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Poverty Mapping for Bangladesh

National level indicators of poverty incidence often hide the reality of how poverty is distributed across a country. Poverty mapping is aimed at showing this spatial distribution in a way that helps the **design and implementation of effective intervention. In order to construct a poverty map, accurate estimates of poverty incidence are required at very small spatial scales, typically the administrative units of a country or a region within a country. Although comprehensive data on poverty are collected in national surveys, the small scale estimates required for a poverty map cannot be calculated using the standard estimation methods employed in national surveys, and SAE methods are used instead.**

In this presentation I will focus on the important statistical issues that arise when SAE is used for poverty mapping, including how poverty can be assessed via the so-called FGT poverty indicators (Foster, Greer and Thorbeck, 1984). I will then describe how three SAE methods (Elbers, Lanjouw and Lanjouw, 2003; Tzavidis *et al.*, 2008; Molina and Rao, 2010) can be used for small area estimation of FGT indicators, and illustrate their application using a simulated data set with respect to Bangladesh as a representative of developing countries. I conclude the presentation with a discussion of the issues that arise when specifying an efficient prediction model for use in SAE of poverty with special concentration to Bangladesh.

Key Words: Bangladesh, Empirical Best Method, FGT Poverty Measures, M-quantile method, Poverty Mapping, Small Area Estimation, World Bank Method