Middle East and North Africa



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The most recent official national extreme poverty rate was 21.1 percent in 2017, with the regions showing rates more than twice as high (45.0 percent) and Djibouti city a lower rate (13.6 percent). The extreme poverty rate in the rural areas of Djibouti is very high at 62.6 percent. Using the international poverty line of \$1.90 a day, the percentage of the population living below the line is 17.1 percent in 2017. Using the lower middle-income poverty line, it is found that about two-fifths of the population lives below \$3.20 a day. As the pace of economic growth declines due to the spread of COVID-19, the pace of poverty reduction is under threat. In addition to monetary poverty, if we include other two dimensions of well-being (education and access to basic services), we find that 28.6 percent of the Djiboutian population lives in a multidimensionally deprived household. The low human capital accumulation among adults and high open defecation rates in Djibouti highlight the need to establish a multipronged strategy to improve well-being in the country.

Inequality in Djibouti is high, and among the highest in the region. According to official estimates, the Consumption Gini index in 2017 was 41.6. These indicators of poverty and inequality in 2017 have been published in a report on the website of the Djibouti's Statistics office and have been calculated using data from a nationally representative multi-topic household consumption survey completed in December 2017 (EDAM-IS 2017). Data from this survey was published in the public domain in 2019. In addition, the welfare and poverty monitoring system are expected to be strengthened significantly under the National Strategy for Development of Statistics 2018-2022 and a new statistical strengthening project that is currently under preparation.

| POVERTY | Number of Poor (thousand) | Rate (%) | Period |
|---|------------------------------|-------------|--------|
| National Poverty Line | 201.9 | 21.1 | 2017 |
| International Poverty Line 213.4 in Djibouti franc (2017) or US\$1.90 (2011 PPP) per day per capita | 161.7 | 17.1 | 2017 |
| Lower Middle Income Class Poverty Line 359.4 in Djibouti franc (2017) or US\$3.20 (2011 PPP) per day per capita | 379.3 | 40.2 | 2017 |
| Upper Middle Income Class Poverty Line 617.7 in Djibouti franc (2017) or US\$5.50 (2011 PPP) per day per capita | 666.5 | 70.6 | 2017 |
| Multidimentional Poverty Measure | | 28.6 | 2017 |
| SHARED PROSPERITY | | | |
| Annualized Income or Consumption Growth per capita of the bottom 40 percent | | N/A | N/A |
| INEQUALITY | | | |
| Gini Index | | 41.6 | 2017 |
| Shared Prosperity Premium = Growth of the bottom 40 - Average Growth | | N/A | N/A |
| GROWTH | | | |
| Annualized GDP per capita growth | | N/A | N/A |
| Annualized Income or Consumption Growth per capita from Household Survey | | N/A | N/A |
| | | | |
| Growth of the annual median income/consumption per capita | | N/A | N/A |
| Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of Feburary 2020, and Global Monito | ring Database for the res | t. | |



Poverty Economist: Vibhuti Mendiratta

POVERTY HEADCOUNT RATE, 2012-2017



INEQUALITY TRENDS, 2012-2017



Source: World Bank using EDAM/MNAPOV/GMD

Source: World Bank using EDAM/MNAPOV/GMD

KEY INDICATORS

| Distribution among grouns: 2017 | International Pove | Relative group (%) | | Multidimensional Deverty Measures (% of people): | 2017 | |
|--|--------------------|--------------------|-----------|--|--|------|
| Distribution aniong groups. 2017 | Non-Poor | Poor | Bottom 40 | Тор 60 | Muttulmensional Poverty Measures (% of people): | 2017 |
| Urban population | 90 | 10 | 32 | 68 | Monetary poverty (Consumption) | |
| Rural population | 42 | 58 | 83 | 17 | Daily consumption less than US\$1.90 per person | 17.2 |
| Males | 83 | 17 | 40 | 60 | Education | |
| Females | 83 | 17 | 40 | 60 | At least one school-aged child is not enrolled in school | 18.0 |
| 0 to 14 years old | 79 | 21 | 46 | 54 | No adult has completed primary education | 30.1 |
| 15 to 64 years old | 85 | 15 | 37 | 63 | Access to basic infrastructure | |
| 65 and older | N/A* | N/A* | N/A* | N/A* | No access to limited-standard drinking water | 7.1 |
| Without education (16+) | 77 | 23 | 48 | 52 | No access to limited-standard sanitation | 45.4 |
| Primary education (16+) | 88 | 12 | 34 | 66 | No access to electricity | 39.8 |
| Secondary education (16+) | 93 | 7 | 28 | 72 | | |
| Tertiary/post-secondary education (16+ |) 99 | N/A* | 12 | 88 | | |

Source: World Bank using EDAM/MNAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The national poverty measurement methodology is defined by the National Institute of Statistics (INSD) and is based on a consumption expenditure measure. The minimum caloric needs are set at 2,115 per adult, while the poverty line is defined using a per adult equivalent scale. The reference basket for the definition of the poverty line was obtained from the EDAM-IS 2017. The welfare aggregate includes expenditures on food, food away from home, education, health, water and electricity, and purchases of other non-food items. To better capture well-being derived from durable goods, the flow of services provided by the good during the reference period was calculated. Finally, a hedonic model was defined at the regional level to estimate the rental value of the dwellings. Significant changes to the survey instrument and the methodology to measure poverty in 2017 limit the comparability of welfare with previous rounds of 2002, 2012 and 2013.

The International methodology refers to the recent definition of three poverty lines. The international poverty line or IPL is used to monitor extreme poverty globally and is defined as consumption (or income) less than US\$1.90 a day in 2011 purchasing power parity (PPP) and two higher lines more suitable for lower middle-income and upper middle-income countries are defined as consumption (or income) less than US\$3.20 and US\$5.50 a day in 2011 purchasing power parity (PPP) respectively.

HARMONIZATION

The numbers presented in this brief are based on the MNAPOV database. MNAPOV is a new data collection effort enacted in 2014, and managed by MNATSD. It covers 36 surveys from 11 countries. Two data points (surveys) are available for each country, except Algeria. The database is organized in 3 modules following the Global Monitoring Database (GMD) Harmonization guidelines, including the welfare aggregate which is used for Global Poverty Monitoring. Terms of use of the data adhere to agreements with the original data producers.



Middle East & North Africa Djibouti

Poverty & Equity Brief Middle East & North Africa Arab Republic of Egypt

Like many countries in the MENA region, only about 3.2 percent of Egyptians live on less than the international poverty line of US\$1.90 (2011 PPP US\$) per day; and only 4.1 percent of Egyptians are considered multidimensionally poor when using the dimensions considered by the World Bank for international comparisons. The low shares of international and multidimensional poverty reflect Egypt's strong performance relative to other countries on dimensions such as consumption, schooling, and access to basic utilities.

