



January 2020

POVERTY INCOME CONSUMPTION AND EXPENDITURE SURVEY REPORTS LAUNCHED

Agricultural production is stagnant, yields are low, and efforts to increase productivity seem to provide insufficient value for money. These are some of the topline findings of the Agricultural Productivity Module (APM) attached to a subsample of the Poverty Income Consumption and Expenditure Survey (PICES) conducted by Zimbabwe Statistical Agency in 2017. This exercise was supported through the [Poverty Monitoring and Evaluation TA](#). These findings will inform the national strategy and planning documents together with those from further in-depth analysis of the data by researchers.

The Poverty reports based on the surveys were launched in Harare on January 21 where the findings of the mini-PICES 2019 were also presented. These provided a detailed overview of poverty trends during 2011–2017 and from 2017 to 2019. It also presented an overview of the performance and effectiveness of social assistance programs in the country, feeding into discussions on how these can be further improved. The results were eagerly awaited by many as the country is facing a severe poverty crisis. Since 2011/12 and particularly since 2017, extreme poverty has worsened. Extreme poverty rose from 23 percent in 2011/12 to 29 percent in 2017 and has risen further to as much as 38 percent in 2019.

A total of 32,000 households, participated in the 2017 PICES survey which covered multiple topics including household consumption, income sources, labor market participation, education levels, migration, access to and use of social services such as health, education, drinking water,

electricity, social protection programs and subsidies. The mini-PICES 2019 covered 2500 households.

The surveys also reveal that rural poverty is much higher than urban poverty. Between 2011/12 and 2017 urban extreme poverty dropped somewhat, from 5.6 to 4 percent, but between 2017 and 2019 urban extreme poverty grew 2.5-fold: from 4 percent to 10. Over this same period, rural extreme poverty rose from 43 percent to 51 percent.

Welfare inequality in Zimbabwe, as measured by the Gini coefficient had been declining over time but has started to rise again. It dropped from 0.63 in 1995/96 (among the highest – most unequal– in the world) to 0.49 in 2001 and 0.42 in 2011/12. It then rose moderately to 0.44 in 2017.

Further findings show that in 2017:

- Extreme poverty headcount is highest in Mashonaland Central Province with 49.5 percent, followed by Matabeleland North province with 45.1 percent.
- The lowest extreme poverty is found in Bulawayo (1 percent) and Harare Province (5.2 percent).
- Manicaland has the highest proportion of extreme poor people (16.4 percent of all the poor live there), followed by Masvingo (13.3 percent). About 10 percent of Zimbabwe's extreme poor people are found in the major cities, Harare and Bulawayo.

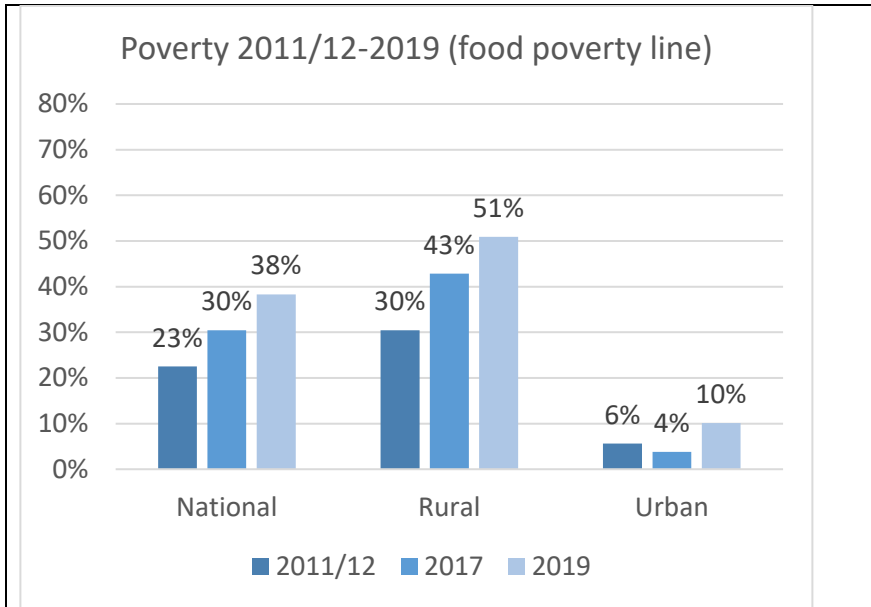
In 2019, 46 percent of the extreme poor were self-employed in the farming sector, followed by 36 percent who were not in the labor force (e.g. students, those retired or disabled). Seven percent of the extreme poor were self-employed in the non-farm sector, followed by casual workers (5%) and salaried employees (5%).

