**Abstract**

**RS-123**

Title: «The information and analytical support of implementation in 13 regions of pilot projects aimed at achieving by 2024 the national development goals: increase of population real income and two-times poverty reduction»

Head of the Project: Pishnyak Alina Igorevna

Department/Institute: Institute for Social Police

**The object of the study** is Russian population.

1. **Goal of research:** analysis of implementation in 13 regions of pilot projects aimed at achieving by 2024 the national development goals: increase of population real income and two-times poverty reduction.
2. **Methodology:** analysis of legal framework for evaluation of budget social expenditures in Russian regions and changes made in regional budgets during the pandemic period; analysis of legal framework, that is aimed at achievement of poverty reduction national goal; dynamic analysis of changes in providing social support based on social contract in 2017-2019 years to evaluate its efficiency; quantitative data analysis and micromodelling procedures to evaluate the effects of changes in the methodology of poverty level assessment and implementation of social support measures.
3. **Empirical base of research:** budget reporting of Russian Ministry of Finance and Federal Treasury for 2008-2019; annual regional reporting by form N1-social contract by Federal State Statistic Service provided by Ministry of Labor and Social Protection; legal framework that define the volume of money transfer from federal budget to regional ones; operational data of Federal State Statistic Service; open data of Bank of Russia; open data of organizations conducting public-opinion surveys (FOM, VCIOM, Levada-center[[1]](#footnote-1)); open source data concerning population and business support in different countries during pandemic period; open source data concerning social support in Russian regions (legislative acts, web-sites of local governments, publications in local media); the data of Statistical Survey of Income and Participation in Social Programs (VNDN) conducted in 2017-2018.
4. **Results of the research**: The study contains the results of complex evaluation of the abilities to achieve the goals of poverty reduction and real income growth. The analysis of the system of social expenditures in Russian regions demonstrates the existence of different approaches to definition and coding in budget classification framework. Budget analysis shows that since 2011 to 2019 budget expenditures became more socially oriented, and the differentiation in per capita budget social expenditures among regions reduced, but the equalization was negative.

Working with data, that show the regional achievements in poverty reduction shows that in most regions the tendencies in 2013-2019 were very similar to Russia in general. An unequal position of different regions by the level of well-being of population root in cost of living, income level and its unequal distribution. This makes evident the necessity of development of not only universal but also specific regional instruments to fight the poverty.

The changes in the methodology of poverty level evaluation can also be a factor of poverty reduction. The influence of relative poverty line and scales of equivalence usage on poverty level was assessed in the study. The notion of “anchored poverty” was also considered. In accordance with the calculations the current poverty indicators are close to figures that can be obtained in case of setting relative poverty line at 50% of median income.

Assessing the impact of COVID-19 on well-being of the population the evaluation of income, spending and consumption of households in the first half-year of 2020 was performed. Under lockdown conditions the dynamic of wages significantly differed by the sectors of economy. The most affected areas experienced the considerable drop of wages, but there are still the sectors that show the increase of income (like medicine and social services). The tendencies in the income structure that established in several last years (the increase of labor income and social benefits contribution to total monetary income) were strengthened due to implementation of pandemic social support measures. At the same time the role of entrepreneurial income significantly decreased: by the end of first half of 2020 its share was 3,5%, that means two-times reduction compared to previous year. The data in general shows the drop of real disposable income of population and – at the same time – the existence of positive expectations from the future. In spite of income decrease, the poverty level in the first half of 2020 didn’t change significantly in comparison with similar period of previous year (19,4% vs 19,8%).

When assessing the effects of social support, the review of the support measures proposed in different countries for population and business was prepared. The core directions of social support during the COVID-19 pandemics were rather similar:

* Business support,
* Measures oriented towards labor market,
* Support for population using the instruments of social security,
* Support for population not based on social security.

In Russia the set of solutions for different categories of population was proposed, as well as some measures for the number of organizations. The main channel of federal support was related neither to labor market nor to workplaces. The priority was given to support for families with children.

The more detailed analysis of social support measures shows that there were three period of social support development. In March-April and May of 2020 the different measures of social support were implemented but their main focus was on families with children, doctors and unemployed people. In June 2020 the range of support beneficiaries was widened and included, for example, volunteers, workers of socially-oriented NCB and other citizens.

In addition to federal measures some activities at regional level were also performed. All the regions introduced the state of readiness, in some cases there were restrictions on entry into the territory of region and quarantine for those who came into the region. Usually the following regional measures were implemented:

* Support for those who lost labor income,
* Support for families with children,
* Support for those who takes part in distance learning,
* Support for older people and people with chronic illness,
* Support for those who work in the area of social services,
* Support for whose who work in medical sector,
* Support for those who work in social support sector,
* Support for volunteers.

But the prevalence of different measures and the ratio of monetary and organizational measures varies from region to region. In Tula region, the Republic of Karelia, the Republic of Bashkiria, the Yamalo-Nenets Autonomous Okrug the priority was given to direct monetary measures, while in Moscow, the Republic of Sakha (Yakutia), Khanty-Mansi Autonomous Okrug, Ryazan, Rostov and Samara region the indirect monetary measures prevailed.

To evaluate the influence of pandemics and proposed measures on the well-being of population the micro-modelling procedures on VNDN-2017 data were used. The calculations included social support measures introduced at federal level and increase in unemployment benefits. The analysis shows that due to lockdown the poverty level achieved 19,6% in case of moderate scenario and 18,6% in case of optimistic scenario. While the social support measures could reduce the share of poor to 15,9%.

1. **Level of implementation, recommendations on implementation or outcomes of the implementation of the results:** some results of the study were used in the preparation of analytical notes and expert opinions in 2020. The results of this work can be used to advise public authorities how to fight with poverty and to develop the methodology for further studies of poverty in contemporary Russia.

1. a legal entity recognized as performing the functions of a foreign agent [↑](#footnote-ref-1)