A much higher share of the population lives on less than US\$3.20 per day, a poverty line used by the World Bank as a benchmark for lower middle income countries. In 2017-18, the poverty rate at US\$3.20 was estimated to be 26.1 percent, up from 16.1 percent in 2015. The national poverty estimates, calculated using a new poverty line set each survey year, also show a worsening trend. These poverty lines can be considered to be relative poverty lines with the real value of the lines changing over time to reflect the most recent consumption patterns of the population. The share of the poor measured using the national poverty lines rose from 25.2 percent in 2010 to 32.5 in 2017-18. In 2017-18, the average official poverty line was 736 EGP per capita per month or approximately USD \$3.80 per day (2011 PPP US\$). The increase in poverty rates was not unexpected given the high inflation in that period. The COVID-19 outbreak containment measures could affect future poverty reduction prospects working through the labor market , food prices, and remittances channels. Future poverty trends will depend upon subsequent policy responses. The expansion of targeted cash transfer programs, Takaful and Karama, and increases in the food subsidy allowance can help contain the increase in poverty and loss in real incomes. The Gini index, measuring inequality in distribution of per capita consumption, was 31.5 in 2017-18 and this value has barely changed since 2010, other than a dip in 2012. Based on international comparisons, a Gini index of 31.5 suggests inequality is low in Egypt (estimates of Gini index are based on published household survey data). However, measures of inequality that are not based on consumption surveys show inequality to be higher (e.g., Alvaredo et al., 2018).

| POVERTY | Number of Poor (million) | Rate (%) | Period | | | | |
|--|-----------------------------|-------------|-----------|--|--|--|--|
| National Poverty Line | 31.3 | 32.5 | 2017 | | | | |
| International Poverty Line 12.3 in Egyptian pound (2017) or US\$1.90 (2011 PPP) per day per capita | 3.1 | 3.2 | 2017 | | | | |
| Lower Middle Income Class Poverty Line 20.7 in Egyptian pound (2017) or US\$3.20 (2011 PPP) per day per capita | 25.2 | 26.1 | 2017 | | | | |
| Upper Middle Income Class Poverty Line 35.5 in Egyptian pound (2017) or US\$5.50 (2011 PPP) per day per capita | 67.9 | 70.4 | 2017 | | | | |
| Multidimentional Poverty Measure | | 4.1 | 2017 | | | | |
| SHARED PROSPERITY | | | | | | | |
| Annualized Consumption Growth per capita of the bottom 40 percent | | -2.51 | 2012-2017 | | | | |
| INEQUALITY | | | | | | | |
| Gini Index | | 31.5 | 2017 | | | | |
| Shared Prosperity Premium = Growth of the bottom 40 - Average Growth | | -1.37 | 2012-2017 | | | | |
| GROWTH | | | | | | | |
| Annualized GDP per capita growth | | 1.35 | 2012-2017 | | | | |
| Annualized Consumption Growth per capita from Household Survey | | -1.14 | 2012-2017 | | | | |
| MEDIAN INCOME | | | | | | | |
| Growth of the annual median income/consumption per capita | | -1.85 | 2012-2017 | | | | |
| Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of Feburary 2020, and Global Monitoring Database for the rest. | | | | | | | |

POVERTY HEADCOUNT RATE, 2004-2017



INEQUALITY TRENDS, 2004-2017



Source: World Bank using HIECS/MNAPOV/GMD

Source: World Bank using HIECS/MNAPOV/GMD

KEY INDICATORS

| Distribution among ground: 2017 | Lower Middle Inco | Relative group (%) | | Multidimensional Deverty Measures (% of needle). | 2017 | |
|--|-------------------|--------------------|-----------|--|--|------|
| Distribution aniong groups. 2017 | Non-Poor Poor | | Bottom 40 | Top 60 | Muttalmensional Poverty Measures (% of people): | 2017 |
| Urban population | 80 | 20 | 31 | 69 | Monetary poverty (Consumption) | |
| Rural population | 69 | 31 | 47 | 53 | Daily consumption less than US\$1.90 per person | 3.2 |
| Males | 75 | 25 | 40 | 60 | Education | |
| Females | 73 | 27 | 40 | 60 | At least one school-aged child is not enrolled in school | 4.2 |
| 0 to 14 years old | 63 | 37 | 54 | 46 | No adult has completed primary education | 10.6 |
| 15 to 64 years old | 78 | 22 | 35 | 65 | Access to basic infrastructure | |
| 65 and older | 88 | 12 | 19 | 81 | No access to limited-standard drinking water | 0.8 |
| Without education (16+) | 71 | 29 | 42 | 58 | No access to limited-standard sanitation | 3.2 |
| Primary education (16+) | 76 | 24 | 38 | 62 | No access to electricity | 0.5 |
| Secondary education (16+) | 77 | 23 | 37 | 63 | | |
| Tertiary/post-secondary education (16+ |) 92 | 8 | 16 | 84 | | |

Source: World Bank using HIECS/MNAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

Poverty and inequality estimates in Egypt are produced by the Central Agency for Public Mobilization and Statistics (CAPMAS). CAPMAS collects a nationally representative household survey (HIECS) on average every two years and publishes national and regional poverty rates after each survey round. In 2015, the welfare aggregate estimation, based on a consumption measure, included the following expenditure groups: food, dwelling-related expenditures, education, health, general services, food away from home, a rental value as proxy for housing services, purchases of durable goods, transportation, and communications, and purchases of other non-durable goods. The welfare aggregate is not temporally deflated. The official poverty measure is based on a household-specific poverty line that takes into account two key things: (1) the household composition and thus the household-specific caloric requirements; and (2) the regional variation in cost/calorie and non-food allowance. This methodology leads to several thousand poverty lines. The methodology to measure welfare changed starting in 2015, and caution should be used when comparing official estimates with pre-2015 indicators. The newest HIECS was conducted between October 2017 and October 2018.

HARMONIZATION

The numbers presented in this brief are based on the MNAPOV database. MNAPOV is a new data collection effort enacted in 2014, and managed by MNATSD. It covers 36 surveys from 11 countries. Two data points (surveys) are available for each country, except Algeria. The database is organized in 3 modules following the Global Monitoring Database (GMD) Harmonization guidelines, including the welfare aggregate which is used for Global Poverty Monitoring. Terms of use of the data adhere to agreements with the original data producers.



WORLD BANK GROUP

Middle East & North Africa Arab Republic of Egypt

Poverty & Equity Brief Middle East & North Africa

There is no established official poverty line for Iran so poverty in this brief is measured using international poverty lines expressed in US dollars at the 2011 PPP. Using the upper middle-income class line of \$5.50, poverty fell in Iran between 2009 and 2013 by 5 percentage points to about 8 percent, before increasing to 10.9 percent in 2017. When access to education and basic infrastructure are considered in addition to having daily consumption less than US\$1.90 per person, multidimensional poverty in Iran remained lower than 1 percent in 2017.

National numbers hide stark urban/rural differences in poverty incidence, with much higher rural poverty headcount rates of about 27 percent, compared to about 6 percent in urban areas in 2017. Inequality, measured by the expenditure per capita Gini index, fell sharply between 2009-2013 from 42.0 points to 37.4 points and increased afterwards to 40.8 points in 2017.