Food shortages were common. In April and May 2019, 30% of households ran out of food anytime in the previous 30 days, on average for 6.4 days.

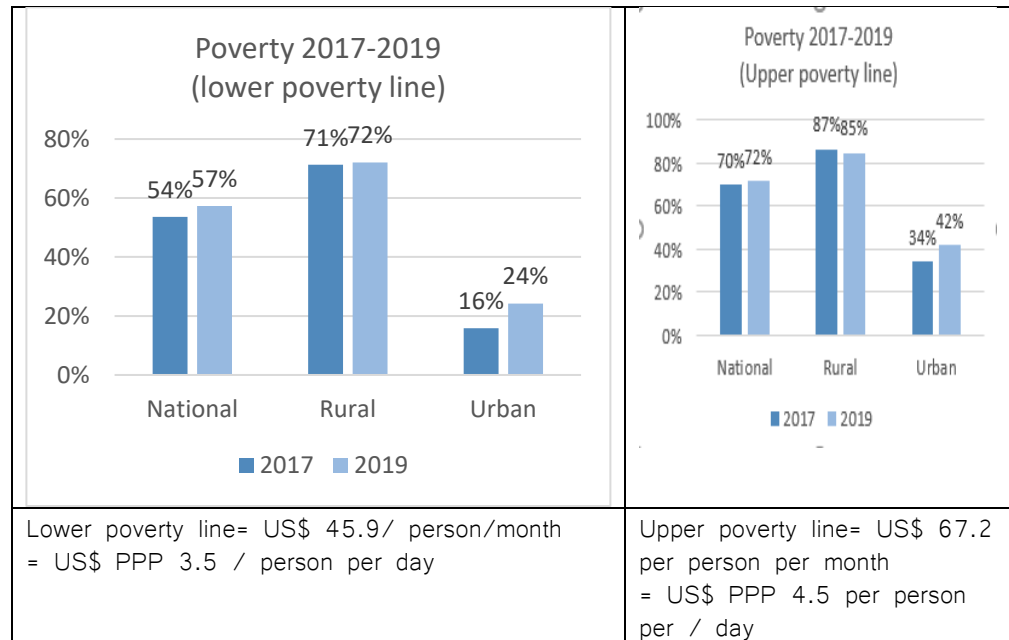
In April and May 2019, about a quarter of people who were sick were unable to obtain medicine they needed, mostly because it was

unavailable (most common rural areas) or unaffordable (most common in urban areas).

Poverty trends 2017-2019



Extreme poverty (based on the food poverty line) is US\$ 29.8 per person per month = US\$ 1.9 per person per / day in Purchase Power Parity (PPP). The extreme poverty line is the value of the minimum amount of food a person in Zimbabwe needs to meet minimum energy requirements. The lower and upper poverty line each also consider a set of minimum non-food needs.



Lower poverty line= US\$ 45.9/ person/month
= US\$ PPP 3.5 / person per day

Upper poverty line= US\$ 67.2 per person per month
= US\$ PPP 4.5 per person per / day

A call for research proposals has been initiated to promote advanced policy-focused poverty analysis in the country, leveraging the availability of the anonymized micro-data of the PICES and APM surveys. The call seeks to produce a series of high-quality policy-focused papers on poverty-related issues that are driven by evidence and have a clear policy message to influence policy debate. The proposals will be focused on six thematic areas that include: agricultural subsidies, productivity, rural incomes and poverty; household vulnerability to weather/ health shocks and the performance of safety nets and health care subsidies; Nutrition, food security and its relationship to poverty; gender and disability dimension of poverty; Welfare impacts of transfers and international remittances and changes over time and access to utilities and its effect on poverty. Next steps also include putting in place a rapid poverty monitoring system that will provide monthly updates on key poverty indicators for both urban and rural Zimbabwe.

The Zimbabwe Reconstruction Fund (ZIMREF) is a World Bank administered multi-donor trust fund that has received contributions of US\$40 million from Denmark, European Union, Norway, Sweden, Switzerland, UK and the World Bank's State and Peace Building Fund. ZIMREF aims to support the strengthening of Zimbabwe's systems for reconstruction and development. Visit our website to find out more. For feedback and comments please email ckhuphe@worldbank.org