

POVERTY DATUM LINES - AUGUST 2024

Food Poverty Line

The Food Poverty Line (FPL) for one person in August 2024 was ZiG405.43.

This means that the minimum needs basket cost that much per person in August 2024.

Food Poverty Line represents the amount of money that an individual requires to afford daily minimum energy intake of 2,100 calories.

Total Consumption Poverty Line

The Total Consumption Poverty Line (TCPL) for one person was ZiG 631.86 in August 2024.

This means that an individual required that much to purchase both non-food and food items as at August 2024 in order not to be deemed poor.

The TCPL represents the minimum total income needed for an individual) not to be deemed poor.

Concepts and Definitions of the Lower Bound Poverty Line

Since November 2020, ZIMSTAT produces the Poverty Datum Lines (PDL) using the lower-bound poverty line. The method refers to the sum of food poverty line and the average amount derived from non-food items of individuals whose total expenditure is equal to the food poverty line.

The total consumption poverty line (TCPL), which is naturally higher than the FPL, was derived using 2017 PICES data and using the lower-bound poverty line method. It was derived by computing the non-food consumption expenditures of individuals deemed to be poor, and whose consumption expenditures were just equal to the FPL. The amount was added to the FPL. If an individual does not consume more than the TCPL, he or she is deemed poor. For more details, the user is referred to the publication by ZIMSTAT, Zimbabwe Poverty Update 2017-19.

NOTE:

- ZIMSTAT produces the official Poverty Datum Lines which are not comparable to cost of living indicators produced by other players in the market.
- The poverty datum lines vary by province as prices vary from place to place. The differences are explained by differences in average prices in the provinces.
- The quantities of commodities consumed at base year in the minimum needs basket which is consistent with the preferences of the poor individuals in Zimbabwe are fixed. The variations in the value of the basket are explained by changes in average prices.

Contact us:

Tel :+263 242 706681/7 E-mail : <u>prices@zimstat.co.zw</u>