

# MULTIDIMENSIONAL POVERTY INDEX AND POVERTY REDUCTION POLICIES IN UZBEKISTAN

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# 2017-2023: ACHIEVED RESULTS



The economy grew by

**39%**



The real growth of average monthly salary is

**47%**



The industry grew by

**43%**



Exports increased by

**2**

times



Foreign investment grew by

**6**

times



**Liberalization of the foreign exchange market** - *free conversion*



**Tax reform** - *reducing the tax burden on business and workers' income*



**Reform of the banking sector and financial system** - *deregulation of money circulation and commercialization of banks*



**Reducing tariff and non-tariff barriers in foreign economic activity**



**In agriculture:**

- transition to market relations of agricultural producers;

- rejection of the state plan and the transition to market regulation of prices for cotton and grain.



# REPUBLIC OF UZBEKISTAN

IN 2019:

34

million  
population



60,3

billion USD  
GDP



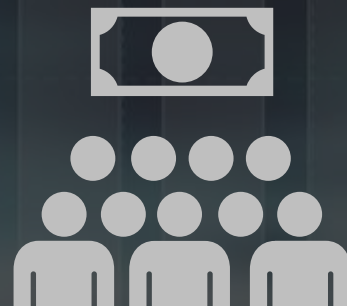
1,8

thousand USD  
GDP per capita

## CHALLENGES FOR COMBATING POVERTY

- High informal sector;
- No clear methodology of estimation of poverty rate;
- Ineffective social protection;
- Low capacity of implementation

6 million  
people  
poor in 2021





# THE BASICS OF COMBATING POVERTY IN UZBEKISTAN

Since 2020 Uzbekistan has prioritized poverty reduction as a **key policy**. From then on comprehensive measures for economic development and poverty alleviation have been introduced.



The Ministry of Employment and Poverty Reduction has been established



## Launch of "Mahallabay" policy



Rosters of those in need have been compiled

- Iron notebook
- Youth notebook
- Women's notebook

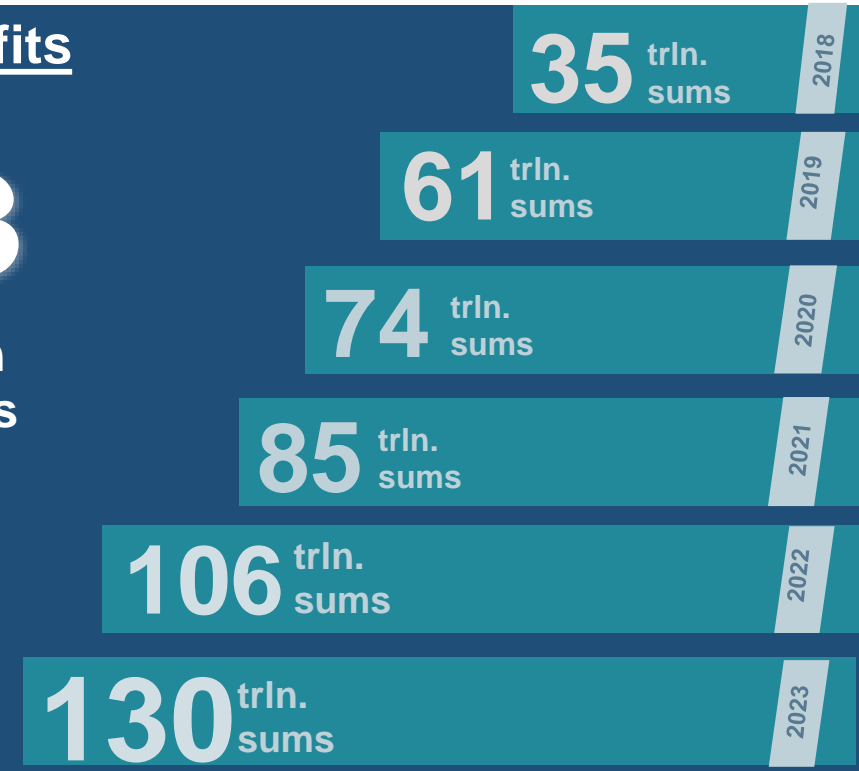


The "Unified Register of Social Protection" was introduced

### Coverage of low-income benefits



### SOCIAL SPENDING



# MAHALLABAY POLICY MEASURES

“MAHALLABAY”  
MEANS  
“BY EACH MAHALLA”

