

## ***0.a. Goal***

1. End poverty in all its forms everywhere

## ***0.b. Target***

1.2: By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

## ***0.c. Indicator***

1.2.1: Proportion of population living below the national poverty line, by sex and age

## ***0.e. Metadata update***

October 2020

## ***1.a. Organisation***

National Institute of Statistics (NIS)/ General Directorate of Ministry of Planning, Ministry of Planning

## ***1.b. Contact person(s)***

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## ***1.c. Contact organisation unit***

General Directorate of Planning, Ministry of Planning/Department of Economic Statistics, NIS

## ***1.d. Contact person function***

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## ***2.a. Definition and concepts***

The national poverty rate is the percentage of the total population living below the national poverty line. The rural poverty rate is the percentage of the rural population living below the national poverty line. Urban poverty rate is the percentage of the urban population living below the national poverty line.

## ***2.b. Unit of measure***

Percent (%)

## ***3.a. Data sources***

Cambodia Socio-Economic Survey (CSES)

## ***3.b. Data collection method***

CSES is conducted by NIS since 1993. The survey provides a comprehensive set of indicators on living conditions in Cambodia, covering main socio-economic areas such as housing conditions, health, education, labor force, economic activities, victimization, vulnerability and others. The survey questionnaire was asked for the household and for the household members. The CSES is conducted annually from 2007 to 2017. The sample size was determined for annual CSES is about 3,600 households. Every 5 years it is conducted with a big sample size is about 12,000 households. The last four big sample surveys were conducted in 2004, 2009, 2014 and 2019. From 2019 onwards the survey will be conducted biannually (every two years).

Since the CSES 2004, the diary method for collecting data on household expenditure/consumption and household income was introduced. As the recall method has been used in the previous rounds it was also decided to include in the recall modules. Thus, both methods are retained. The data collection was carried out throughout the whole calendar year, started from January to December. Face-to-face interview using the questionnaire was done and about 15 households per village were selected.

The detailed documentations of the survey, such as questionnaire, filed operation annual and technical report on survey design and implementation are stored in NADA (National Data Archive), NIS website: <http://nada.nis.gov.kh/index.php/home>

## ***3.c. Data collection calendar***

The next round survey: Quater1, 2021

## ***3.d. Data release calendar***

One year after the reference period of the survey

### ***3.e. Data providers***

National Institute of Statistics

### ***3.f. Data compilers***

National Working Group on Poverty Measurement, Ministry of Planning and Ministry of Economy and Finance, NIS

### ***3.g. Institutional mandate***

By virtue of the article 12 of Statistics Law, NIS is responsible for:

- Collecting, processing, compiling, analyzing, publishing and disseminating basic data by conducting censuses and surveys, and utilizing administrative data sources;
- Compiling national accounts and price indexes, as well as economic, environment and socio-demographic indicators;
- Coordination with line ministries as data producers as mandated by the Statistics Law; and
- Functioning as the central repository of SDG indicators.

## ***4.a. Rationale***

Monitoring national poverty is important for government development agenda, especially for monitoring the progress of National Strategic Development Plan and Royal Government Rectangular Strategy. National poverty lines are used to make more accurate estimates of poverty consistent with the country's specific economic and social circumstances, and are not intended for international comparisons of poverty rates.

Poverty is a multidimensional concept: The concept of poverty is applied to situations at both individual (or household) and country levels. From both these perspectives, poverty is a multidimensional approach. At the country level poverty is linked to the capacity of the economy to provide a central administration with sufficient resources to develop infrastructures, organize public services and implement development programs. Key economic factors that determine this capacity include: the level of economic activity, the state of the international market, and the currently exchange rate. While the first of these three factors can be directly affected by policy at national level, the latter two are closely related to the global economic context. In addition, social factors are also key determinants of the capacity of the economy to provide adequate resources to the central administration.

## ***4.b. Comment and limitations***

Comparisons of the results from the 2007 CSES with previous surveys in 1993/94, 1996, 1997 and 1999, are not recommended due to differences in the survey design. Fieldwork from the last five surveys (2004, 2007, 2008, 2009 and 2010) covered 15 months, and results can be reported for both 12 month (calendar year) and 15 month periods.

The weights used in the reports from CSES 2004, are adjusted by using the preliminary population projections which give over estimated population counts. The weights in CSES 2007 are adjusted by using the preliminary result from 2008 Population Census. Some provinces were excluded, due to cost and other reasons, in the sample for 2007. The estimates are however, adjusted for the under coverage error caused by excluding those provinces. A recalculation of the weights in CSES 2004 has been

made for the coming analyses to obtain higher comparability between CSES 2004, and the surveys conducted from 2007 and onwards.

#### **4.c. Method of computation**

The consumption level that separates the poor from the rest of the population is called the poverty line. The first step in calculating a consumption-based index to assess a level of consumption below which an individual will be defined as poor: the so-called poverty line. It is well known that if consumption is divided into two categories, food consumption and non-food consumption, the poorer people are, the higher the proportion of their overall consumption that is accounted for by food consumption. In determining consumption levels that can be used to separate the poor from the non-poor, food consumption is the most significant measure. Thus a food poverty line (a minimum level of food consumption) is first calculated. A non-food minimum allowance is then calculated and added to the food poverty line to provide the total poverty line.

Once a poverty line has been set, a number of summary statistics describing the incidence, depth and severity of poverty may be calculated. These include the headcount index (which measures the incidence of poverty), the poverty gap (which measures the depth of poverty) and the squared poverty gap (which measures the severity of poverty). Foster, Greer and Thorbecke (1984) show that these three poverty measures may all be calculated using the following formula:

$$P_{\alpha} = \frac{1}{N} \sum_{i=1}^M \left( \frac{z - y_i}{z} \right)^{\alpha}, \text{ where } \alpha \geq 0$$

Where:

- $y_i$  is the average real spending of the household member  $i$  (here per capita expenditure for person  $i$ )
- $z$  is the poverty line, FPL(food Poverty Line) or OPL
- $N$  is the number of people in the sample population (all household members in adult equivalents)
- $M$  is the number of poor people (all household members in adult equivalents below the poverty line) and

$\alpha$  can be interpreted as a measure of inequality aversion or coefficient reflecting different degrees of importance, which a government might accord to the depth or severity of poverty.

#### **4.i. Quality management**

The NIS decided to use statistical methods (calibration) to achieve better comparability between the different rounds of the CSES surveys by adjusting the samples to the population size and structure that was established by the national population census carried out in 2008. To mirror the rapid changes in the population, it proved necessary to project the population forwards to 2017 and backwards to 1993, taking into account fertility, mortality and internal migration rates

### **5. Data availability and disaggregation**

The CSES is conducted by the NIS first time in 1993, followed by in 1996, 1997, 1999, 2004, and conducted annually from 2007-2017. The CSES was conducted biannually (every two years) started from 2019 onwards.

Data are available by region (urban/rural) and by geographic location (Phnom Penh).

## ***7. References and Documentation***

Poverty Alleviation in Cambodia, Ministry of Planning: