

Poverty & Equity Brief

Sub-Saharan Africa

Zimbabwe

April 2020

Estimates based on the PICES 2011 and PICES 2017 surveys suggest that between 2011 and 2017 extreme poverty – using the national extreme poverty line of US\$ 1.95 per day - rose from 23 to 30 percent. Results from the mini-PICES 2019 conducted in April-May 2019 survey suggest extreme poverty has since risen further to 38 percent, with urban poverty rising faster in relative terms (from 4 percent to 10 percent) than rural poverty (43 to 51 percent). Simulations of rapid price rises and poor crop yields in 2019 suggest extreme poverty is likely to have risen further since. The national poverty **rate** – when measured at the relatively high upper poverty line of PPP US\$ 4.7 - decreased marginally from 72 in 2011 to 70 percent in 2017 and then rose again to 72 percent in 2019.

The rise in extreme poverty during 2017-2019 was caused by another severe drought in 2018/19 and cyclone Idai. This, together with the fast depreciation of the newly introduced local currency, led to a 725 percent rise in food prices while non-food inflation reached close to 450 percent. Purchasing power for the poor collapsed. In 2019, 53 percent of the extreme poor had no access to social assistance or humanitarian assistance, indicating the urgent need to further strengthen these. The delivery of education and health services has also worsened due to eroding salaries of teachers, nurses and doctors. Lack of medicines and lack of household ability to pay school fees has further exacerbated the quality of social service delivery.

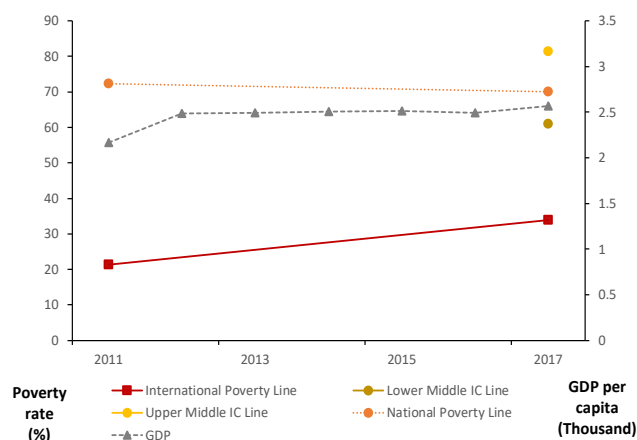
Extreme poverty is high in various remote and poorly connected but densely populated rural areas where agricultural production conditions are not optimal. These are mainly the 'communal lands', far removed from main roads. Social service delivery outcomes in these areas are low, leading to severe spatial poverty traps.

Inequality, as measured by the Gini index has dropped from 63 in 1995/96 to 42 in 2011/12, but rose again to 44 in 2017. Inequality is strongly influenced by large welfare differences between urban and rural areas: extreme poverty is more than 5 times higher in rural than urban areas. The gap however seems to be decreasing slowly as urban livelihoods are further undermined by the current crisis. Mobility restrictions in response to the COVID-19 pandemic and another poor cropping season are likely to further affect incomes and worsen the poverty situation in 2020.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	10.0	70.0	2017
International Poverty Line 1 in U.S. dollar (2017) or US\$1.90 (2011 PPP) per day per capita	4.8	33.9	2017
Lower Middle Income Class Poverty Line 1.7 in U.S. dollar (2017) or US\$3.20 (2011 PPP) per day per capita	8.7	61.0	2017
Upper Middle Income Class Poverty Line 3 in U.S. dollar (2017) or US\$5.50 (2011 PPP) per day per capita	11.6	81.3	2017
Multidimensional Poverty Measure		N/A	N/A
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent		-3.75	2011-2017
INEQUALITY			
Gini Index		44.3	2017
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		-0.25	2011-2017
GROWTH			
Annualized GDP per capita growth		2.86	2011-2017
Annualized Consumption Growth per capita from Household Survey		-3.50	2011-2017
MEDIAN INCOME			
Growth of the annual median income/consumption per capita		-4.54	2011-2017

Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

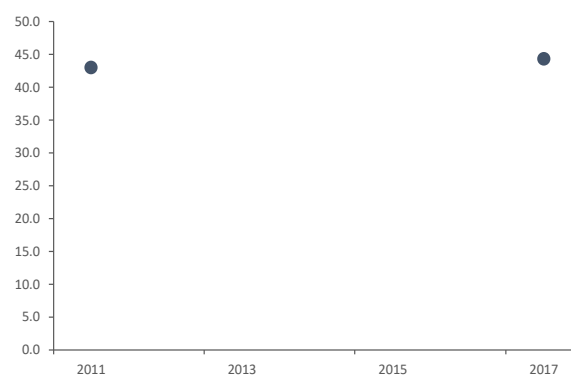
POVERTY HEADCOUNT RATE, 2011-2017



Source: World Bank using PICES/SSAPOV/GMD

INEQUALITY TRENDS, 2011-2017

Gini Index



Source: World Bank using PICES/SSAPOV/GMD

KEY INDICATORS

	International Poverty Line (%)		Relative group (%)		Multidimensional Poverty Measures (% of people):
	Non-Poor	Poor	Bottom 40	Top 60	
Urban population				N/A	Monetary poverty
Rural population				N/A	Daily income/consumption less than US\$1.90 per person
Males				N/A	Education
Females				N/A	At least one school-aged child is not enrolled in school
0 to 14 years old				N/A	No adult has completed primary education
15 to 64 years old				N/A	Access to basic infrastructure
65 and older				N/A	No access to limited-standard drinking water
Without education (16+)				N/A	No access to limited-standard sanitation
Primary education (16+)				N/A	No access to electricity
Secondary education (16+)				N/A	
Tertiary/post-secondary education (16+)				N/A	

Source: World Bank using PICES/SSAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

Household expenditure surveys were conducted in 1995, 2001, 2011, and 2017, while a rapid expenditure survey, using SWIFT methodology, was conducted in April-May 2019. Comparison of past official estimates of poverty should be treated with care, as there have been some changes in methodology for example in the calculation of the user value of assets and housing. Poverty measurement was rebased in 2019 with close World Bank support, starting with the PICES 2017 survey. This involved adopting good practice approaches for measuring the consumption aggregate. It also led to the calculation of a new minimum food needs basket and new poverty lines. The rebasing only changed poverty rates with 1-2 percentage points.

The national general poverty line is relatively high (4.7 USD 2011 PPP) as it adopts the upper ceiling of the basic needs method, resulting in high official national poverty rates. The lower ceiling poverty line is equivalent to US\$ 3.5 PPP. As mentioned, the national extreme poverty line is valued at about US\$ 1.9-2.0 per day.

Following the gazetting of a micro-data dissemination policy in August 2018, the PICES 2011 and PICES 2017 micro-data sets were released to users in 2019 and can now be downloaded from the ZIMSTAT website for in-depth research.

HARMONIZATION

The numbers presented in this brief are based on the SSAPOV database. SSAPOV is a database of harmonized nationally representative household surveys managed by Sub-Saharan Team for Statistical Development. It contains more than 100 surveys covering 45 out of the 48 countries in the SSA region. The four countries not covered in the database are Eritrea, Equatorial Guinea, and Somalia. Terms of use of the data adhere to agreements with the original data producers.