

6. Kerala Extreme Poverty Free – Economy

Kerala declared free from extreme poverty, first State to do so. Kerala became India's first "extreme poverty-free" state, not by using global or national MPI metrics, but by implementing its own "EPEP" project. This localized project identified 59,000 families based on four unique parameters (income, health, housing, food) and provided family-specific "Micro Plans" to address their needs.

Kerala Becomes India's First "Extreme Poverty-Free" State

The Chief Minister of Kerala announced in the State Assembly that Kerala has successfully eradicated extreme poverty. This declaration establishes Kerala as India's first state to achieve this milestone.

What Is "Extreme Poverty"? – A Comparative Look

The definition of "extreme poverty" is not universal. Kerala's project used a different, localized definition compared to global or national standards.

Metric	Institution / Body	Definition / Benchmark
Global Definition	World Bank (2025)	* Individuals living on less than USD 3 per day (Purchasing Power Parity, 2021 prices). * This benchmark replaced the earlier threshold of USD 2.15 per day (PPP, 2017 prices).
Broader Poverty Lines	World Bank	* Lower-middle-income countries - \$4.20/day * Upper-middle-income countries - \$8.30/day * (Note - Anyone earning below these lines but above \$3/day is considered "poor" but not "extremely poor".)
India's National Approach	NITI Aayog	* Uses the Multidimensional Poverty Index (MPI). * This is based on the Alkire-Foster methodology. * It assesses deprivation across 12 indicators in three dimensions - Health, Education, and Living Standards.
Kerala's Project Definition	Kerala LSGD	* A localized definition based on four core parameters of distress - 1. Income deprivation 2. Health vulnerability 3. Housing insecurity 4. Food insufficiency

India and the Global Context

Global Scenario – As per World Bank estimates, 838 million people globally lived in extreme poverty in 2022. This was an increase from 713 million (which was based on the older \$2.15/day metric).

India's National Progress – India's national extreme poverty rate saw a significant decline from 16.2% (2011–12) to 2.3% (2022–23). This progress successfully lifted 171 million people out of extreme poverty.

Remaining Concerns – Despite this progress, India still faces challenges such as –

1. Youth unemployment (13.3%)
2. Gender disparity
3. High dependence on informal labour

Sustainable Development Goal (SDG) Link – The UN's Sustainable Development Goal 1 (SDG 1) aims to eradicate extreme poverty everywhere by 2030. Kerala's achievement represents a localized realization of the SDG framework through a unique model of participatory governance.

Kerala's Distinct Approach – The EPEP Project

Kerala's success was driven by a highly specific, targeted project that deviated from standard definitions to focus on on-ground realities.

About the Athidaridrya Nirmarjana Project (EPEP)

Full Title – Extreme Poverty Alleviation Project (EPEP).

Launch – May 2021.

Nodal Department – Department of Local Self-Government (LSGD).

Objective – To identify, address, and eliminate extreme poverty through localised, data-driven interventions.

Implementation Mechanism

Mass Training – Approximately 4 lakh people (including local officials, elected representatives, and volunteers) were trained to conduct surveys and verify beneficiaries.

Beneficiary Identification Process

Initial Identification – 118,309 families were initially identified as potentially living in extreme poverty.

Verification – After multiple rounds of rigorous field verification and checks, the final, validated number was reduced to 59,000 families.

Microplanning – Crucially, family-specific "Micro Plans" were prepared for each of the 59,000 families based on their specific needs. These plans covered essential needs like food, health, housing, and education. These sub-plans were then integrated into the annual plans of local self-governments (Panchayats and Municipalities).

Community Institutions & Monitoring

Kudumbashree networks (Kerala's community organization of self-help groups) ensured door-to-door engagement, acting as both community monitors and service providers.

Gram Sabhas (Village Assemblies) were used to validate the beneficiary lists to ensure transparency.

Digitised Monitoring (MIS) – A digital Management Information System was used to track each family's needs and the extent to which they were fulfilled.

Key Measures Undertaken by the Project

The project focused on providing direct, tangible benefits to the identified families –

Food Security – 20,648 families identified as food-insecure were provided with daily meal support from their local bodies.

Housing Support – A total of 4,677 families were identified as homeless. Of these, 4,005 families were provided houses under Kerala's Life Mission (state housing scheme).

Healthcare Support – Families burdened by chronic, terminal, or costly illnesses were provided with dedicated financial and medical assistance.

"Avakasam Athivegam" (Rights Fast) Campaign – This special campaign was launched to ensure every beneficiary family possessed all civic and welfare entitlements.

Specific entitlements provided included –

1. MGNREGS job cards
2. Voter IDs
3. Aadhaar cards
4. Bank accounts
5. Social security pensions

The campaign also guaranteed access to basic utilities like electricity and LPG connections.

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