**9445**  
MAHALLAS

**208** DISTRICTS **14** REGIONS

*Mahalla – is a smallest community level or self-governing body, in each mahalla resides about 3-4 th. people*

## HOKIM ASSISTANTS

**977,6**  
thousand  
households received

**21,1**  
trln soums  
credit funding

Over the past  
two years:

**1,7**  
bln USD



**51,7**  
mln USD

**152**  
thousand  
individuals

**649,2**  
bln soums  
subsidies

## WOMEN ASSISTANTS YOUTH ASSISTANTS AND SOCIAL WORKER

Through the  
“Women notebook”

**1,5**  
mln individuals

Assistance was provided to :



Through the  
“Iron notebook”

**610**  
thousand citizens

# CONSTITUTIONAL REFORM

Uzbekistan has established itself as a "Social State" according to the New Constitution. The Government is responsible for ensuring and providing all social needs as outlined in the rights

including fair wage

social security for old age, unemployment, or loss of a breadwinner

pensions and social assistance that meet minimum consumption expenses

guaranteed free medical care

free general and primary professional education

the opportunity to receive higher education funded by the state through selection in state educational institutions

The adoption of a new Constitution in 2023 was a crucial step in solidifying the people's fundamental social rights at the constitutional level.

# POVERTY REDUCTION MILESTONES

**SDG №1: End poverty in all its forms everywhere.**

**Task 1.2:** By 2030, reduce the proportion of men, women and children of all ages living in poverty in all its dimensions, as measured by national definitions, by at least half.

## MONETARY POVERTY RATE

**11** %  
2023

4 mln people live  
in poverty

POVERTY REDUCTION  
TARGET BY 2030

**2**  
TIMES

STRATEGY OF NEW  
UZBEKISTAN FOR 2022-2030



Facilitating  
job creation



Increasing  
population income

A number of state programs and measures will be taken to achieve the target

SOCIAL PROTECTION  
STRATEGY



POVERTY REDUCTION  
TARGET BY 2030

PROGRESS FOR 2021-2023  
poverty reduction

GOAL BY 2030  
reduce poverty to

17% → 14% → 11% → 5%

2021

2022

2023

2030

# THE SIGNIFICANT CHANGES BETWEEN 2017-2024

Real growth of the average wage

47%

The growth of the ownership of household assets such as

- Air conditioner
- Desktops
- Private Automobile

Access to water on premises



84%

Higher education coverage

9%  
2017 г.



40%

Pre-school education coverage

25%  
2017 г.



70%

Access to 3G and 4G technologies

35%  
2017 г.



98%  
2023 y

Home internet coverage



doubled

89%  
2023 y



# UZBEKISTAN NATIONAL MULTIDIMENSIONAL POVERTY INDEX

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# PILOTING MULTIDIMENSIONAL POVERTY

## MULTIDIMENSIONAL POVERTY DEFINITION

## MULTIDIMENSIONAL POVERTY MEASUREMENT

Y2022

Y2023

**1,500**  
HOUSEHOLDS

**4,515**  
HOUSEHOLDS

**60%** villages / **40%** cities

**53%** cities / **47%** villages



HOUSEHOLD SURVEY

**6,015**  
HOUSEHOLDS

**14** REGIONS

*Stratified two-staged sampling*

### QUESTIONNAIRE MODULES *(not limited)*



Education



Healthcare



Disability



Information



Employment



Nutrition



Social protection



Living standards

# RESULTS OF THE NATIONAL MPI AMONG ADULTS IN UZBEKISTAN



POVERTY CUT-OFF

**34%**

**0.080**

Multidimensional poverty index (MPI)

**18.38%**

Incidence, H  
*(the proportion of multidimensionally poor)*

**43.71%**

Intensity, A  
*(the average proportion of weighted deprivations)*

## BY LOCALITY

RURAL



MPI = 0.103

H = 23.21%

A = 44.38%

URBAN



MPI = 0.059

H = 13.94%

A = 44.67%

## BY GENDER

MALE



MPI = 0.096

H = 21.63%

A = 44.23%

FEMALE



MPI = 0.065

H = 15.20%

A = 42.98%

THANK YOU FOR ATTENTION!