Iran could not sustain positive growth in per capita expenditure for the bottom 40 percent of the population during 2014-2017 despite experiencing positive economic growth. In fact the bottom 40 percent experienced a negative growth rate of 0.13 percent over this period, while on average consumption increased by about 1.9 percent. This outcome is due to the erosion in real terms of the universal cash transfers distributed to compensate for increasing energy prices after the subsidy reforms. Cash transfers were instrumental to reducing poverty during 2009-2013, but because of high inflation, the real value of benefits diminished. Given the much larger share of transfers in the budget of poor households, negative impact from falling transfer for them was stronger than the slight poverty reduction effects coming from the labor market.

In 2020 due to the Corona virus crisis, increased gasoline prices in 2019 and economic downturn poverty is expected to increase, but the overall magnitude will depend on subsequent policy responses.

| POVERTY | Number of Poor (thousand) | Rate (%) | Period |
|---|------------------------------|-------------|-----------|
| National Poverty Line | N/A | N/A | N/A |
| International Poverty Line 25829.8 in Iranian rial (2017) or US\$1.90 (2011 PPP) per day per capita | 206.6 | 0.3 | 2017 |
| Lower Middle Income Class Poverty Line 43502.8 in Iranian rial (2017) or US\$3.20 (2011 PPP) per day per capita | 1,851.7 | 2.3 | 2017 |
| Upper Middle Income Class Poverty Line 74770.5 in Iranian rial (2017) or US\$5.50 (2011 PPP) per day per capita | 8,798.0 | 10.9 | 2017 |
| Multidimentional Poverty Measure | | 0.4 | 2017 |
| SHARED PROSPERITY | | | |
| Annualized Consumption Growth per capita of the bottom 40 percent | | -0.13 | 2014-2017 |
| INEQUALITY | | | |
| Gini Index | | 40.8 | 2017 |
| Shared Prosperity Premium = Growth of the bottom 40 - Average Growth | | -2.01 | 2014-2017 |
| GROWTH | | | |
| Annualized GDP per capita growth | | 3.69 | 2014-2017 |
| Annualized Consumption Growth per capita from Household Survey | | 1.89 | 2014-2017 |
| MEDIAN INCOME | | | |
| Growth of the annual median income/consumption per capita | | 0.95 | 2014-2017 |
| Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of Feburary 2020, and Global Monito | ring Database for the res | st. | |



POVERTY HEADCOUNT RATE, 2005-2017



INEQUALITY TRENDS, 2005-2017



Source: World Bank using HEIS/MNAPOV/GMD

Source: World Bank using HEIS/MNAPOV/GMD

KEY INDICATORS

| Distribution or one groups: 2017 | Upper Middle Inco | Relative group (%) | | Multidimensional Devents Massures (9/ of poor la). | 2017 | |
|--|-------------------|--------------------|-----------|--|--|------|
| Distribution among groups: 2017 | Non-Poor | Poor | Bottom 40 | Top 60 | Multidimensional Poverty Measures (% of people): | 2017 |
| Urban population | 95 | 5 | 30 | 70 | Monetary poverty (Consumption) | |
| Rural population | 73 | 27 | 69 | 31 | Daily consumption less than US\$1.90 per person | 0.3 |
| Males | 89 | 11 | 40 | 60 | Education | |
| Females | 89 | 11 | 40 | 60 | At least one school-aged child is not enrolled in school | 1.0 |
| 0 to 14 years old | 84 | 16 | 51 | 49 | No adult has completed primary education | 4.4 |
| 15 to 64 years old | 91 | 9 | 37 | 63 | Access to basic infrastructure | |
| 65 and older | 91 | 9 | 34 | 66 | No access to limited-standard drinking water | 1.6 |
| Without education (16+) | 82 | 18 | 55 | 45 | No access to limited-standard sanitation | 2.0 |
| Primary education (16+) | 87 | 13 | 48 | 52 | No access to electricity | 0.0 |
| Secondary education (16+) | 93 | 7 | 34 | 66 | | |
| Tertiary/post-secondary education (16+ |) 98 | 2 | 15 | 85 | | |

Source: World Bank using HEIS/MNAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

There are no publicly available official poverty estimates for the Islamic Republic of Iran. The Household Expenditure and Income Survey (HEIS) has been conducted annually by the Statistical Center of Iran (SCI) since 1963 in rural areas and 1968 in urban areas. The unit record data from 1984 onwards are publicly available in Farsi. The survey is nationally representative and two-stage stratified across urban/rural areas of provinces. HEIS includes demographic and income information but its focus is on expenditure. The surveys collect expenditure information on more than 1,000 items. The recall period of expenditures for most items is the last month. For durables, certain education expenses, insurance expenditures, investment in housing and farms, and income components, the recall period is the last 12 months. As in most surveys of such type, income and expenditure data are self-reported. HEIS does not distinguish between how much is spent and how much is consumed and reports only expenditure on a particular item. For items which were not purchased, an estimated value is provided. The welfare aggregate used to report international poverty is based on the official aggregate containing gross expenditures constructed by SCI. It is not spatially deflated.

HARMONIZATION

The numbers presented in this brief are based on the MNAPOV database. MNAPOV is a new data collection effort enacted in 2014, and managed by MNATSD. It covers 36 surveys from 11 countries. Two data points (surveys) are available for each country, except Algeria. The database is organized in 3 modules following the Global Monitoring Database (GMD) Harmonization guidelines, including the welfare aggregate which is used for Global Poverty Monitoring. Terms of use of the data adhere to agreements with the original data producers.



Middle East & North Africa Islamic Republic of Iran

Poverty & Equity Brief

Middle East & North Africa



Violence, conflict, and displacement continues to determine Iraq's trajectory of growth and development. Between 2007 and 2012, when there was a relative Iull in violence and an increase in GDP per capita, the national poverty rate declined from 22.4 to 18.9 percent. Growth in labor income played a prominent role in poverty reduction. There was an increase in per capita consumption of households at all percentiles, and the consumption of the poorest 40 percent of the population grew modestly at 0.5 percent per year. This was overshadowed by an even faster rate of average growth, which means the poorer households were left behind. The shared prosperity premium between 2007 and 2012 was -0.7 percent while the Gini index edged up from 28.6 to 29.5. Multidimensional poverty was 7.3 percent in 2012, driven primarily by enrolment rates (23 percent of households had at least one school-aged child not in school) and lack of access to proper drinking water (10 percent).

The country was hit by two shocks in 2014 – drop in oil prices in the international market and occupation of a large part of the country by Daesh militants. As a result, the poverty rate was estimated to have increased back to the 2007 level in 2014 (22.5 percent). Inequality continued to rise after 2012, with the Gini index estimated to have gone up to 33 in 2014.

