and encourage multisectoral coordination and cooperation. In addition, by identifying those who are least advantaged they inform budgeting, targeting, coordination, and policy interventions that reduce poverty and

¹ See here for related materials from the 2022 Indonesian G20 Presidency. And see here for more information on the closely related mission of the Global Alliance against Hunger and Poverty, initiated by Brazil's G20 Presidency.

² NITI Aayog, Government of India (2023). India National Multidimensional Poverty Index. A Progress Review 2023. New Delhi, India. [Link] CONEVAL (2025). 'Medicion de la Pobreza', Consejo Nacional de Evaluacion de la Politica de Desarrollo Social. Ciudad de Mexico, Mexico. [Link] Statistics South Africa (2014). The South African MPI. Creating a Multidimensional Poverty Index Using Census Data. Pretoria, South Africa. [Link] See also OPHI (2025). 'National MPI Directory', OPHI, University of Oxford [Link], and United States Census Bureau (2024). 'Multidimensional Deprivation Index (MDI)'. [Link]

inequalities, so that no one is left behind.³ South Africa, Mexico, and India have already established multidimensional poverty indices (MPIs) as permanent official statistics and policy tools, as have over 50 other countries.⁴

SDG interlinkages and multidimensional poverty

Multidimensional metrics help us identify and accelerate progress. In particular, MPIs, such as the UN's global MPI, or nationally tailored variants focus our attention on those whose lives are affected by deprivations related to multiple SDGs simultaneously. That means that they show interlinkages and potential spillovers directly at as granular a level as the household unit.⁵

New research based on the global MPI shows that deprivations do not occur in isolation. Analysing interlinkages across 10 SDG-related deprivations among 6.1 billion people in 111 countries, the research found that deprivations tend to cluster, leading to cumulative disadvantage and negative spillovers.⁶ For example, it found that nearly 50% of poor people were deprived in nutrition and sanitation, and over 50% lacked cooking fuel and electricity.

Understanding these clusters and interlinkages also allows for more targeted social protection. It lets us tailor interventions to reach the worst-off – those experiencing many deprivations at the same time. And it helps us develop integrated interventions to address multiple aspects of poverty simultaneously,

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³ This central pledge of the 2030 Agenda – to leave no one behind – was again echoed and reiterated recently, in the Pact for the Future. UN (2024). Pact for the Future, Global Digital Compact and Declaration on Future Generations. [Link] See also OPHI (2025). 'Policy Uses of the MPI', OPHI, University of Oxford. [Link] and UNDP and OPHI (2024). How to Use National MPIs as a Policy Tool. From Metrics to Policy. New York, United Nations Development Programme. [Link] ⁴ In addition to references in Footnote 2, see also Alkire, Sabina and Jakob Dirksen (2024). 'Poverty in All its Dimensions according to National Definitions. A Briefing on SDG Indicator 1.2.2', OPHI Briefing 58. OPHI, University of Oxford. [Link] ⁵ The Africa Union's Agenda 2063 profiled MPIs as key statistics and policy tools. Widespread support by government and non-governmental actors then drove the move to include 'poverty in all its forms and dimensions' in the SDGs (e.g. SDG Target 1.2). MPIs were also specifically commended by the Atkinson Commission recommendation 19, and are used to monitor success during the 3rd UN Decade for the Eradication of Poverty.

⁶ Suppa, Nicolai, Sabina Alkire, and Ricardo Nogales. "The Many Forms of Poverty: Analyses of Deprivation Interlinkages in the Developing World." (2022). OPHI Research in Progress 63a, Oxford Poverty and Human Development Initiative, University of Oxford. [Link]; UNDP and OPHI (2022). Global Multidimensional Poverty Index 2022. Unpacking Deprivation Bundles to Reduce Multidimensional Poverty. New York: United Nations Development Programme. [Link]

rather than through siloed policies one at a time. Policies that combine access to education with health services and clean water, for example, may be more efficient and more sustainable than single-sector initiatives. Pioneering research in Bhutan demonstrated how mapping indicator interlinkages through a multidimensional index helped identify clusters of deprivations, which guided more effective and targeted public policies. These included expanded rural development projects to improve access to electricity, clean cooking, and sanitation, as well as strategic investments in road infrastructure in the poorest districts to improve access to markets, schools, and health centres.

