

Poverty & Equity Brief

Africa Western & Central

Benin

April 2021

Due to the modest average per capita GDP growth rate of 2.5 percent over the period 2013-2019, poverty remains widespread in Benin. The national poverty headcount rate based on the recently released WAEMU Harmonized household survey was 38.5 percent in 2019. The economy decelerated in 2020, with real GDP growth losing 5 percentage points in 2020 despite remaining positive at 2 percent (-1.0 percent in per capita terms), as the COVID-19 crisis affected global demand, containment measures hindered services and a recession hit Nigeria with negative impact on household consumption. For instance, efforts in poverty reduction might suffer from the effects of the resurgence of the COVID-19 pandemic.

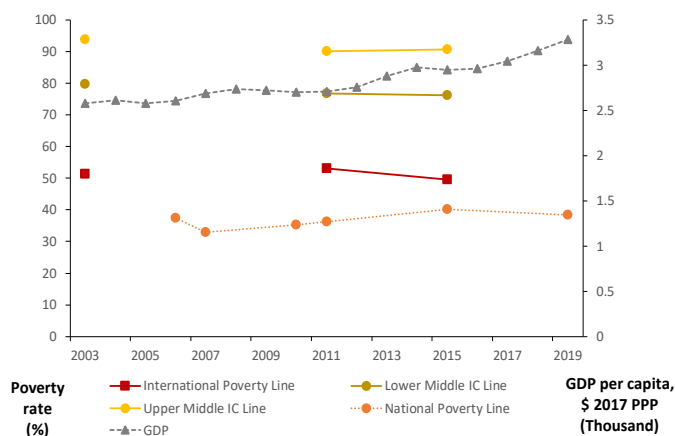
In 2019, the Gini index commonly used to measure inequality was estimated at 34.7, a relatively elevated level of inequality, but among the lowest of WAEMU countries. Although progress has been made regarding education and health, Benin's Human Capital Index in 2020 remains low. Children in Benin today will live up to only 40.6 percent of their productive potential compared to the counterfactual if they had enjoyed full health, including adequate nutrition, and education. Literacy rates remain particularly low among women and rural residents. Access to safely managed water and sanitation is improving, as well as access to electricity. The COVID-19 crisis might also reduce progress on non-monetary poverty reduction.

A high frequency survey conducted on 1,500 households in July and December 2020 to measure the impacts of the COVID-19 pandemic suggested that over half of household heads faced income losses from March to December 2020, due to response measures and closure of certain firms, especially in the economic capital city. The survey suggests there was a modest recovery between July and December 2020. Similarly, most of the households reported several shocks, mainly the increase in the prices of the main staple foods and the loss of jobs. In rural areas, the shock came from the increase in the price of inputs, the drop in the selling price and the poor harvest due to the lack of labor.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	4.5	38.5	2019
International Poverty Line 457.6 in CFA franc (2015) or US\$1.90 (2011 PPP) per day per capita	5.2	49.6	2015
Lower Middle Income Class Poverty Line 770.7 in CFA franc (2015) or US\$3.20 (2011 PPP) per day per capita	8.1	76.2	2015
Upper Middle Income Class Poverty Line 1324.7 in CFA franc (2015) or US\$5.50 (2011 PPP) per day per capita	9.6	90.6	2015
Multidimensional Poverty Measure		71.8	2015
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent		-5.20	2011-2015
INEQUALITY			
Gini Index		47.8	2015
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		-5.26	2011-2015
GROWTH			
Annualized GDP per capita growth		2.13	2011-2015
Annualized Consumption Growth per capita from Household Survey		0.06	2011-2015
MEDIAN INCOME			
Growth of the annual median income/consumption per capita		1.78	2011-2015

Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2021, and Global Monitoring Database for the rest.

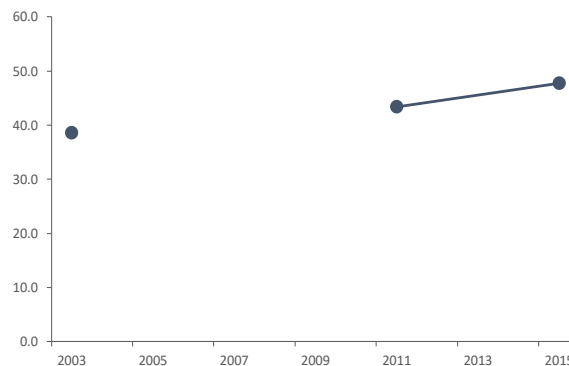
POVERTY HEADCOUNT RATE, 2003-2019



Source: World Bank using EMICOV/SSAPOV/GMD

INEQUALITY TRENDS, 2003-2015

Gini Index



Source: World Bank using EMICOV/SSAPOV/GMD

KEY INDICATORS

	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures: 2015	(% of population)
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population					Monetary poverty (Consumption)	
Rural population					Daily consumption less than US\$1.90 per person	49.6
Males					Education	
Females					At least one school-aged child is not enrolled in school	25.5
0 to 14 years old					No adult has completed primary education	61.6
15 to 64 years old					Access to basic infrastructure	
65 and older					No access to limited-standard drinking water	26.9
Without education (16+)					No access to limited-standard sanitation	70.7
Primary education (16+)					No access to electricity	69.0
Secondary education (16+)						
Tertiary/post-secondary education (16+)						

Source: World Bank using EMICOV/SSAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

Benin completed a Core Welfare Indicators Questionnaire (CWIQ) survey in 2003, and since 2006 implements an Integrated Modular Household Living Conditions Survey (EMICoV) based on 18,000 to 20,000+ households (2006, 2007, 2010, 2011, and 2015). In 2018/19 Benin implemented a harmonized households survey adopted by all the member states of the West African Economic and Monetary Union. The results have been released recently. The national poverty headcount rate based on this new survey is 38.5 percent, but this is not comparable to the 40.1 percent previously calculated by the NSO using the EMICoV 2015. For instance, the differences come from the welfare aggregate measurement, the questionnaires and field period and the poverty line determination among others. The NSO used a S2S methodology to estimate a comparable poverty rate to the 2019 value for 2015, which estimated a poverty headcount rate of 39.2 percent. The World Bank team has started the preparation for a comprehensive poverty assessment that will allow to produce poverty trends based on robust approaches. The preparation to start a second and comparable survey has been launched in November 2020. Survey tools have been updated and validated and field for the first round is planned for September 2021.

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 three 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.