The 2017-18 SWIFT survey (not yet reflected in the central World Bank data) shows that labor market outcomes have worsened since 2014, with unemployment rate – falling before the crises – climbing back to 2012 levels, and almost a quarter of the working-age population underutilized (either unemployed or underemployed). Although there are some limitations in direct comparability, the overall poverty rate has declined from 2014 levels to around 20.0 percent on the back of economic growth and improvement in the security situation in 2017-18. Moving forward, the political turnoil and fiscal pressures along with the COVID19 pandemic are likely to worsen the welfare of Iraqis, especially poverty and labor market outcomes.

| POVERTY | Number of Poor (thousand) | Rate (%) | Period | | | | |
|--|------------------------------|-------------|-----------|--|--|--|--|
| National Poverty Line | 6,194.8 | 18.9 | 2012 | | | | |
| International Poverty Line 2022.7 in Iraqi dinar (2012) or US\$1.90 (2011 PPP) per day per capita | 784.5 | 2.5 | 2012 | | | | |
| Lower Middle Income Class Poverty Line 3406.7 in Iraqi dinar (2012) or US\$3.20 (2011 PPP) per day per capita | 5,693.5 | 17.9 | 2012 | | | | |
| Upper Middle Income Class Poverty Line 5855.2 in Iraqi dinar (2012) or US\$5.50 (2011 PPP) per day per capita | 18,286.9 | 57.3 | 2012 | | | | |
| Multidimentional Poverty Measure | | 7.3 | 2012 | | | | |
| SHARED PROSPERITY | | | | | | | |
| Annualized Consumption Growth per capita of the bottom 40 percent | | 0.46 | 2006-2012 | | | | |
| INEQUALITY | | | | | | | |
| Gini Index | | 29.5 | 2012 | | | | |
| Shared Prosperity Premium = Growth of the bottom 40 - Average Growth | | -0.65 | 2006-2012 | | | | |
| GROWTH | | | | | | | |
| Annualized GDP per capita growth | | 4.10 | 2006-2012 | | | | |
| Annualized Consumption Growth per capita from Household Survey | | 1.11 | 2006-2012 | | | | |
| MEDIAN INCOME | | | | | | | |
| Growth of the annual median income/consumption per capita | | 1.06 | 2006-2012 | | | | |
| Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of Feburary 2020, and Global Monitoring Database for the rest. | | | | | | | |



POVERTY HEADCOUNT RATE, 2006-2012



INEQUALITY TRENDS, 2006-2012



Source: World Bank using IHSES/MNAPOV/GMD

Source: World Bank using IHSES/MNAPOV/GMD

KEY INDICATORS

| Distribution among grouns: 2012 | Upper Middle Inco | Relative group (%) | | Multidimensional Deverty Measures (% of needle). | 2012 | |
|--|-------------------|--------------------|-----------|--|--|------|
| Distribution aniong groups. 2012 | Non-Poor | Poor | Bottom 40 | Top 60 | Muttalmensional Poverty Measures (% of people): | 2012 |
| Urban population | 50 | 50 | 33 | 67 | Monetary poverty (Consumption) | |
| Rural population | 28 | 72 | 55 | 45 | Daily consumption less than US\$1.90 per person | 2.5 |
| Males | 43 | 57 | 40 | 60 | Education | |
| Females | 42 | 58 | 40 | 60 | At least one school-aged child is not enrolled in school | 22.7 |
| 0 to 14 years old | 35 | 65 | 47 | 53 | No adult has completed primary education | 13.6 |
| 15 to 64 years old | 47 | 53 | 36 | 64 | Access to basic infrastructure | |
| 65 and older | 57 | 43 | 28 | 72 | No access to limited-standard drinking water | 10.0 |
| Without education (16+) | 37 | 63 | 48 | 52 | No access to limited-standard sanitation | 0.9 |
| Primary education (16+) | 40 | 60 | 41 | 59 | No access to electricity | 0.7 |
| Secondary education (16+) | 57 | 43 | 25 | 75 | | |
| Tertiary/post-secondary education (16+ |) 73 | 27 | 14 | 86 | | |

Source: World Bank using IHSES/MNAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

Poverty in Iraq is measured using the cost of basic needs methodology that specifies the expenditure for the minimum calories and the minimum non-food expenditure items necessary for basic social functioning. The welfare aggregate is adjusted for differences in cost of living across space and changes in nominal prices over time. Based on the 2017-18 SWIFT survey, the food poverty line was Iraqi Dinar (ID) 53,300 per person per month, while the national poverty line was ID 110,881. Poverty based on the SWIFT survey is not strictly comparable to the last estimate based on the Integrated Household Socioeconomic Survey (IHSES), a nationally representative multi-topic household budget survey most recently conducted in 2012. Updated poverty figures for the country await the next IHSES, which will be conducted in 2021.

Iraq is one of the few countries where the official Purchasing Power Parity (PPP) exchange rate is not used to convert the international poverty line to local currency unit because there is a wide divergence in the 2011 PPP inflation rate and the rate according to the national Consumer Price Index. Instead, predicted PPP from a cross-country regression is used to estimate the international poverty rate.

HARMONIZATION

The numbers presented in this brief are based on the MNAPOV database. MNAPOV is a new data collection effort enacted in 2014, and managed by MNATSD. It covers 36 surveys from 11 countries. Two data points (surveys) are available for each country, except Algeria. The database is organized in 3 modules following the Global Monitoring Database (GMD) Harmonization guidelines, including the welfare aggregate which is used for Global Poverty Monitoring. Terms of use of the data adhere to agreements with the original data producers.



Middle East & North Africa Iraq povertydata.worldbank.org www.worldbank.org/poverty

Poverty & Equity Brief Middle East & North Africa

The poverty estimates for Jordan are based on the Household Income and Expenditure Survey (HIES). In 2010-11, the national poverty rate was 14.4 percent. In 2019, the Government of Jordan announced a new national poverty rate of 15.7 percent. This estimate is from the 2017-18 HIES, which has not yet been reflected in the World Bank central data in the table below, and emerged after an in-depth redesign and systematic diagnostic of the survey supported by the World Bank. Because of the various improvements, the new estimate is not comparable to the 2010-11 figure. The COVID-19 outbreak raises concerns for poverty and inclusion prospects. The impacts on household's welfare will most likely operate through the labor market channel, increases in food prices, and decreases in remittances, especially from GCC countries. Future poverty trends will depend upon subsequent policy responses.

Updated estimates on inequality are not yet available (the Gini Index was 33.7 in 2010-11), but a new multidimensional poverty measure is available using the 2010-11 data. This measure is based on the degree of extreme monetary poverty at the international \$PPP 1.90 line (almost non-existent in Jordan), education deficits (3 percent of school-aged children are not enrolled and 1.8 percent of people live in a household with no adult having completed primary education) and lack of access to basic infrastructure in terms of drinking water, sanitation and electricity (almost non-existent in Jordan). With Jordan performing very well on these basic measures, multidimensional poverty on this World Bank international measure is only 0.3 percent.

