

ESTIMATION OF POVERTY STATISTICS IN AZERBAIJAN REPUBLIC

State Statistical Committee
Azerbaijan Republic

ABSTRACT

The main task of the Strategy on Poverty Reduction in Azerbaijan is to provide majority part of population with worthy life. For solution of this strategic task, by Decree of the President of the Republic of Azerbaijan dated March 2, 2004, the Commission on development of the State Programme in the field of Poverty Reduction has been created. In the result of which the State Programme on Poverty Reduction for 2003-2005 has been accepted.

Poverty Incidence

For estimation of the population living standard in Azerbaijan Republic, the State Statistical Committee carries out regular quarterly survey of the budgets over 2200 households on the base of 100% rotation. As a whole, the budgets of about 8800 households are surveyed during the year.

The SSC introduced a new HSB in 2001. Analysis of the poverty level in the country given here is based on data from the first year of this survey. The choice of welfare indicator is per capita consumption expenditure. Here two poverty lines are used: the first is an absolute poverty line of 120.000 (the median level of per capita consumption expenditure) AZM (25.8 USD) per person per month. This line is based on the cost of a minimum food consumption basket, which guaranties a daily calorie intake of 2.200 kilocalories. The food share in the total minimum consumption basket is calculated at 70%, which corresponds to the actual food share in the household expenditure structure as reported in the HBS results. Using this poverty line, we get a poverty rate for the country as a whole of 49% for the year 2001.

The second poverty line used is a relative one, set at 60% of the median per capita consumption expenditure level, which was 72.000 AZM (15.5 USD) for the year 2001. Using this second poverty line poverty incidence is estimated at 17%. The results using this second poverty line can be taken as an estimate of extreme poverty in the country.

The index of human development is calculated by UNDP country office in Azerbaijan according to UNDP methodology (special methodology is not used), using data of the SSC. According to data of 2002 the index of human development in Azerbaijan made 0.756.

Poverty Profile

The new HBD data have been used to build up a picture of poverty in the country. Here the results, which are "robust" for both of the chosen poverty lines, have been reported. Although the number of the poor changes with the poverty line, the characteristics of the poor remain the same. The main results are summarized in Tables 1.1 and 1.2. below. The survey data suggest the following:

Individuals living in urban households have a higher risk of being poor than rural households (poverty rates of 55% in urban areas compared to 42% in rural areas; 60% of the poor live in urban areas). Poverty in towns is slightly worse than in larger cities (58% and 54% respectively) Poverty in Baku is neither below nor above the national average (49%), but it is less than in other urban areas. However, the largest group of the poor is also concentrated in Baku city: one quarter of the total number of the poor.

The larger the household, the greater the poverty risk. Households with one or two members have a very low poverty risk (poverty rates of 8-18%), compared to households with over 6 members (poverty rates of 61%). The presence of up to two children does not have a particularly strong influence on the probability of being poor, but the risk increases particularly when households have more than three children. Conversely, households without children have a lower than average poverty rate (38%).

Children aged 1-15 years have a higher risk of poverty than the elderly aged over 60 years (52% compared to 44%)

From the point of view of per capita expenditure, gender does not influence the poverty risk-both male and female members of the population have an almost equal probability of being poor (48% for males and 50% for females). The sex of the head of household also does not influence the likelihood of a household being poor; i.e. female-headed households are not more likely to be poor than male-headed ones (both 49%).

Households where the head of household has IDP or refugee status have a higher poverty risk Poverty rates of 55% when the head of household has refugee status and 63% if the head has IDP status.

Households where the head of household has higher education are less likely to be poor Poverty rates of 42% compared to 54% for households where the head of household has less than secondary education.

Urban and Rural Poverty

According to the HBS data, the urban population has consistently higher poverty rates than the rural population. For example, 55% and 42% poverty levels for urban and rural areas respectively could be found using the 120.000 AZM (25.8 USD) absolute line.

The higher risk of poverty in towns can be attributed to the importance of land and home produce as a safety net. The rural population is relatively better off because of the value of produce consumed from the households own agricultural plot or livestock. The structure of cash expenditures only shows that urban households spend more overall, and in particular on food, than rural households. As stated before, poverty is not only measured using monetary indicators, but also in terms of access to essential goods and services. The regional discussions and Town Hall Meetings in Azerbaijan revealed that many among the rural population do not have access to basic sanitation and health services, even if they wanted to spend money on them. The lack of availability was only partly explained by their price. More notably, they were explained by a noticeable absence of such goods and services, due to the collapse of the infrastructure or to badly needed repairs.

