

## Poverty level in Kyrgyz Republic in 2015

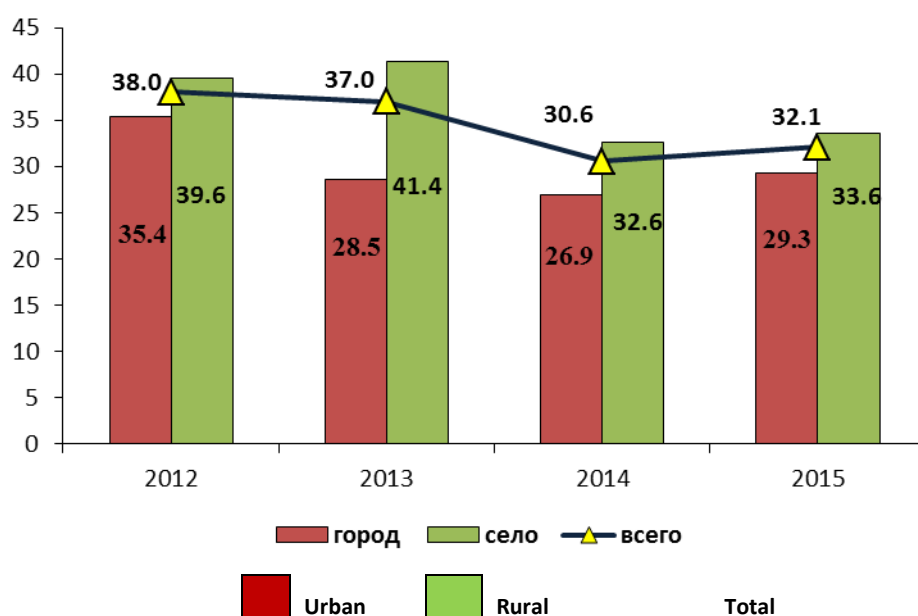
The results of the assessment of the well-being of the population in the Kyrgyz Republic are based on a sampling of the budgets of 5,016 households. The survey results show that the poverty level in 2015, calculated on the basis of consumer expenditures, was 32.1% for the country as a whole and was 1.5 percentage points higher than the preceding year.

The 2014 poverty line, indexed to the average annual consumer price index in accordance with paragraph 3.7 of the Poverty Line Determination Method, which was approved by the Government of the Kyrgyz Republic Resolution No. 115 of March 25, 2011, was used as the threshold value in the estimation of the poverty level. The monetary figure for the poverty line in 2015 was 31,573 som [SOM] per capita per year and SOM 18,234 for those living in extreme poverty.

The poverty level increased by 1.0 percentage point in rural areas and by 2.4 percentage points in urban settlements.

A total of 1,931,000 persons were living below the poverty line in 2015, and 67.7% of them were residents of rural population centers.

**Graph 1: Variation in poverty level by place of residence**  
(as a percentage of population)



The rise in the poverty level in 2015 above the level in the preceding year was noted in all regions of the Kyrgyz Republic, with the exception of the Osh and Jalal-Abad oblasts. The incidence of poverty is not uniform among the regions of the country.

The poverty level dropped by 2.8 and 1.3 percentage points, respectively, in the Osh and Jalal-Abad oblasts. Poverty rose in the Naryn Oblast (by 7.4 percentage points) and the Chuy Oblast (by 3.2 percentage points), as well as in the cities of Bishkek (by 6.0 percentage points) and Osh (by 4.9 percentage points). Poverty rose by 2.9 and 2.4

percentage points, respectively, in the Issyk-Kul and Talas oblasts, whereas it increased by 0.5 percentage point in the Batken Oblast.