Because such metrics can be both sensitive to inequalities and granular in the evidence they provide, they can show which regions or groups require prioritisation, and in which areas. In the G20's role in shaping global policy, embracing such analytical tools can set a precedent for data-driven, equity-focused governance that advances both the 2030 Agenda and post-2030 Sustainable Development on a global scale.

Beyond GDP

Multidimensional indicators also provide a unique opportunity to move our concepts and measures of social progress "beyond GDP".8 Unlike GDP, which focuses solely on economic output, multidimensional wellbeing measures can directly incorporate various aspects of quality of life that otherwise go overlooked

⁷ Alkire, S. and Zangmo, T. (2025). 'Use of Multidimensional Poverty Index for Rural Geographic and Household Targeting: A Case Study from Bhutan', OPHI Briefing, Oxford Poverty and Human Development Initiative (OPHI), University of Oxford. Santos, Maria Emma and Karma Ura (2008). 'Multidimensional Poverty in Bhutan. Estimates and Policy Implications', Journal of Bhutan Studies, Vol. 18, pp. 1-50. [Link] See also the latest release of Bhutan's Gross National Happiness Index: Ura, K., Alkire, S., Wangdi, K. and Zangmo, T. (2023). *GNH 2022*, Centre for Bhutan and GNH Studies, Thimphu. [Link] ⁸ The G7 Finance Ministers have already prominently pledged their support to invest in the construction of this evidence-base to improve understanding and policies. See G7 Finance Ministers and Central Bank Managers Communiqué 2023. [Link] See also previous T7 policy briefs, calls for actions, and communiques, such as Dirksen, J., Lima de Miranda, K., and Wike, R. (2022). 'Towards Economic and Social Prosperity Measurement Beyond GDP', Think7 Policy Brief – G7 Germany 2022 [Link], Dirksen, J., et al., (2023). 'Putting Societal Well-Being at the Core of G7 Climate Strategies: Entry Points and Enabling Reforms', Think7 Policy Brief – G7 Japan 2023 [Link], Azhgaliyeva, D., Dirksen, J., Korwatanasakul, U., Lima de Miranda, K., Okitasari, M., Rahut, D., Sedai, A., Sonobe, T. and Takemoto, A. (2024). *Towards and Evidence-Base for the Just Transition*, Recommendation to the G7, Think 7 Task Force 2 Policy Brief. [Link], New Concept of Prosperity and Measure of Progress Needed – Think7 Call for Action, G7 Germany, 2022 [Link]

or are only derivatively accounted for. This includes healthy people and planet as much as safety and social connectedness, and emotional wellbeing as much as employment and education or political voice and participation.

The adoption of rigorous wellbeing measures allows us to identify gaps between economic growth and actual wellbeing, understood as the lives that people can and do lead across all aspects of life. It also supports sustainability and intergenerational equity, by including indicators related to environment and long-term societal resilience – areas that GDP alone cannot account for.

Efforts are underway on various fronts, from the local to the global level, to build an architecture of goalpost indicators beyond GDP. This includes the work of national governments, international organisations, non-governmental organisations, and academics.9 One risk is the proliferation of scattered and contradictory indicators that diffuse energies. The G20 should take a leading role in advancing consensus-building and consolidation efforts. This should not replace much-needed localised and contextual solutions but instead work towards agreements on a globally comparable measure that can be widely used to make international comparisons, analogous to the headline indicator that GDP provides today. Such a measure should allow for disaggregation, to monitor inequalities within and between countries around the world and identify groups at risk of being left behind. Reaching consensus on such internationally comparable indicators would allow us to compare what matters – the lives people can and do lead, rather than mere material gain and growth in consumption and productivity as measured by GDP.

Multidimensional indices of wellbeing and poverty can be citizen led and democratically informed, making them a nuanced evidence base for legitimate

Dynamik. Government of the Federal Republic of Germany. [Link]

a Quality of Life Strategy for Canada. [Link] BMWK (2025). Jahreswirtschaftsbericht 2025. Für eine neue wirtschaftliche

⁹ United Nations (2023) 'Valuing What Counts: Framework to Progress Beyond Gross Domestic Product (GDP)', Our Common Agenda Policy Brief 4. [<u>Link</u>]; Brandt, N., Exton, C, & Fleischer, L. (2022). Well-being at the heart of policy: lessons from national initiatives around the OECD. Forum New Economy. [<u>Link</u>]; Department of Finance Canada (2021). Toward

governance and interventions, reflecting the real priorities and needs of the population rather than abstract macroeconomic output and performance.