| POVERTY | Number of Poor (thousand) | Rate (%) | Period |
|--|------------------------------|-------------|-----------|
| National Poverty Line | 1,034.3 | 14.4 | 2010 |
| International Poverty Line 0.8 in Jordanian dinar (2010) or US\$1.90 (2011 PPP) per day per capita | 8.4 | 0.1 | 2010 |
| Lower Middle Income Class Poverty Line 1.4 in Jordanian dinar (2010) or US\$3.20 (2011 PPP) per day per capita | 150.9 | 2.1 | 2010 |
| Upper Middle Income Class Poverty Line 2.4 in Jordanian dinar (2010) or US\$5.50 (2011 PPP) per day per capita | 1,315.1 | 18.1 | 2010 |
| Multidimentional Poverty Measure | | 0.3 | 2010 |
| SHARED PROSPERITY | | | |
| Annualized Consumption Growth per capita of the bottom 40 percent | | 4.57 | 2008-2010 |
| INEQUALITY | | | |
| Gini Index | | 33.7 | 2010 |
| Shared Prosperity Premium = Growth of the bottom 40 - Average Growth | | -1.21 | 2008-2010 |
| GROWTH | | | |
| Annualized GDP per capita growth | | -1.29 | 2008-2010 |
| Annualized Consumption Growth per capita from Household Survey | | 5.77 | 2008-2010 |
| MEDIAN INCOME | | | |
| Growth of the annual median income/consumption per capita | | 5.12 | 2008-2010 |
| Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of Feburary 2020, and Global Monitor | ring Database for the res | t. | |



Poverty Economist: Matthew Wai-Poi

POVERTY HEADCOUNT RATE, 2006-2010



INEQUALITY TRENDS, 2006-2010

Source: World Bank using HEIS/MNAPOV/GMD



Source: World Bank using HEIS/MNAPOV/GMD

KEY INDICATORS

| Distribution among ground: 2010 | Upper Middle Inco | Relative group (%) | | Multidimensional Deverty Measures (% of needle). | 2010 | |
|--|-------------------|--------------------|-----------|--|--|------|
| Distribution aniong groups. 2010 | Non-Poor | Poor | Bottom 40 | Top 60 | Muttalmensional Poverty Measures (% of people): | 2010 |
| Urban population | 83 | 17 | 38 | 62 | Monetary poverty (Consumption) | |
| Rural population | 77 | 23 | 51 | 49 | Daily consumption less than US\$1.90 per person | 0.1 |
| Males | 82 | 18 | 40 | 60 | Education | |
| Females | 81 | 19 | 40 | 60 | At least one school-aged child is not enrolled in school | 3.0 |
| 0 to 14 years old | 75 | 25 | 52 | 48 | No adult has completed primary education | 1.8 |
| 15 to 64 years old | 85 | 15 | 35 | 65 | Access to basic infrastructure | |
| 65 and older | 91 | 9 | 20 | 80 | No access to limited-standard drinking water | 0.2 |
| Without education (16+) | 78 | 22 | 40 | 60 | No access to limited-standard sanitation | 0.0 |
| Primary education (16+) | 79 | 21 | 41 | 59 | No access to electricity | 0.0 |
| Secondary education (16+) | 84 | 16 | 39 | 61 | | |
| Tertiary/post-secondary education (16+ |) 95 | 5 | 17 | 83 | | |

Source: World Bank using HEIS/MNAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The 2017/18 HIES reached around a total of 20,000 sample households, enabling quarterly estimates of national poverty, as well as governorate levels over a year. Poverty estimates for non-Jordanians (which include Syrian nationals) will be representative only at a national level. A 'cost of basic needs' (CBN) approach was used to estimate poverty. This line was based on a common national caloric requirement of 2,377 calories per capita per day, and with a common food and non-food basket for all households. The changes to the survey mean the 2017-18 estimates are not comparable to the 2010-11 estimates.

The World Bank's Multidimensional Poverty Measure (MPM) captures a broader assessment of wellbeing, beyond monetary poverty. Currently, the reported measure includes indicators on monetary poverty, education and access to basic infrastructure. Data availability permitting, the future measure may include health and nutrition, and security as new dimensions. The MPM is expressed in percentage of the population that is multidimensionally poor. For more on how the MPM is calculated please see the World Bank's 2018 Poverty and Shared Prosperity Report, p.90.

HARMONIZATION

The numbers presented in this brief are based on the MNAPOV database. MNAPOV is a new data collection effort enacted in 2014, and managed by MNATSD. It covers 36 surveys from 11 countries. Two data points (surveys) are available for each country, except Algeria. The database is organized in 3 modules following the Global Monitoring Database (GMD) Harmonization guidelines, including the welfare aggregate which is used for Global Poverty Monitoring. Terms of use of the data adhere to agreements with the original data producers.



Middle East & North Africa Jordan Poverty & Equity Brief Middle East & North Africa

April 2020

From 2007 to 2013 Morocco experienced significant poverty reduction. Poverty measured with the national poverty line declined from 8.9 percent in 2007 to about 4.8 percent in 2013. Likewise, when measured with international lines the decline is also sharp. Using the International Poverty Line (IPL) of 1.90 \$ PPP, poverty in 2013 is almost eradicated (around 1 percent) while using the lower middle-income poverty line (3.20 \$ PPP) poverty fell to 7.7 percent. In line with monetary indicators, the multidimensional poverty rate registers a very low value, 5.5 percent in 2013.

Growth over the last decade has been pro-poor but the urban-rural gap in poverty rates remains large; in 2013 the average consumption of urban households was almost double compared to that of rural ones. From 2006 to 2013 the growth of households' consumption in the bottom two quintiles was positive and above the average: 3.8 percent compared to an average growth of 3 percent. The growth of the median household consumption was also around 4 percent. In addition, the growth of consumption in urban areas (around 3.5 percent) was higher than in rural areas (2.8 percent).

At the regional level, the evolution of the standard of living between 2007 and 2013 showed the existence of a process of convergence between the 12 regions, although the rate of reduction in regional differences was not the same. Convergence has been strong in Fes-Meknes and Oriental while it has been slower in Draa-Tafilalt and Benimalal-Khenifra. Overall inequality has slightly decreased though not in all regions. The Gini index fell slightly between 2007 and 2013, going from 40.7 to 39.5. The reduction in the overall Gini index was the result of two counter-balancing trends: convergence of development across regions and increased within-region inequality in some of the regions. Indeed, inequality increased in some regions (e.g. Rabat-Sale-Kenitra from 39.9 to 44.2 and the Regions du Sud from 35.0 to 40.2) while it decreased in others such as Casablanca and Marakkesh and Souss-Massa. In 2020 due to the Corona virus crisis and the consequent economic downturn poverty is expected to increase.

| POVERTY | Number of Poor (thousand) | Rate (%) | Period |
|---|------------------------------|-------------|-----------|
| National Poverty Line | 1,623.6 | 4.8 | 2013 |
| International Poverty Line 8.2 in Moroccan dirham (2013) or US\$1.90 (2011 PPP) per day per capita | 347.7 | 1.0 | 2013 |
| Lower Middle Income Class Poverty Line 13.9 in Moroccan dirham (2013) or US\$3.20 (2011 PPP) per day per capita | 2,597.1 | 7.7 | 2013 |
| Upper Middle Income Class Poverty Line 23.9 in Moroccan dirham (2013) or US\$5.50 (2011 PPP) per day per capita | 10,553.3 | 31.3 | 2013 |
| Multidimentional Poverty Measure | | 5.5 | 2013 |
| SHARED PROSPERITY | | | |
| Annualized Income or Consumption Growth per capita of the bottom 40 percent | | N/A | N/A |
| INEQUALITY | | | |
| Gini Index | | 39.5 | 2013 |
| Shared Prosperity Premium = Growth of the bottom 40 - Average Growth | | N/A | N/A |
| GROWTH | | | |
| Annualized GDP per capita growth | | 2.78 | 2008-2013 |
| Annualized Income or Consumption Growth per capita from Household Survey | | N/A | N/A |
| MEDIAN INCOME | | | |
| Growth of the annual median income/consumption per capita | | N/A | N/A |
| Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of Feburary 2020, and Global Monito | ring Database for the res | t. | |