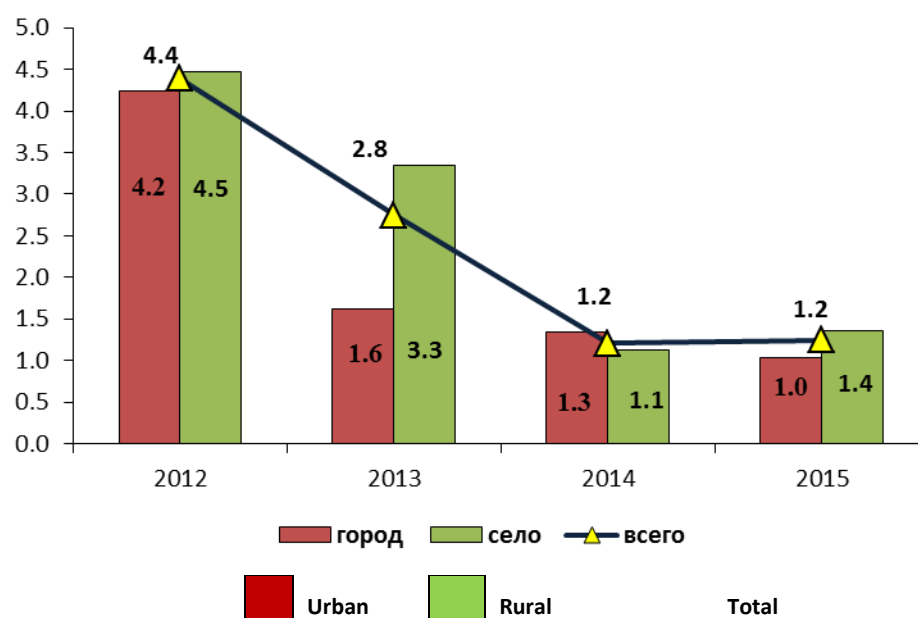
**Table 1: Poverty level by territory**  
(as a percentage of population)

	2012	2013	2014	2015
<b>Kyrgyz Republic</b>	<b>38.0</b>	<b>37.0</b>	<b>30.6</b>	<b>32.1</b>
Batken Oblast	34.2	53.9	40.7	41.2
Jalal-Abad Oblast	55.7	46.4	46.4	45.1
Issyk-Kul Oblast	28.1	39.5	26.0	28.9
Naryn Oblast	39.9	43.8	30.6	38.0
Osh Oblast <sup>1</sup>	51.4	43.4	31.7	28.9
Talas Oblast	39.6	23.1	19.0	21.5
Chuy Oblast	16.6	23.6	21.6	24.8
City of Bishkek	21.4	20.4	17.6	23.5
City of Osh	-	40.9	33.4	38.3

<sup>1</sup> The 2012 figure includes the city of Osh

The level of extreme poverty in 2015 was 1.2% and remained at the level of the preceding year. Some 75,000 persons were living below the level of extreme poverty in 2015, and 70.5% of them were residents of rural population centers. The level of extreme poverty dropped by 0.3 percentage point in urban settlements and rose by 0.3 percentage point in rural areas.

**Graph 2: Variation in the level of extreme poverty by place of residence**  
(as a percentage of population)



The depth of poverty, which characterizes how far below the poverty line poor people are, was 5.9% in 2015 and was 1.6 percentage points greater than in the preceding year; the intensity of poverty rose by 0.2 percentage point and was 1.6%.

The overall shortfall in funds among people living below the poverty line in 2015 was SOM 11,232,200,000, which was SOM 1,799,100,000 greater than the figure for the preceding year.

The value of consumption, which is directly dependent on personal income, is used to calculate the poverty level. Disposable per capita income in 2015 was at the level of SOM 4,074.5 per month and had risen above that of the preceding year by 3.0%, which, in absolute terms, was SOM 117.0, but in real value had dropped by 0.9%. The growth in disposable average per capital personal income was due, primarily, to a 9.8% increase in income from wages, a 5.1% increase in income from self-employment, and a 7.0% increase in social transfers. At the same time, a 20.6% decline was noted in income from sales of items produced on personal subsidiary plots.

