

# Poverty & Equity Brief

Europe & Central Asia

## Tajikistan

April 2023

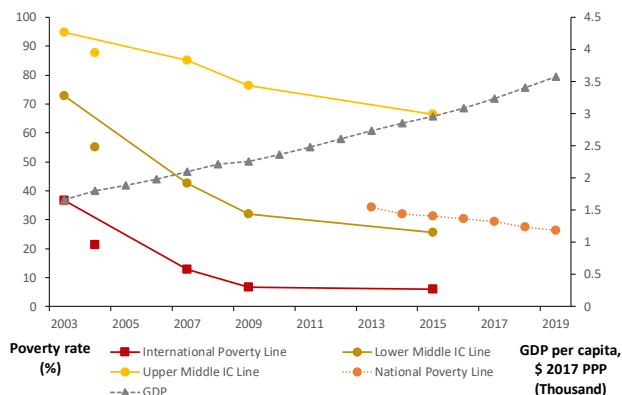
Tajikistan's economy performed strongly over the last decade, with GDP growth averaging above 7 percent. Income from labor and remittances have been the most important factors in the steady decline of poverty rate, which halved the poverty rate from 25.7 percent in 2015 to a projected 13.4 percent in 2022 (at the international poverty line of USD 3.65 a day, 2017 PPP). Consumption growth for non-poor households has been faster than for poor households, and as a result, inequality increased, as reflected in the Gini index that rose from 30.8 in 2009 to 34.0 in 2015 and further to 37.8 in 2021. Stunting, wasting, vitamin and mineral deficiencies are prevalent and affect the health and wellbeing of children in Tajikistan. According to the 2017 Demographic and Health Survey, 18 percent of children under five were stunted (have low height-for-age) and 6 percent of children in age 6-59 months were acutely malnourished or wasted (have low weight-for-height), despite significant improvement over the past decade. In spite of good performance on poverty reduction, Tajikistan remains the poorest economy in Europe and Central Asia by GNI per capita, which stood at USD 1,150 (Atlas method) in 2021. In 2022, the Tajik economy expanded by 8 percent, driven by Russia's strong labor demand and appreciation of the RUB, which fueled household consumption. The average CPI inflation rate declined to 6.6 percent in 2022 from 9 percent a year earlier thanks to solid agricultural output and the sale of strategic food reserves. According to the Agency for Statistics Household Budget Survey (HBS) data, the national poverty rate fell from 34.3 percent in 2013 to 26.3 percent in 2019. In 2021, national poverty rate stood at 23.18 percent as per an updated HBS and re-estimated poverty line.

Migration increased significantly in 2022, though it declined after Russia announced mobilization in September. In 2022, remittances were generally high, and households were optimistic about them, according to the Listening-to-Tajikistan (L2T) survey data. L2T data suggest that about 17 percent of households received remittances in 2022, compared to 13 and 10 percent in 2021 and 2020, respectively. Households had also more opportunities to make savings. The share of households able to make savings in 2022 was higher on average than in previous years. Food security was resilient in the first half of 2022 but worsened in the last few months of the year. The poorest households were more concerned that prices were rising fast in 2022. Almost two-thirds of the bottom 20 households reported feeling fast price increases in 2022. Between June 2022 – January 2023, more than 70 percent of households reported to be very concerned about the economic consequences of the war in Ukraine on their families and on the economy, according to L2T data. Tajikistan's economic growth is expected to decelerate to 5 percent this year as the 2022 positive shock subsides and remittance inflows diminish. Tajikistan's outlook faces substantial downside risks. Holders of dual Tajik and Russian citizenship remain at elevated risk of military mobilization, which could trigger a return of migrants and a greater need for social assistance. Poverty, at the USD 3.65 line, is projected to decline from 13.4 percent in 2022 to 12.6 percent in 2023.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	2,455.6	26.3	2019
International Poverty Line 4.9 in Tajik somoni (2015) or US\$2.15 (2017 PPP) per day per capita	521.2	6.1	2015
Lower Middle Income Class Poverty Line 8.3 in Tajik somoni (2015) or US\$3.65 (2017 PPP) per day per capita	2,191.8	25.7	2015
Upper Middle Income Class Poverty Line 15.6 in Tajik somoni (2015) or US\$6.85 (2017 PPP) per day per capita	5,657.8	66.4	2015
Multidimensional Poverty Measure		7.0	2015
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent		1.32	2009-2015
INEQUALITY			
Gini Index		34.0	2015
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		-1.35	2009-2015
GROWTH			
Annualized GDP per capita growth		4.59	2009-2015
Annualized Consumption Growth per capita from Household Survey		2.67	2009-2015
MEDIAN INCOME			
Growth of the annual median income/consumption per capita		2.10	2009-2015

Sources: WDI for GDP, National Statistical Offices for national poverty rates, PIP as of April 2023, and Global Monitoring Database for the rest.