POVERTY HEADCOUNT RATE, 2000-2013



INEQUALITY TRENDS, 2000-2013



Source: World Bank using ENCDM/MNAPOV/GMD

Source: World Bank using ENCDM/MNAPOV/GMD

KEY INDICATORS

| Distribution among grounds 2012 | Lower Middle Income line(%) | | Relative group (%) | | Multidimensional Deverty Measures (% of needle). | 2012 |
|---|-----------------------------|------|--------------------|--------|--|------|
| Distribution among groups. 2013 | Non-Poor | Poor | Bottom 40 | Top 60 | Muttalmensional Poverty Measures (% of people): | 2013 |
| Urban population | | | | N/A | Monetary poverty (Consumption) | |
| Rural population | 85 | 15 | 60 | 40 | Daily consumption less than US\$1.90 per person | 1.0 |
| Males | 92 | 8 | 40 | 60 | Education | |
| Females | 92 | 8 | 40 | 60 | At least one school-aged child is not enrolled in school | 6.8 |
| 0 to 14 years old | 90 | 10 | 48 | 52 | No adult has completed primary education | 12.7 |
| 15 to 64 years old | 93 | 7 | 37 | 63 | Access to basic infrastructure | |
| 65 and older | 94 | 6 | 32 | 68 | No access to limited-standard drinking water | 8.7 |
| Without education (16+) | 90 | 10 | 48 | 52 | No access to limited-standard sanitation | 12.9 |
| Primary education (16+) | 93 | 7 | 40 | 60 | No access to electricity | 2.4 |
| Secondary education (16+) | 96 | 4 | 27 | 73 | | |
| Tertiary/post-secondary education (16+) | 99 | 1 | 12 | 88 | | |

Source: World Bank using ENCDM/MNAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

Poverty and inequality estimates in Morocco are produced by the High Planning Commission (HCP). HCP collects a nationally representative household survey (ENCDM) on average every seven years and publishes national and regional poverty rates after each survey round. In 2013/14, the welfare aggregate is based on a consumption expenditure measure that includes food, education, health, dwelling related expenditures, communications and transportation, clothing, entertainment, and an estimate of rental values for the dwelling where the household resides. The welfare aggregate is not spatially or temporally deflated for poverty measurement, but spatially adjusted using poverty lines for calculating Gini index. Two poverty lines in Dirhams (MAD) per person per year are estimated and used to calculate the official poverty rates: urban areas (MAD 4,667) and rural areas (MAD 4,312). In PPP the average line is equivalent to about 2.9 USD.

HARMONIZATION

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Middle East & North Africa Morocco



The latest numbers for Tunisia refer to 2015, when the Tunisian National Statistics Institute (INS) published a new series of poverty rates based on the consumption patterns observed in the 2015 Household Budget Consumption and Living Conditions Survey. According to official numbers, the 2015 poverty rate in the country was 15.2 percent, significantly lower than the rate of 20.5 percent in 2010 and 23.1 percent in 2005. Likewise, when measured with the International Poverty Lines (IPLs) of 1.9 \$ PPP and 3.2 \$ PPP the decline is also sharp. Using the 1.9 \$ PPP IPL, poverty in 2015 is almost eradicated (below 1 percent) while using the 3.2 \$ PPP IPL poverty fell to 3.0 percent from 9.0 percent in 2010. In line with monetary indicators, the multidimensional poverty rate registers a very low value, 1.6 percent in 2015. In 2020 due to the Corona virus crisis and the consequent economic downturn poverty is expected to increase.

In the same period, the median consumption grew at an early rate of 3.96 percent while inequality as measured by the Gini index, declined from 35.8 in 2010 to 32.8 in 2015. Looking at the spatial distribution, poverty is typically concentrated in the North West (28.4 percent) and Centre West (30.8 percent) landlocked regions. Poverty rates decrease moving towards the coastal North East (11.6 percent), Centre East (11.4 percent) and Greater Tunis (5.3 percent) regions, although there are pockets of relatively high poverty rates there as well. Inequality seems to have followed a downward path in the 2005-2015 period.

| POVERTY | Number of Poor (thousand) | Rate (%) | Period | | | |
|--|------------------------------|-------------|-----------|--|--|--|
| National Poverty Line | 1,713.6 | 15.2 | 2015 | | | |
| International Poverty Line 1.6 in Tunisian dinar (2015) or US\$1.90 (2011 PPP) per day per capita | 27.5 | 0.2 | 2015 | | | |
| Lower Middle Income Class Poverty Line 2.7 in Tunisian dinar (2015) or US\$3.20 (2011 PPP) per day per capita | 336.7 | 3.0 | 2015 | | | |
| Upper Middle Income Class Poverty Line 4.7 in Tunisian dinar (2015) or US\$5.50 (2011 PPP) per day per capita | 1,952.3 | 17.5 | 2015 | | | |
| Multidimentional Poverty Measure | | 1.6 | 2015 | | | |
| SHARED PROSPERITY | | | | | | |
| Annualized Consumption Growth per capita of the bottom 40 percent | | 5.36 | 2010-2015 | | | |
| INEQUALITY | | | | | | |
| Gini Index | | 32.8 | 2015 | | | |
| Shared Prosperity Premium = Growth of the bottom 40 - Average Growth | | 1.97 | 2010-2015 | | | |
| GROWTH | | | | | | |
| Annualized GDP per capita growth | | 0.79 | 2010-2015 | | | |
| Annualized Consumption Growth per capita from Household Survey | | 3.38 | 2010-2015 | | | |
| | | | | | | |
| Growth of the annual median income/consumption per capita | | 3.96 | 2010-2015 | | | |
| Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of Feburary 2020, and Global Monitoring Database for the rest. | | | | | | |