The primary sources of personal income were from labor, which accounted for 65.0% of disposable income; social transfers, which accounted for 16.2%, and the sales of farm products grown or raised on personal subsidiary plots, which accounted for 14.0%.

In the structure of average per capita disposable income, wages accounted for 40.1%, and self-employment, 16.9%. It should be noted that 5.7% of income came from labor performed outside of the Kyrgyz Republic. Labor migration, as in the past, is, to a greater extent, typical of the populations of Batken, Jalal-Abad, and Osh oblasts and the city of Osh, where income from labor done outside the country accounts for 18.7%, 11.6%, 10.3%, and 4.6%, respectively, of total income.

**Table 2: Structure of disposable personal income by territory**  
(as a percentage)

	Labor		Social transfers	Income from personal subsidiary plots	Other income
	Total	Performed outside the Kyrgyz Republic			
<b>Kyrgyz Republic</b>	<b>65.0</b>	<b>5.7</b>	<b>16.2</b>	<b>14.0</b>	<b>4.8</b>
Batken Oblast	66.8	18.7	16.4	14.6	2.2
Jalal-Abad Oblast	66.8	11.6	16.0	14.3	2.9
Issyk-Kul Oblast	45.1	0.6	17.3	29.8	7.7
Naryn Oblast	36.6	0.0	32.4	26.5	4.6
Osh Oblast	62.6	10.3	16.1	15.5	5.8
Talas Oblast	39.0	0.0	14.1	42.7	4.2
Chuy Oblast	64.6	0.2	16.4	15.4	3.7
City of Bishkek	81.6	0.0	13.7	0.0	4.8
City of Osh	74.5	4.6	14.9	0.3	10.3

The external influence on the material well-being of the populace of the southern regions is apparent. Calculations show that, if the income of labor migrants is excluded from the value of consumption, the poverty level on average across the republic rises to 38.4% from 32.1%. Poverty rises to 55.8% from 45.1% in Jalal-Abad Oblast, to 56.4% from 41.2% in Batken Oblast, to 41.8% from 28.9% in Osh Oblast and to 43.6% from 38.3% in the city of Osh; it remains virtually unchanged, however, in the other regions. The income of labor migrants has a considerable effect on extreme poverty, and when it is excluded, the level of extreme poverty rises to 7.1% from 1.2%.

**Table 3: Poverty level when income from labor outside the Kyrgyz Republic is not taken into account**

*(as a percentage of population)*

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Kyrgyz Republic</b>	<b>44.6</b>	<b>43.5</b>	<b>36.4</b>	38.4
Batken Oblast	48.5	66.2	55.4	56.4
Jalal-Abad Oblast	61.8	56.3	57.4	55.8
Issyk-Kul Oblast	29.9	39.7	26.1	29.1
Naryn Oblast	39.9	43.8	30.6	38.0
Osh Oblast <sup>1</sup>	66.7	59.7	42.9	41.8
Talas Oblast	39.6	23.8	19.0	21.5
Chuy Oblast	17.5	23.6	21.8	25.1
City of Bishkek	21.7	20.4	17.6	23.5
City of Osh	-	44.2	38.0	43.6

<sup>1</sup> The 2012 figure includes the city of Osh

As in the past, the density of the population living near the poverty line is high. Analysis of the sensitivity of the poverty line shows that with the magnitude of the well-being indicator remaining unchanged, the share accounted for by the poor grows by 5.6 percentage points if the poverty line rises by 5%, or SOM 132; if the poverty line drops by 5%, the share accounted for by the poor drops by 4.7 percentage points. The dense concentration of the population near the poverty line increases the probability of a substantial portion of the population moving from the category of non-poor to the category of poor, and vice-versa, which is reflected in the indicators for poverty level by region and partially explains the poverty variation trends. Improving the well-being of the populace remains, as before, the most important, overriding task of the State.