

The Millennium Development Goals Report

2008



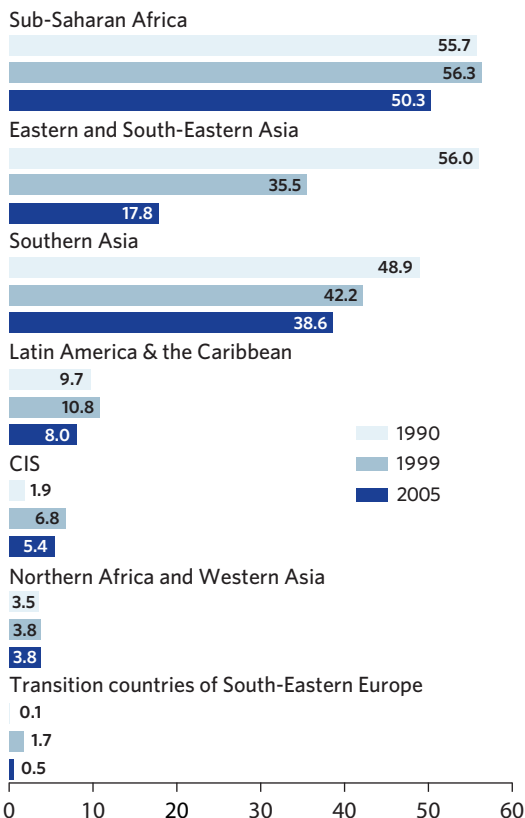
UNITED NATIONS

ADDENDUM

Goal 1 Eradicate extreme poverty & hunger

Extreme poverty rates continue to fall, but only Eastern and South-Eastern Asia is on track to reach the target

Proportion of people living on less than \$1.25 a day, 1990, 1999 and 2005 (Percentage)



TARGET

Halve, between 1990 and 2015, the proportion of people living in extreme poverty

New estimates¹ show that the number of people living in extreme poverty fell from 1.8 billion in 1990 to 1.4 billion in 2005. Over the same period, the proportion of people living below the poverty line—now set at \$ 1.25 a day in 2005 prices—fell from 41.7 per cent to 25.7 per cent. At this pace, the target of halving extreme poverty worldwide by 2015 would be met.

But progress has been unequal across regions. Eastern and South-Eastern Asia achieved a sharp reduction in extreme poverty, already meeting the target in 2005. The extreme poverty rate in the region fell in 2005 to less than a third of 1990 levels—from 56 to 18 per cent—thanks in large part to rapid economic growth in China, where 475 million people were lifted out of poverty.

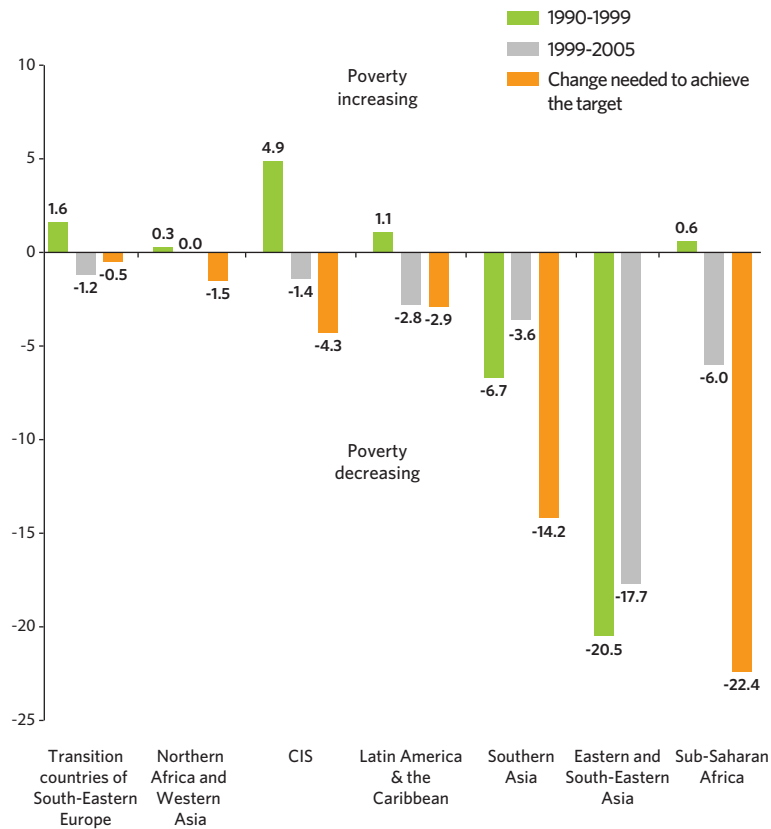
Meanwhile, the number of people living in extreme poverty was rising in most of the other developing regions. In sub-Saharan Africa, the number of people living below the newly defined poverty line increased by 100 million between 1990 and 2005. The depth of poverty in this region is lower than anywhere else, with an average daily consumption of 70 cents per day. Continued high economic growth that benefits more of the poor will be required for Africa to close in on the target of cutting in half the proportion of extreme poor.

In Southern Asia, India brought its poverty rate down from 51 per cent to 42 per cent. But because of a growing population, 20 more million people were living in extreme poverty in 2005 than in 1990. At the current rate of progress, there will still be 1 billion people in the world living in extreme poverty in 2015.

¹See Box "New measures of poverty in the world" on page 7 of the Millennium Development Goals Report 2008.

In most regions, an unprecedented effort will be needed to halve extreme poverty by 2015

Percentage point changes in poverty rates



In most countries outside Eastern and South-Eastern Asia progress was slower than necessary to cut 1990 poverty rates into half by 2015. To achieve the MDG target, most countries in these regions will have to reduce their 2005 levels of poverty at unprecedented rates. For Northern Africa and Western Asia and for many of the CIS countries, now benefiting from the surge in oil prices and where poverty rates are relatively low, this may be possible. But in sub-Saharan Africa and Southern Asia, facing rising energy and food costs, the challenge will be far greater.