Income Distribution and Inequality

The following chapter shows that country has made notable progress in achieving macroeconomic stability and positive growth figures. At the same time, there exists inequality in the incomes of the population.

The Gini-coefficient is usually used as the indicator of income inequality in a country. In 1999, the World Bank estimated a Gini-coefficient of 0.44 for Azerbaijan. But initial results from the 2001 Household Budget Survey put the Gini-coefficient at 0.35, indicating a more equal distribution than the former. The Gini-coefficient will be monitored from now on using the HBS results, thus ensuring, comparability across years.

Estimation of Poverty Statistics in Azerbaijan Republic

State Statistical Committee
Azerbaijan Republic

Azerbaijan Republic is situated in eastern part of South Caucasus, in the coast of Caspian Sea. Date of formation of Republic is 28 May 1918 and those times the territory has made 114 thousand square kilometers. Having existed as sovereign democratic state only for 23 months, (during of which are subjected to aggression from neighboring republic repeatedly), on 28 April 1920 Azerbaijan joined to empire and after collapse of the USSR once again gained its independence. In the result of 'liberality' of separate leaders of the Union, the part of the territories of Azerbaijan has been passed to neighbor republics. To day the territory of Azerbaijan Republic makes 86.6 thousand square kilometers, about 20% of which are occupied by Armenia.

Population size of Azerbaijan Republic at the end of 2002 year made 8 million 203 thousand person, of which 4 million 155 thousand person or 51 per cent were urban population and 4 million 48 thousand person or 49 per cent were rural population. Age and sex structure of the country's population is as follows: 4 million 23 thousand or 49 per cent are male and 4 million 179 thousand or 51 per cent are female; 27 per cent of the population is under 15 years old (29 per cent are male, 26 per cent are female), and 7 per cent was over age 65 (male - 6 per cent, female - 7 per cent). At present the main source of population increase in Azerbaijan is the excess of births over the deaths, i.e. natural increase. During the last 5 years, births in Azerbaijan amounted to an average of 116 thousand infants annually, or about 318 little citizens daily. In 2002 the crude births rate was 14 per mile. Over several years, the crude death rate in Azerbaijan is characterized by both a low and stabile level. However, because of the armed conflict with Armenia, resulting in numerous human sacrifices, deaths in 1992-1994 rose significantly. During the following years after the cease-fire between Azerbaijan and Armenia, the crude death rate fell, and last year this indicator amounted 6 persons in per 1000 persons of the population.

The main reasons of deaths are diseases of circulatory system, neoplasm and diseases of respiratory system. In 2002, respectively 329.2, 72.8, 39.7 persons in per 100000 persons of population were died in the result of these diseases. The crude death level is also reflected in the life expectancy indicator. In 2002 life expectancy was 72 years, or 69 years for male, 75 years for female. A decrease of infant mortality has been observed in recent years. In 2002, 1.400 children under 1 year (0.8 thousand boys and 0.6 thousand girls) or 13 of 1000 live births died. The main reasons of infant mortality are diseases of respiratory system, infectious and parasitic diseases, and state arising from

perinatal period, due to in 2002, infants under 1 year per 1000 births died, respectively, 62.0 against 110.4, 14.8 against 49.5, and 24.2 against 35.3 in 1990. Among children under 5 years, the crude death rate per 1000 crude births was decreased for 1.6 times (in 2002 23.1 against 40.5 in 1990).

In 2002, 22 women died due to complications of pregnancy or childbirth, i.e. maternal mortality indicator per 100 000 births was 20. At present, there are two born children per woman during her life. If ten years ago the share of children born as third and over, made 31%, but today - only 23%. The marital state also has an important influence on birth. In 2002 it was registered 42 thousand marriages and dissolved 6 thousand marriages, i.e. there were 5 marriages and 1 divorce per 1000 persons. According to results of last population census about 1 million 746 thousand or 43% of women at the age of 16 and over are married.

