



**STATISTICAL COMMITTEE OF
THE REPUBLIC OF ARMENIA
(ARMSTAT)**

**WORLD BANK
(WB)**

SOCIAL SNAPSHOT AND POVERTY IN ARMENIA

Statistical and analytical report

Based on the findings of the 2019 Integrated Living Conditions Survey

YEREVAN 2020

In the modern world characterized by diversification of information and intensification of information flows, it is important to “integrate” the three parties to the official statistics, which “occupy the corners of the statistical triangle” and have different dispositions, in particular the respondents, the users and the taxpayers, especially in view of the national and international standards on perception requirements (leveling of communication capabilities).

The Statistical Committee of the Republic of Armenia (ARMSTAT) expresses its gratitude to all respondents (providers of information) insofar as this statistical publication is available due to the information provided by them; welcomes feedback and suggestions from the respondents and the taxpayers as the users of statistical information so as to enable further improvement of statistical publications.

Please submit suggestions and comments on further improvement of the publications to the Division for Dissemination of Statistical Information of the ARMSTAT.

3 Government Building, Republic Avenue, 0010, Yerevan

☎ (+374 11) 52-33-56

Fax (+374 11) 52-19-21

E-mail info@armstat.am

ARMSTAT websites: <http://www.armstat.am>

<http://www.armstatbank.am>

Conventional signs

Phenomenon not observed

-

Data missing

...

Negligible amount

0.0

Adjusted data

◆

In certain cases, insignificant differences between the sum of components and the final outcome may be due to rounding of data.

The ARMSTAT annually publishes the statistical and analytical report “Social Snapshot and Poverty in Armenia” in order to inform the public about the poverty level and the social situation in the country. The contents of the report are developed through the analytical and technical support of the World Bank.

The presented analysis is to provide the public with information on the living standards and social situation in the country as of 2019. It provides detailed statistical information on current social and economic developments. The report sets forth the dynamics of poverty in the country assessed in terms of various socio-economic, demographic and geographical dimensions.

The findings of the Integrated Living Conditions Survey (ILCS) conducted annually by the ARMSTAT provide the basis for this report. Such statistical surveys are internationally recognized as a most important tool for collecting data outlining the living standards of the population. Surveys facilitate collection of rather comprehensive and valuable information on the welfare of households and individuals, which enables the ARMSTAT to annually provide the public with current information on population revenues, expenditures, poverty levels and other indicators. Findings of the survey are mostly presented in structural form, where absolute figures are used to make the relevant calculations under that structure. The ARMSTAT is continuously working to improve these surveys (ILCS) in order to make them fully comparable with the findings of similar research conducted in developed countries. The ARMSTAT has been following modern methodologies and approaches to poverty assessment.

This issue of the “Social Snapshot and Poverty in Armenia” is based on data collected in 2019 through the integrated living conditions survey of 5165 households.

Implementation of the integrated living conditions survey for 2019 has been funded from the state budget of the Republic of Armenia.

The Census 2011 database was used to formulate the survey sample. The size of the sample allows for the minimum representativeness by regions¹. The survey was conducted from January 1 to December 31, 2019.

The findings of this report are based on a new, adjusted poverty assessment methodology developed with the assistance of the World Bank (WB) experts.

At the request of the ARMSTAT, the WB provided technical advice on the construction of the consumption basket and poverty measurement methodology since 2008 when the country was facing an economic recession due to the Global Financial Crisis 2008-2009.

From 2009 to 2018, the annual poverty measurement in Armenia relied on an annual update of the poverty lines to changes in the price level of the economy, using the

¹Only 2004-2019 studies have provided data for provincial margin minimization representation.

consumer price index (CPI). Whereas this adjustment by inflation rate accounts for changes in price levels, it does not account for the secular change in the patterns and habits of the population that occurs over time.

In 2019, the WB once again provided support to the ARMSTAT on the construction and updating of the national consumption aggregate and poverty lines based on data from the ILCS 2019.

The recalculated consumption basket and poverty lines reflect changes such as consumption patterns, spending habits, demographic structure, among others, in the Armenian society.

Such adjustments are routine and according to best international practice, therefore they should be undertaken frequently (for instance, every five or six years) in a dynamically changing society in the country.

The details of the methodology are provided in the section "*Methodological Explanations*". Thus, with a view to documenting socio-economic situation and poverty level in Armenia, this report presents a comprehensive analysis of socio-economic developments and poverty level dynamics in the country over the period of 2008-2019.

We hope this report will serve as an important source of information for all users who seek to be informed about socio-economic developments and poverty level in Armenia.

Stepan Mnatsakanyan

Chairman, ARMSTAT

Dear wealthy people in Armenia

We apply to you with a kind request, asking for your generous participation in the to-be-conducted integrated living conditions survey of households. Your refusal to participate in the survey would have an adverse impact on the quality of the data we collect. The analysis based on this data is important to the public, as it is meant to “enlighten” the fundamental directions of the programs and policies that will be implemented in our country in the future. Moreover, where a household included in the survey sample refuses to participate, another household is to be selected thus leading to the need for additional work and excessive resource exhaustion.

We assure that, according to the Republic of Armenia Law on Official Statistics based on fundamental principles of the official statistics approved by the United Nations General Assembly (Resolution 68/261 of January 29, 2014) all providers of primary personalized information for statistical purposes are guaranteed confidentiality of that information (Article 14).