

The latest official poverty rates for Haiti are from 2012. Political uncertainty and extreme weather events since 2012 have inevitably affected welfare in the country. This brief highlights the importance of having updated nationally representative data to estimate key welfare indicators and poverty rates throughout the country.

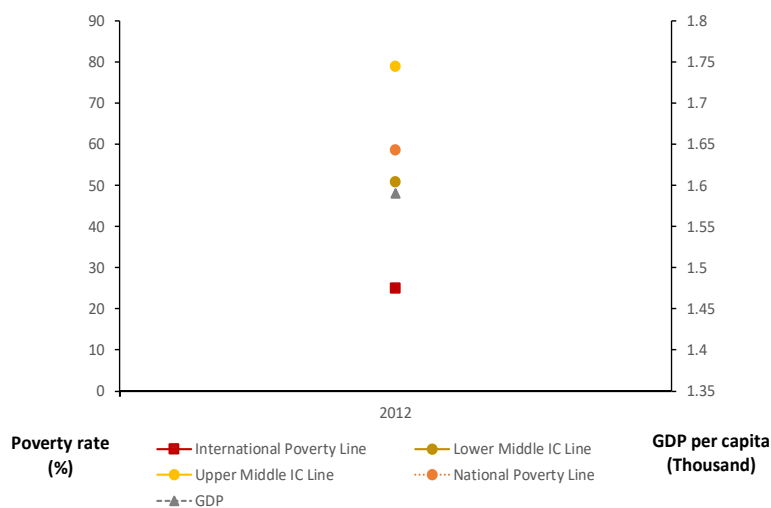
In the absence of recent nationally representative official data, poverty was recently estimated through a Survey of Well-being via Instant and Frequent Tracking (SWIFT) methodology. The data obtained through the SWIFT suggests there were positive changes in poverty reduction between 2012 and 2017; but they were only marginal. The predicted poverty rate is 57 percent in 2017 against 58.5 percent according to the official rate in 2012. However, the SWIFT-based prediction is based on changes in the characteristics of the population such as labor outcomes, while poverty may have further changed if the economic environment was deteriorated in other areas. It is thus ever worrying the observed evolution of the macroeconomic indicators: with an estimated per capita growth rate of under 1 percent in 2018, the forecast for 2019 is of negative growth, and the inflation rate around 15 percent. This contraction in GDP growth rate is likely a result from violent protests in early 2019, which limited economic development and negatively affected poverty reduction.

The reliance of a large share of the population on agriculture increases the vulnerability of rural-poor households. Natural disasters such as droughts and hurricanes have a direct negative impact on the livelihood of agricultural households. For instance, the agriculture sector was heavily affected by the destruction of hurricane Mathew in 2016 and various localized droughts experienced throughout the country in the spring of 2018. These natural events have had a heavy toll on food security and have affected the government's ability to guarantee the provision of basic services. Other contextual factors, such as rapid inflation and currency devaluation, have also contributed to limiting poor people's access to goods and services. Finally, the lack of social assistance programs in Haiti leave poor households largely unprotected. Inequality remains high in Haiti, where the richest 20 percent of households in the income distribution hold more than 64 percent of the total income of the country. In contrast, the bottom 20 percent of households in the income distribution hold 1 percent of the total income in the country.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	6.0	58.5	2012
International Poverty Line 42.8 in Haitian gourde (2012) or US\$1.90 (2011 PPP) per day per capita	2.6	25.0	2012
Lower Middle Income Class Poverty Line 72.1 in Haitian gourde (2012) or US\$3.20 (2011 PPP) per day per capita	5.2	50.8	2012
Upper Middle Income Class Poverty Line 124 in Haitian gourde (2012) or US\$5.50 (2011 PPP) per day per capita	8.1	78.9	2012
Multidimensional Poverty Measure		44.6	2012
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		41.1	2012
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth		-0.2	2007-2012
Annualized Consumption Growth per capita from Household Survey		N/A	N/A
MEDIAN INCOME			
Growth of the annual median income		N/A	N/A

Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of September 2019, and Global Monitoring Database for the rest.

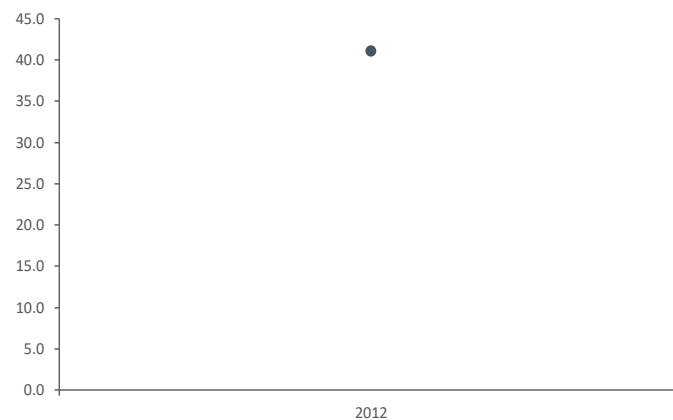
POVERTY HEADCOUNT RATE, 2012



Source: World Bank using ECVMAS/SEDLAC/GMD

INEQUALITY TRENDS, 2012

Gini Index



Source: World Bank using ECVMAS/SEDLAC/GMD

KEY INDICATORS

Distribution among groups: 2012	International Poverty Line (%)		Relative group (%)		Multidimensional Poverty Measures (% of people): 2012
	Non-Poor	Poor	Bottom 40	Top 60	
Urban population	91	9	20	80	Monetary poverty (Consumption)
Rural population	61	39	58	42	Daily Consumption or income is less than US\$1.90 per person
Males	74	26	41	59	Education
Females	76	24	39	61	At least one school-age child is not enrolled in school
0 to 14 years old	69	31	48	52	No adult in the household has completed primary education
15 to 64 years old	78	22	35	65	Access to basic infrastructure
65 and older	77	23	39	61	No access to limited-standard drinking water
Without education (16+)	64	36	53	47	No access to limited-standard sanitation
Primary education (16+)	74	26	41	59	No access to electricity
Secondary education (16+)	86	14	26	74	
Tertiary/post-secondary education (16+)	98	N/A*	N/A*	94	

Source: World Bank using ECVMAS/SEDLAC/GMD

Source: World Bank using ECVMAS/SEDLAC/GMD

Notes: N/A missing value, N/A* value removed due to less than 30 observations

POVERTY DATA AND METHODOLOGY

Poverty in Haiti is estimated with per capita expenditure as the welfare aggregate. Per capita expenditure is estimated using the "cost-of-basic needs" methodology including both food and non-food expenditures. The poverty line reflects a minimum threshold of 2,400 cal per person per day, including 26 food products. The official poverty line is 12 percent higher than the \$3.20 international poverty line while the national extreme poverty line is 3 percent lower than the \$1.90 PPP international poverty lines. Official poverty numbers are reported for 2012. Recent poverty data required to estimate trends in poverty and inequality and to measure shared prosperity are not available.

HARMONIZATION

The numbers presented in the brief are based on the regional data harmonization effort known as the Socio-economic Database for Latin America and the Caribbean (SEDLAC) - a joint effort of the World Bank and CEDLAS from the National University of La Plata (Argentina). SEDLAC includes 18 countries and more than 300 household surveys since the 80s. Several Caribbean countries have not been included in the SEDLAC project due to lack of data. Since an income-based welfare aggregate is widely used in the region for official poverty estimates, income-based microdata is used for the Global Monitoring Database (GMD) and Global Poverty Monitoring. SEDLAC covers demographics, income, employment, and education. Terms of use of the data adhere to agreements with the original data producers.