Number of women at fertile age reaches to 2 million 362 thousand persons. During 2002, 4.3 thousand persons had left the republic and 1.2 thousand persons had arrived. The education level of population has increased significantly. There were 761 persons with higher and complete secondary education per 1000 persons age 15 and over in the population. The population census revealed the number of illiterate persons age 15 and over. 1.2% of the total population was illiterate. In other words literacy of those ages of 15 and up is 98.8%, or 99.5% for male, 98.2 for female.

National composition of the country's population based on results of last population census is as follows: Azerbaijanians – 90,6%, Lezghins – 2,2%, Russians – 1,8%, Armenians – 1,5%, Tallish – 1,0%, Avars – 0,6%, Turkish – 0,5%, Tatars – 0,4%, Ukrainians – 0,4%, Chakhures – 0,2%, Georgians – 0,2%, Kurds – 0,2%, Tats – 0,13%, Jews – 0,1%, Udins – 0,05%, Other nationalities – 0,12%.

According to HSS data, for 2002 year 26.3% of heads of families were women. Events that had occurred since 1988 have had essential influence on the demographic situation of Azerbaijan. Along with the occupation of 20% of the territories and numerous human scarifies, conflict with Armenia had also brought to Azerbaijan more than 1 million of refugees and forced migrants, more than half of whom are children and elderly people. Many of these people live in horrible conditions: in tents and uninhabitable places.

The main task of the Strategy on Poverty Reduction in Azerbaijan is to provide majority part of population with worthy life. For solution of this strategic task, by Decree of the President of the Republic of Azerbaijan dated March 2, 2004 the Commission on development of the State Programme in the field of Poverty Reduction has been created. In the result of which the State Programme on Poverty Reduction for 2003-2005 has been accepted. Poverty is not a vice but it is a social problem that affects 2/3 of the

world's population. More than 1.2 billion people in the world live in poverty, about 2 billion have an income of less than 1 \$ per day.

The poverty problem in Azerbaijan has its roots in its historical legacy. During the Soviet period as one of the two Soviet republics that did not receive subsidies (Russia and Azerbaijan) Azerbaijan was tenth among the 15 Soviet republics in terms of the material well being of its population. Although in 70s the living standard of population was increased in twice, in 1990 the average monthly wages in Azerbaijan were one-third less than the Union Average. Taking into account that wages constituted over 70 per cent of the money income of population, the official statistics of 1990 showing that the income of more than 35 per cent of the population fell below the minimum subsistence level provide clear evidence of the high starting level of poverty in Azerbaijan on the eve of the collapse of USSR.

This situation was explained, generally, by the absence of objective conditions for more complete use of the GNP produced, and natural and human resources, as well as the political costs of the centralized system for the planning, distribution and deployment of productive forces. To day, about 250 laws and more than 700 other regulatory and legal acts governing the reform process in all spheres of the economy and all aspects of life in the country have been adopted. Since 1995 three government programs aimed at providing for macroeconomic stabilization, structural adjustments and resumption of economic growth and improvement in the living standards have been developed and successfully implemented.

1994 = 100 per cent

	1995	1996	1997	1998	1999	2000	2001	2002
<i>Change in real GDP</i>	88,2	89,3	94,5	104,0	111,7	124,1	136,4	150,8
Industrial production	78,6	73,3	73,5	75,1	77,8	83,2	87,4	90,5
Agricultural production	93,0	95,8	90,0	95,6	102,3	114,6	127,3	135,4
Consumer price index (inflation)-expressed as a factor	5,1	6,1	6,4	6,3	5,8	5,9	6,0	6,1
Nominal money income of the population-expressed as a factor	5,5	7,8	10,2	11,9	13,3	14,8	15,6	17,4
Real average monthly wages	4,1	5,8	9,2	11,0	12,0	14,5	17,0	20,6
Household consumption	97,4	106,7	119,4	136,0	152,6	168,6	186,1	...
Accumulation (investments from all sources of financing)	82,0	173,3	240,9	296,3	290,4	298,0	359,4	...
Decline in the population's standard of living, expressed as a factor	1,08	1,28	1,6	1,89	2,3	2,5	2,6	2,9

As a result of privatization and land reform, as well as the criterion of favorable conditions for development of the private sector of the economy, in 2000 the private sector's contribution to GDP reached to 73 per cent compared to 29 per cent in 1994, its share in industry rose to 54.8 per cent, in agriculture – 99.3 per cent, in trade – 98.5 per cent, in construction – 84 per cent, in transport – 64.3 per cent.