Poverty Economist: Vasco Molini

POVERTY HEADCOUNT RATE, 2005-2015



INEQUALITY TRENDS, 2005-2015



Source: World Bank using NSHBCSL/MNAPOV/GMD

Source: World Bank using NSHBCSL/MNAPOV/GMD

KEY INDICATORS

| Distribution omong groups: 2015 | Lower Middle Income line(%) | | Relative group (%) | | | 2015 |
|--|-----------------------------|---|--------------------|----|--|------|
| Distribution among groups: 2015 | Non-Poor Poor | | Bottom 40 Top 60 | | wuitidimensional Poverty weasures (% of people): | |
| Urban population | 99 | 1 | 29 | 71 | Monetary poverty (Consumption) | |
| Rural population | 92 | 8 | 65 | 35 | Daily consumption less than US\$1.90 per person | 0.2 |
| Males | 97 | 3 | 40 | 60 | Education | |
| Females | 97 | 3 | 40 | 60 | At least one school-aged child is not enrolled in school | 2.1 |
| 0 to 14 years old | 95 | 5 | 50 | 50 | No adult has completed primary education | 20.2 |
| 15 to 64 years old | 98 | 2 | 37 | 63 | Access to basic infrastructure | |
| 65 and older | 98 | 2 | 33 | 67 | No access to limited-standard drinking water | 2.1 |
| Without education (16+) | 98 | 2 | 39 | 61 | No access to limited-standard sanitation | 6.5 |
| Primary education (16+) | 97 | 3 | 45 | 55 | No access to electricity | 0.2 |
| Secondary education (16+) | 99 | 1 | 28 | 72 | | |
| Tertiary/post-secondary education (16+ |) 100 | 0 | 17 | 83 | | |

Source: World Bank using NSHBCSL/MNAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The National Institute of Statistics designs and applies the poverty measurement methodology in Tunisia. Using the most recent survey data from 2015, the INS conducted a full recalculation of their poverty line to define the thresholds of minimum standard of living in the country. The welfare aggregate is based on a consumption expenditure measure that includes food, education, health, dwelling related expenditures, communications and transportation, clothing, entertainment, and an estimate of rental values for the dwelling where the household resides. The welfare aggregate is not spatially or temporally deflated for poverty measurement, but spatially adjusted using poverty lines for calculating the Gini index. Three poverty lines in Dinars (TND) per person per year are estimated and used to calculate the official poverty rates: Metropolitan areas (TND 1878), Communal (TND 1703) and Non-communal (TND 1501). On average, the poverty line is TND 1706, which roughly translates into \$2.6 USD/PPP.

HARMONIZATION

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Middle East & North Africa Tunisia

Poverty & Equity Brief Middle East & North Africa West Bank and Gaza

April 2020

Poverty, measured using the national poverty line, increased in the West Bank and Gaza from 25.8 to 29.2 percent between 2011 and 2016/2017. However, trends in the West Bank and Gaza diverged sharply. There was a slight improvement in the West Bank, where poverty declined from 17.8 to 13.9 percent. In contrast, poverty in Gaza rose from 38.8 to 53.0 percent, leaving every second Gazan poor. The poverty rates at the international poverty line of \$5.50 2011 PPP for upper middle-income countries are close to the national ones. Multidimensional poverty was very low in 2016/2017 but this is likely to be an underestimate because it measures access to infrastructure and not the quality of services. The quality of water and electricity supply are particularly bad in Gaza, with almost no one having access to regular or reliable supplies. Monetary living standards in both regions remained fragile. In the West Bank, poverty is volatile to even small shocks to expenditures. In Gaza, which has effectively been reduced to a safety-net state, over 75 percent of households relied on some form of social assistance in 2017.

The annualized real growth rates of consumption per capita of the bottom 40 percent in the West Bank between 2011 and 2016/2017 was 1.8 percent compared to growth of 0.3 percent for the whole population. The cost of economic decline in Gaza was borne slightly more by the bottom four deciles compared to the whole population: consumption per capita declined by 2.9 compared to 2.5 percent respectively. Accordingly, inequality measured by consumption per capita Gini index, declined substantially in West Bank by 4.1 points, while increasing slightly in Gaza by 0.6 points. Despite low employment over the period 2011-2016/17, changes in labor market earnings were the key driver of declining poverty and inequality in the West Bank. In particular, an increase in shares of regular wage jobs reduced poverty and inequality. In contrast, declining transfers accounted for most of the increase in poverty in Gaza and outweighed the positive contribution of labor earnings over this period.

| POVERTY | Number of Poor (thousand) | Rate (%) | Period | | | | |
|--|------------------------------|-------------|-----------|--|--|--|--|
| National Poverty Line | 1,329.1 | 29.2 | 2016 | | | | |
| International Poverty Line 5.2 in Israeli new shekel (2016) or US\$1.90 (2011 PPP) per day per capita | 41.7 | 1.0 | 2016 | | | | |
| Lower Middle Income Class Poverty Line 8.7 in Israeli new shekel (2016) or US\$3.20 (2011 PPP) per day per capita | 216.9 | 5.0 | 2016 | | | | |
| Upper Middle Income Class Poverty Line 15 in Israeli new shekel (2016) or US\$5.50 (2011 PPP) per day per capita | 1,028.8 | 23.6 | 2016 | | | | |
| Multidimentional Poverty Measure | | 1.1 | 2016 | | | | |
| SHARED PROSPERITY | | | | | | | |
| Annualized Consumption Growth per capita of the bottom 40 percent | | -0.89 | 2011-2016 | | | | |
| INEQUALITY | | | | | | | |
| Gini Index | | 33.7 | 2016 | | | | |
| Shared Prosperity Premium = Growth of the bottom 40 - Average Growth | | -0.34 | 2011-2016 | | | | |
| GROWTH | | | | | | | |
| Annualized GDP per capita growth | | 0.87 | 2011-2016 | | | | |
| Annualized Consumption Growth per capita from Household Survey | | -0.55 | 2011-2016 | | | | |
| | | | | | | | |
| Growth of the annual median income/consumption per capita | | 0.11 | 2011-2016 | | | | |
| Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of Feburary 2020, and Global Monitoring Database for the rest. | | | | | | | |

The current outbreak of Corona virus is expected to increase poverty in two regions mostly through the labor market channel and potential increases in food prices.



POVERTY HEADCOUNT RATE, 2004-2016



INEQUALITY TRENDS, 2004-2016



Source: World Bank using PECS/MNAPOV/GMD

Source: World Bank using PECS/MNAPOV/GMD

KEY INDICATORS

| Distribution among grouns: 2016 | Upper Middle Income line(%) | | Relative group (%) | | Multidimensional Devents Massures (% of reards) | 2016 |
|--|-----------------------------|----|--------------------|----|--|------|
| Distribution among groups: 2016 | Non-Poor Poor | | Bottom 40 Top 60 | | wuitidimensional Poverty weasures (% of people): | |
| Urban population | 76 | 24 | 41 | 59 | Monetary poverty (Consumption) | |
| Rural population | 86 | 14 | 27 | 73 | Daily consumption less than US\$1.90 per person | 1.0 |
| Males | 77 | 23 | 39 | 61 | Education | |
| Females | 76 | 24 | 41 | 59 | At least one school-aged child is not enrolled in school | 5.8 |
| 0 to 14 years old | 71 | 29 | 48 | 52 | No adult has completed primary education | 1.2 |
| 15 to 64 years old | 80 | 20 | 36 | 64 | Access to basic infrastructure | |
| 65 and older | 86 | 14 | 23 | 77 | No access to limited-standard drinking water | 3.2 |
| Without education (16+) | 78 | 22 | 37 | 63 | No access to limited-standard sanitation | 0.1 |
| Primary education (16+) | 73 | 27 | 42 | 58 | No access to electricity | 0.0 |
| Secondary education (16+) | 78 | 22 | 39 | 61 | | |
| Tertiary/post-secondary education (16+ |) 89 | 11 | 23 | 77 | | |