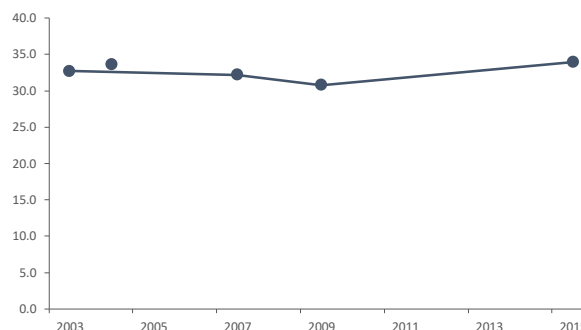
## POVERTY HEADCOUNT RATE, 2003-2019



Source: World Bank using HSITAFIEN/ECAPOV/GMD

## INEQUALITY TRENDS, 2003-2015

### Gini Index



Source: World Bank using HSITAFIEN/ECAPOV/GMD

## KEY INDICATORS

Distribution among groups: 2015	International Poverty Line (%)		Relative group (%)	
	Non-Poor	Poor	Bottom 40	Top 60
Urban population	97	3	30	70
Rural population	93	7	43	57
Males	94	6	40	60
Females	94	6	40	60
0 to 14 years old	93	7	43	57
15 to 64 years old	94	6	38	62
65 and older	95	5	36	64
Without education (16+)	92	8	48	52
Primary education (16+)	92	8	48	52
Secondary education (16+)	95	5	38	62
Tertiary/post-secondary education (16+)	97	3	24	76

Source: World Bank using HSITAFIEN/ECAPOV/GMD

Notes: N/A missing value, N/A\* value removed due to less than 30 observations

Multidimensional Poverty Measures: 2015	(% of population)
<b>Monetary poverty (Consumption)</b>	
Daily consumption less than US\$2.15 per person	6.1
<b>Education</b>	
At least one school-aged child is not enrolled in school	26.8
No adult has completed primary education	0.3
<b>Access to basic infrastructure</b>	
No access to limited-standard drinking water	39.4
No access to limited-standard sanitation	3.5
No access to electricity	2.0

Source: World Bank using HSITAFIEN/ECAPOV/GMD

## POVERTY DATA AND METHODOLOGY

There are two series of poverty estimates available for Tajikistan: estimates based on the international poverty line for lower-middle income countries expressed in terms of 2017 PPP, and the national official poverty estimates. The former is more easily adapted to cross-country comparisons, while the latter is calibrated by national authorities to the local context. The national method for measuring poverty in Tajikistan is based on the cost-of-basic-needs approach and a minimum food basket, supplemented by a fixed percentage of expenditures for basic non-food items and services. A second "extreme" poverty line is based on a minimum required level of food calories per capita per day. The value of the official poverty line was TJS 146.77 per month when it was set in 2013 and stood at TJS 213 per month in 2019 after accounting for inflation. In 2021, the Bank and the Government re-estimated the national poverty line, which stood roughly at the level of TJS 323 per month.

**Note on new global poverty lines:** Poverty data are now expressed in 2017 Purchasing Power Parity (PPP) prices, versus 2011 PPP in previous editions. As price levels across the world evolve, global poverty lines have to be periodically updated to reflect the increase of the value of the lines in nominal terms. The new global poverty lines of \$2.15, \$3.65, and \$6.85 reflect the typical national poverty lines of low-income, lower-middle-income, and upper-middle-income countries in 2017 prices. In addition to reflecting updates in nominal terms, upper-middle-income countries raised the standards by which they determine people to be poor from 2011 to 2017. Hence, the increase in the upper line is larger, and the population that does not meet the new standard is higher in most countries than it was with 2011 PPPs. See [pip.worldbank.org](http://pip.worldbank.org).

## HARMONIZATION

The numbers presented in this brief are based on the ECAPOV database. The ECAPOV micro database was established in 1998 to support a regional poverty report. The database is managed and harmonized by the Europe and Central Asia Team for Statistical Development (ECATSD). ECAPOV includes 29 countries, with an average of 8 surveys per country. Recently, EU-SILC data for EU countries, received from Eurostat, have been added to the collection. Each survey in ECAPOV is organized into 6 modules following the Global Monitoring Database (GMD) harmonization guidelines, including the construction of the welfare aggregate which is used for Global Poverty Monitoring. Terms of use of the data adhere to agreements with the original data producers.