The government believes that the best practice is to draw on the experience of many transition economies in which determination of the poverty line is based on the method of establishing a minimum subsistence basket for age and gender group, which includes minimum standards for the most essential foodstuffs required for a person living a normal life (based on 2.000 – 2.200 kilocalories per day), plus expenditures on municipal and consumer services, transportation, and minimum expenditures on nonfood goods.

Experts from the IMF, the World Bank and the Asian Development Bank, as well as local researches, specialists and nongovernmental and community organizations are agreed with this approach. At present, using this method in-depth researches is being performed by relevant government authorities and medical and scientific institutions.

The Minimum Subsistence Basket as the poverty line will be determined by the respective highly differentiated calculation and will be officially established for Azerbaijan for the next 4-5 years. This will be the minimum subsistence level that the country's economy will be able to provide to each of the country's citizens by the end of the planned period.

On describing of poverty in Azerbaijan, it is necessary to pay attention on certain specific features:

- the presence of approximately 1 million refugees and internally displaced persons, more than 60 per cent of whom belong to the active age group. The absolute majority of these people do not have permanent jobs and live on occasional earnings and meager government benefits;
- each year actual aggregate consumption exceeds GDP produced (by 3-5 per cent according to official data from the State Statistical Committee, and by 17-20 per cent according to projected estimates).

At present, Ministry of Labour and Social Protection of Population has presented to government the new minimum subsistence basket, which was estimated by Ministry of Labour approximately as 245000 manat.

For evaluation of population living standards in Azerbaijan Republic by the State Statistical Committee it is conducted survey on budgets of more than 8800 households based on 100% quarterly rotation of which 46 per cent of families – rural population and 54 per cent - urban.

On the results of survey of households' budgets it was recorded significant growth of real money income of population that in 2002 made per capita per month 179107 manat (123 per cent). More important source of households' money income, as before, is wage, incomes from entrepreneur activity, receipts from selling of agricultural products. In comparison with 2001 share of labour income is rather increased where payment of labour of employees makes more than half of all households' incomes and income from individual labour activity makes fifth part. At the same time in the structure of population incomes increasing of the share of private subsidiary farm is recorded (15.4 per cent). Along with that, in the structure of population incomes during last years the increasing of share of social transfers is recorded (11.1 per cent).

Distribution of total volume of money income by 20 per cent groups of population is in favor of fifth group (with the most income), where it is concentrated third of all money income of population, when the share of first 20 per cent group of population (with least income) makes about 12 per cent of all incomes. At that the level of inequality in distribution of money income between 10 per cent of more and less provided population made 3.5 times.

Calorie content of foodstuff in households . Nutrition quality is significantly differed in families with various sufficiencies. Calorie content of consumed foodstuff in well provided households are higher than in poor families for 30 percent and for 0.6 times exceeds the indicator in very poor families. It is necessary to note that development of private subsidiary farm allows rural inhabitants improve quality of its nutrition. Calorie content in cities is lower than in rural locality as in poor and not poor families.

On analysis of data on child nutrition besides use of estimation of calorie content of consumed foodstuff it is used **Z-scope** method that is based on analysis of correlation of weight and height of child. Children for which this correlation is lower (more than for two standard deviation) than standard of weight for their height, are classified as undernourished.

In 2002 in republic 7.4 per cent of children aged 1-6 years suffered from emaciation. Among children involved in sampling, 7.2 per cent of boys and 7.5 per cent of girls are specified as undernourished. Among children of preschool age majority percent with insufficient weigh is among children at age of 5 years (9 per cent), and among boys – 10.7 per cent, among girls – 7.5 per cent. Among pupils, boys aged 7-11 years and girls aged 7-10 years, there are 4 per cent of children.

On analysis of nutrition of aged population it was used index of body weigh representing separate from dividing of body weigh (kg) by square of height (m²). Aged who has index of body weight less than 18.5 per cent, are classified as having insufficient weight, from 18.5 to 25 – having normal weigh, from 25 to 30 – persons with

overweight and more 30 – suffered from obesity. Whole workable population was divided by four age groups with diapason of 10 years.