Source: World Bank using PECS/MNAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The National Commission for Poverty Alleviation (1998) established an official definition of poverty in the West Bank and Gaza. The poverty line was set at the median expenditure level of certain key items of the poorest 25 to 30 percent of households and has been calculated every year. A household with two adults and four children and their spending patterns were used as the reference to develop the poverty line. Given the relative nature of the poverty line, the Palestinian Central Bureau of Statistics (PCBS) also constructed a consistent poverty trend for 2004–2009 using the 1997 line adjusted for inflation. In early 2011, the PCBS redefined the poverty line by changing the reference household to two adults and three children and started a new consistent poverty series beginning in 2010. The welfare aggregate includes expenditures on food and nonfood items; expenditures on health, education, and rent; and the purchases of durables during last 12 month and purchases of transport during last 3 years. The aggregate is spatially adjusted using a Laspeyres price index derived for the West Bank, Gaza, and East Jerusalem using a subset of food and nonfood prices from the CPI dataset. The most recent poverty trend for the Palestinian territories ends in 2016, and it is based on the Palestinian Expenditure and Consumption Survey implemented over the period October 2016-September 2017.

HARMONIZATION

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Middle East & North Africa West Bank and Gaza

Poverty & Equity Brief Middle East & North Africa Republic of Yemen

The national poverty rate was last reported for Yemen in 2014 and was estimated to be 48.6 percent of the population, which represents an increase of 13.4 percentage points over the poverty rate reported in 2005. Underemployment, political instability, and an expanding conflict all contributed to the increase in poverty. Additionally, a large share of the population in 2014 faced deprivations in multiple dimensions- particularly in access to education, household sanitation, and electricity.

However, welfare has sharply deteriorated from this already low base following the escalation of conflict in March of 2015. Yemen's GDP contracted 40 percent cumulatively since 2015, resulting in a dramatic worsening of poverty. In addition to worsening monetary poverty, all evidence suggests that households are experiencing many overlapping non-monetary deprivations, including lack of access to many basic services, lack of access to food, widespread displacement, and lack of safety.

The population faces repeated conflict-related shocks that further stress households. Examples of recent events include a complete air and sea blockade of the country, a liquidity crisis and a rapid devaluation of the currency, and rapid escalations of fighting in portions of the country. Additionally, the COVID-19 outbreak is particularly concerning for the already overwhelmed health system in the country. Access to health care was already poor prior to the outbreak, and much of the population is undernourished and facing other major health issues that could put them at greater risk. Furthermore, restrictions in movement will potentially exacerbate the pervasive underemployment in the country.

| POVERTY | Number of Poor (million) | Rate (%) | Period |
|--|-----------------------------|-------------|-----------|
| National Poverty Line | 12.8 | 48.6 | 2014 |
| International Poverty Line | 4.9 | 18.8 | 2014 |
| 278.8 in Yemeni rial (2014) or US\$1.90 (2011 PPP) per day per capita | | | |
| Lower Middle Income Class Poverty Line | 13.5 | 52.2 | 2014 |
| 469.5 in Yemeni rial (2014) or US\$3.20 (2011 PPP) per day per capita | | | |
| Upper Middle Income Class Poverty Line | 21.1 | 81.6 | 2014 |
| 807 in Yemeni rial (2014) or US\$5.50 (2011 PPP) per day per capita | | | |
| Multidimentional Poverty Measure | | 34.9 | 2014 |
| SHARED PROSPERITY | | | |
| Annualized Income or Consumption Growth per capita of the bottom 40 percent | | N/A | N/A |
| INEQUALITY | | | |
| Gini Index | | 36.7 | 2014 |
| Shared Prosperity Premium = Growth of the bottom 40 - Average Growth | | N/A | N/A |
| GROWTH | | | |
| Annualized GDP per capita growth | | -2.57 | 2009-2014 |
| Annualized Income or Consumption Growth per capita from Household Survey | | N/A | N/A |
| | | | |
| Growth of the annual median income/consumption per capita | | N/A | N/A |
| Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of Feburary 2020, and Global Monitor | ring Database for the res | t. | |



POVERTY HEADCOUNT RATE, 2005-2014



INEQUALITY TRENDS, 2005-2014

Source: World Bank using HBS/MNAPOV/GMD

Gini Index



Source: World Bank using HBS/MNAPOV/GMD

KEY INDICATORS

| Distribution among grouns: 2014 | International Poverty Line(%) | | Relative group (%) | | Multidimensional Devents Massures (% of rear la). | 2014 |
|--|-------------------------------|----|--------------------|----|--|------|
| Distribution aniong groups. 2014 | Non-Poor Poor | | Bottom 40 Top 60 | | Muttulmensional Poverty Measures (% of people): | |
| Urban population | 93 | 7 | 18 | 82 | Monetary poverty (Consumption) | |
| Rural population | 76 | 24 | 49 | 51 | Daily consumption less than US\$1.90 per person | 18.8 |
| Males | 81 | 19 | 40 | 60 | Education | |
| Females | 81 | 19 | 40 | 60 | At least one school-aged child is not enrolled in school | 44.5 |
| 0 to 14 years old | 78 | 22 | 45 | 55 | No adult has completed primary education | 15.9 |
| 15 to 64 years old | 84 | 16 | 36 | 64 | Access to basic infrastructure | |
| 65 and older | 82 | 18 | 37 | 63 | No access to limited-standard drinking water | 14.0 |
| Without education (16+) | 78 | 22 | 45 | 55 | No access to limited-standard sanitation | 41.2 |
| Primary education (16+) | 82 | 18 | 40 | 60 | No access to electricity | 33.9 |
| Secondary education (16+) | 88 | 12 | 30 | 70 | | |
| Tertiary/post-secondary education (16+ |) 96 | 4 | 14 | 86 | | |

Source: World Bank using HBS/MNAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The consumption aggregate used to determine the national poverty rate includes both food and non-food expenditure, where the latter includes spending on education, housing, durable goods, health, and expenditure on other non-food goods and services. The consumption aggregate is deflated spatially to account for regional price disparities. This deflated consumption aggregate is then compared to the national poverty line, which is the sum of the cost of satisfying the minimum daily energy requirement of 2115 daily per capita calories for a reference population, and an allowance for non-food goods (calculated through the share of expenditure devoted to non-food goods).

The Central Statistics Office of Yemen has adopted the 2014 poverty rate and methodology, but used a different methodology and estimate of poverty in 2005. Specifically, the official poverty rate adopted by the CSO in 2005 is 34.8 percent of the population, as opposed to the 35.2 percent calculated using the 2014 poverty line and adjusting the poverty line for inflation using the CPI.

Although the 2014 data that underlies each of the poverty lines (i.e., National, International, etc.) is relatively recent, the escalation of conflict in 2015 has dramatically affected the country and the data likely do not reflect the consumption and characteristics of the population today.

HARMONIZATION

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WORLD BANK GROUP

Middle East & North Africa Republic of Yemen