Recommendations

Our overarching recommendation to the G20 is to help lead the way to an inclusive and equitable global development agenda and indicator framework after 2030. This architecture should be bold in its prioritisation of ending absolute poverty in all forms and dimensions and achieving sustainable development while leaving no one behind. Its multidimensional goalpost indicators should provide orientation in terms not merely of material affluence but of actual quality of life in its many forms and dimensions. Its evidence base should not be a merely formal statistical one. It should be directly linked to actionable policies to improve people's lives. To do so, we recommend the following concise actions to be taken by the G20 this year.

Proposed actions to be taken by G20 countries

- Set up a task force to review multidimensional poverty and wellbeing indicators and frameworks already in place in the G20 and beyond.¹⁰ This task force should:
 - identify commonalities and differences in concepts and measures of multidimensional wellbeing and poverty at international, national and subnational levels; and
 - reinforce the importance of establishing a small set of stable, internationally agreed multidimensional metrics for cross-country comparisons, eg, the UNDP's MPI and a similar index for uppermiddle- and high-income countries, as well as nationally tailored metrics like South Africa, India, and Mexico's MPIs or Bhutan's

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¹⁰ This can build on existing reviews and documented efforts as referenced above.

Gross National Happiness index. 11

Document, share, and evaluate policy applications and integrations of such indicator frameworks to date to:

- share what has worked, what has not, and why. This would help governments in the G20 and beyond to allocate resources more efficiently and effectively, avoid fragmented efforts, and tackle the root causes of poverty instead of just its symptoms; and
- o leverage expertise and experience from existing networks in which G20 countries are active. For example, China and South Africa serve on the Steering Committee of the Multidimensional Poverty Peer Network, a network of governments and other organisations committed to reducing poverty in all its forms and dimensions.¹² [Link]
- Ensure that ending poverty in all its forms and dimensions remains a priority in the post-2030 Agenda global policy and statistical architecture:
 - This should include, for example, prominent inclusion in the agenda of the 2025 World Summit on Social Development in Qatar, as well as other international forums in which G20 countries have a strong representation.
 - Assessments of progress towards this priority require investments in data and in cost-effective, information-rich, and easy-tounderstand multidimensional measures.
- Take a leading role toward reaching agreements on multidimensional wellbeing metrics as actionable headline policy goalpost indicators beyond GDP.

This includes:

¹¹ Different, complementary poverty and well-being measures are required for distinct purposes. Internationally comparable measures are necessary for a global benchmark. Metrics tailored to country-specific contexts are needed to reflect more local realities and priorities, and to guide context-specific policies accordingly.

¹²This can draw on experiences already shared by participants of the Multidimensional Poverty Peer Network during network meetings and in the form of articles published in the dedicated magazine of the network, Dimensions.

- the development of new strategies to make multidimensional poverty and wellbeing indicators fit for purpose and policy, with special attention to:
 - equity (within as well as across countries);
 - pluralism;
 - planetary boundaries; and
 - policy relevance.

Executive summary

The G20 under South Africa's presidency should take a leading role in advancing inclusive sustainable development by championing multidimensional metrics of poverty and wellbeing that go beyond GDP. This will help identify SDG interlinkages, reveal and remove overlapping deprivations, bridge policy silos, and ensure no one is left behind. While several countries in the G20 and beyond have implemented national MPIs and wellbeing measurement frameworks, efforts remain fragmented. The G20 should establish a taskforce to review existing work, document successful policy applications, and work toward international consensus on comparable headline indicators that measure what truly matters - the lives people can lead across multiple dimensions, including health, education, living standards, work, and social inclusion. By consolidating these efforts, building on knowledge sharing through networks like the Multidimensional Poverty Peer Network, and ensuring poverty reduction and multidimensional wellbeing remain central to the post-2030 development agenda, the G20 can lead the creation of an evidence-based architecture that supports legitimate governance, reflects citizen priorities, and accelerates progress toward equitable sustainable development worldwide.





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