Among aged population the obesity is the serious problem than undernourishment. Overweight was recorded of 13.6 men and 13.7 per cent women. 2.1 of men and 2.9 per cent of women have high overweight. Among various age groups there are significant differences in the share of persons with high overweight. Obesity is observed mainly among population aged over 40 years. Women aged 50-59 years are more inclined to obesity; their share makes 21 per cent.

Calorie content of foodstuff on poverty line and sex

	Total	including	
		men	women
Calorie content of foodstuff, kcal	2393	2378	2399
including calories of animal origin	441	438	453
Albumen, grams	74	73	75
including albumen of animal origin	26	26	26
Fats, grams	64	63	67
including fats of animal origin	35	34	35

Percent of undernourished children by age and sex (in percent)

	Z-scope<2 (weight to height)		
	Total	Boys	Girls
Total	7,4	7,2	7,5
Totally for 1- 6 years	11,2	11,8	10,6
aged 1 year	2,7	3,9	1,0
2 years	10,9	11,5	10,5
3 years	10,1	10,0	10,3
4 years	10,6	9,9	11,4
5 years	9,3	10,7	7,5
6 years	13,4	15,5	11,3
Girls aged 7-10 years, boys – 7-11 years	4,1	3,7	4,6
<i>By geographical zones :</i>			
Nakhchivan AR	10,5	11,7	9,4
Absheron-Guba	6,2	9,2	4,0
Mugan-Salyan	10,8	13,2	6,0
Ganja-Gazakh	7,1	13,8	1,8
Sheki-Zagatala	6,9	10,3	3,7
Lankaran-Astara	8,2	11,9	3,5
Shirvan	7,0	11,1	3,3
Karabagh-Mil	6,0	9,5	2,8
Baku city	6,1	7,4	5,0

If wholly in the country money income average per capita per month made 179107 manat, on men-family heads it made 195556 manat and women – 232199

manat. Exceeding of women income from men income is mainly connected due to earnings from family members from near foreign countries, as on households' survey the temporary absent members are not included in composition of households. However, earnings from these members of households in family budget are taken into account as incomes from other members of family and near relatives.

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characteristics of the poor remain the same. The main results are summarized in Tables 1.1 and 1.2. below. The survey data suggest the following:

Individuals living in urban households have a higher risk of being poor than rural households (poverty rates of 55% in urban areas compared to 42% in rural areas; 60% of the poor live in urban areas). Poverty in towns is slightly worse than in larger cities (58% and 54% respectively) Poverty in Baku is neither below nor above the national average (49%), but it is less than in other urban areas. However, the largest group of the poor is also concentrated in Baku city: one quarter of the total number of the poor.

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Children aged 1-15 years have a higher risk of poverty than the elderly aged over 60 years (52% compared to 44%)

From the point of view of per capita expenditure, gender does not influence the poverty risk-both male and female members of the population have an almost equal probability of being poor (48% for males and 50% for females). The sex of the head of household also does not influence the likelihood of a household being poor; i.e. female-headed households are not more likely to be poor than male-headed ones (both 49%).

Households where the head of household has IDP or refugee status have a higher poverty risk Poverty rates of 55% when the head of household has refugee status and 63% if the head has IDP status.

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overall, and in particular on food, than rural households. As stated before, poverty is not only measured using monetary indicators, but also in terms of access to essential goods and services. The regional discussions and Town Hall Meetings in Azerbaijan revealed that many among the rural population do not have access to basic sanitation and health services, even if they wanted to spend money on them. The lack of availability was only partly explained by their price. More notably, they were explained by a noticeable absence of such goods and services, due to the collapse of the infrastructure or to badly needed repairs.

Average monthly money expenditures in urban places per family members make 143912 manat (30.9 USA\$), expenditures for foodstuff – 86.368 manat (18.5 USA\$), while average monthly money expenditures in rural places per family members make 95.344 manat (20.5USA\$), expenditures for foodstuff – 53.981 manat (11.6 USA\$).

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Poverty Update: the results for 2002

The value of the minimum food basket is priced using the prices actually paid by the poor population (the lowest decile in the consumption expenditure distribution range), and the prices are taken from the HBS. For 2002, the value of the minimum food basket was 121,465 AZM and the share of the food basket in the overall minimum consumption basket is taken to be 69.4%. The share of the various baskets corresponds to their share in the consumption expenditure pattern of the poor population, as reported in the HBS results.

The value of the minimum basket for non-food products is priced using the minimum retail prices as recorded at the SSC, there are not enough observations in the HBS to use it as a source for prices of these products. For 2002 the value of the non-

food product basket is estimated at 21,935 AZM and the share of this basket in the overall minimum consumption basket is taken to be 12.5%.

The value of the minimum basket for services for 2002 is calculated at 31,600 AZM and the share of this basket in the overall consumption basket is taken to be 18.1%.

The value of the total minimum consumption basket for 2002 is calculated as 175,000 AZM.

Poverty Estimates for 2002

As explained above, results for 2002 are based on the revised 2002 HBS, and by using an absolute poverty line of 175,000 AZM (described in the appendix). Within this poverty line, the overall poverty level is estimated as 46.7% for 2002.

A relative poverty line (70% of median per capita consumption expenditure) was set at 125,134 AZM. The overall poverty level using this line is estimated at 8.8%, and this will serve as the revised estimate of extreme poverty in the country.

Inequality

Inequality is measured by looking at the distribution of income or expenditure levels among the population. The Gini coefficient is the most common measurement of inequality. Calculations using this formula show, that in 2002 the Gini coefficient was equal to 0.271 (using income distribution) and 0.276 using expenditure (calculated on the basis of the 2002 HBS results).

Further improvement of the HBS may be required in order to ensure that we are capturing all income/expenditure; including those from the informal sector and self-employment, and that incomes from the top deciles are not being underestimated.

ANNEX

Inequality measures

Relative mean deviation	0.27270611
Coefficient of variation	0.86546977
Standard deviation of logs	0.70727839
Gini coefficient	0.38223408
Mehran measure	0.50500359
Piech measure	0.32084933
Kakwani measure	0.12791303
Theil entropy measure	0.26163672
Theil mean log deviation measure	0.24925484

Poverty level by different category type of population

Category of population (individual level)	Absolute poverty line (120,000 manat or 25,8 \$US)	Relative poverty line (72,000 manat or 15,5 \$US)
Total population	49%	17%
Urban population	55%	20%
of which:		
Large cities	54%	18%
Smallest cities	58%	24%
Rural population	42%	13%
<i>By geographical zones</i>		
Nakhchivan AR	45%	8%
Absheron-Guba	58%	25%
Mugan-Salyan	51%	20%
Ganja-Gazakh	50%	16%
Sheki-Zagatala	49%	27%
Lankaran-Astara	45%	8%
Shirvan	38%	14%
Karabagh-Mil	54%	21%
Baku city	49%	13%
Men	48%	16%
Women	50%	17%
0-15	52%	18%
16-29	50%	17%
30-39	50%	18%
40-49	48%	15%
50-59	45%	14%
60 and over	44%	15%

Poverty level by type of household and household head

Category of population (household level)	Absolute poverty line (120,000 manat or 25,8 \$US)	Relative poverty line (72,000 manat or 15,5 \$US)
Education of household head		
Higher	42%	12%
Secondary	51%	18%
Secondary and below	54%	20%
Household with no child	38%	12%
Household with 1 child	49%	15%
Household with 2 children	51%	18%
Household with 3 children	55%	19%
Household with 4+ children	63%	25%
Age of household head		
18-29	38%	11%
30-39	46%	15%
40-49	49%	15%
50-59	48%	15%
60 and over	53%	20%
Single person household	8%	1%
Household with 2 person	18%	4%
Household with 3 person	30%	5%
Household with 4 person	42%	12%
Household with 5 person	50%	16%
Household with 6+ person	61%	23%
Household head - refugees	55%	20%
Household head – internally displaced person (IDP)	63%	26%
Household head - women	49%	17%
Household head - men	49%	17%

Consumption expenditures by living place

Per month, per capita, mana t

	Urban	Rural
Consumption expenditure total	143912	95344
food expenditure	86368	53981
alcohol	4142	4066
tobacco	5298	4715
clothes and footwear expenditure	7009	7805
housing, water, electricity, gas and other fuels expenditure	9469	2253
furnishings, household equipment and routine maintenance of the house	3568	2210
health expenditure	7479	5441
transport expenditures	2270	1298
communications expenditures	3631	3536
recreation and culture expenditures	2201	1462
education expenditures	7632	4942
restaurants, cafes and accommodation expenditures	4846	3637