

Poverty & Equity Brief

Africa Western & Central

Senegal

October 2021

The COVID-19 pandemic halted the trend of poverty reduction recorded during the last decade in Senegal with the poverty rate projected to have risen in 2020. The incidence of poverty (using the national poverty line) fell from 43 percent in 2011 to 37.8 percent in 2018. Poverty in urban areas dropped from 22.5 percent to 19.8 percent while in rural areas it declined from 59 percent to 54 percent. Unfortunately, the sharp economic contraction driven by the COVID-19 crisis negatively affected household incomes including remittances. GDP growth decreased from 5.3 percent in 2019 to **-0.7** percent in 2020, corresponding to a contraction of 3.3 percent in real per capita GDP. Based on this results, the incidence of poverty is projected to have increased by 2.1 percentage points in 2020 corresponding to moving 350,000 people into poverty. Poverty is also projected to have increased more in urban areas (2.7 percentage points) than in rural areas (1.6 percentage points).

These projections are consistent with results from two waves of high frequency phone surveys to measure the impact of COVID-19 on household implemented in June and October 2020. Data from these survey shows that a significant share of households reported worsening socioeconomic conditions. For instance, 54 percent of households reported being food insecure in September/October 2020, while two third of households reported loss of income compared to the beginning of the 2020 year.

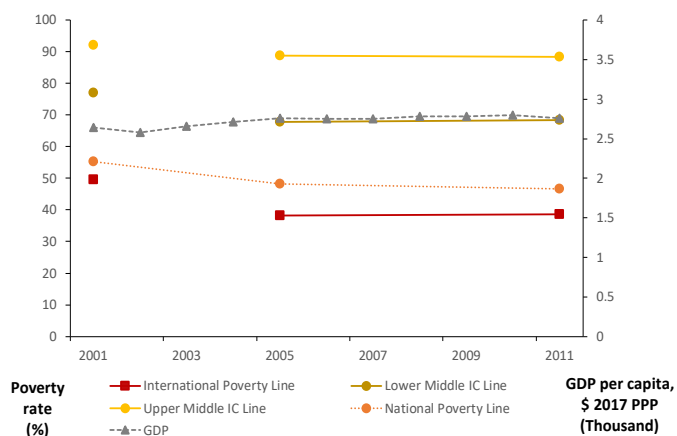
Senegal economy has experienced a gradual recovery since the last quarter of 2020 and recent growth trends are more visible in industrial and services sectors in urban centers. The agriculture sector is projected to grow at 4.5 percent in 2021 and welfare of the rural poor should continue to improve. But the rural poor are highly vulnerable, because many are already stuck in poverty traps, with limited access to physical and human capital. As such, strengthening safety nets in rural areas is advisable to mitigate the negative impact of the pandemic.

The vulnerability to falling into poverty of Senegalese households is a key issue that requires more attention for policy action. Data from the latest household survey shows that the vulnerability rate, defined as the probability to fall into poverty in case of shock, was 55 percent in 2018-19, meaning that materialization of risks such as additional waves of COVID, disruptions to supply chains and weather shocks, can lead to a substantial increase in poverty incidence. Concrete actions such as improving the targeting, strengthening the efficiency, broadening the coverage and increasing the generosity of social protection programs should help insuring, at least partially, both poor and vulnerable households against these shocks.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	6.2	46.7	2011
International Poverty Line 475.6 in CFA franc (2011) or US\$1.90 (2011 PPP) per day per capita	5.0	38.5	2011
Lower Middle Income Class Poverty Line 801 in CFA franc (2011) or US\$3.20 (2011 PPP) per day per capita	8.9	68.4	2011
Upper Middle Income Class Poverty Line 1376.7 in CFA franc (2011) or US\$5.50 (2011 PPP) per day per capita	11.5	88.4	2011
Multidimensional Poverty Measure		47.0	2011
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent		-0.28	2005-2011
INEQUALITY			
Gini Index		40.3	2011
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		-0.54	2005-2011
GROWTH			
Annualized GDP per capita growth		-0.01	2005-2011
Annualized Consumption Growth per capita from Household Survey		0.27	2005-2011
MEDIAN INCOME			
Growth of the annual median income/consumption per capita		-0.03	2005-2011

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

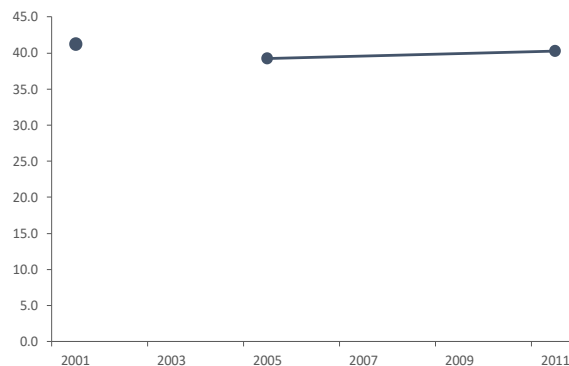
POVERTY HEADCOUNT RATE, 2001-2011



Source: World Bank using ESPS-II/SSAPOV/GMD

INEQUALITY TRENDS, 2001-2011

Gini Index



Source: World Bank using ESPS-II/SSAPOV/GMD

KEY INDICATORS

Distribution among groups: 2011	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures: 2011 (% of population)
	Non-Poor	Poor	Bottom 40	Top 60	
Urban population	87	13	14	86	Monetary poverty (Consumption) Daily consumption less than US\$1.90 per person 38.5
Rural population	42	58	60	40	
Males	61	39	40	60	Education At least one school-aged child is not enrolled in school 6.4 No adult has completed primary education 41.2
Females	62	38	40	60	
0 to 14 years old	55	45	46	54	Access to basic infrastructure No access to limited-standard drinking water 18.2 No access to limited-standard sanitation 28.7 No access to electricity 47.0
15 to 64 years old	66	34	35	65	
65 and older	64	36	37	63	
Without education (16+)	56	44	45	55	
Primary education (16+)	77	23	24	76	
Secondary education (16+)	81	19	20	80	
Tertiary/post-secondary education (16+)	96	4	5	95	

Source: World Bank using ESPS-II/SSAPOV/GMD

Source: World Bank using ESPS-II/SSAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

Senegal completed a new household survey in 2019, the Enquête Harmonisée sur les Conditions de Vie des Ménages (EHCVM) 2018/19, which is a harmonized household survey across WAEMU countries. New poverty estimates based on a national poverty line have been produced. The official poverty measurement methodology follows the Cost of Basic Needs approach. The welfare measure is annual consumption per capita. The consumption aggregate is deflated by spatial deflators computed for each agroecological zone and area of residence to account for cost of living differences. Changes with respect to the ESPS 2011 survey are considerable, as they involve a new methodology to measure poverty, both in terms of the definition of the welfare aggregate and of the poverty line. Technical work has been done to revise the 2011 consumption aggregate and poverty line which correspond to those reported above. A comprehensive diagnostic of poverty trends and divers between 2011 and 2018/19 was carried on a recent poverty and equity assessment by the World Bank which will be launched in October 2021.

The implementation process of a second and comparable survey to the EHCVM 2018/19 has been launched in November 2020 with the support through the World Bank project "WAEMU Household Survey Harmonization Programme". As of today, several activities to implement this household survey are ongoing, including updating and validating survey instruments, training for enumerations, and preparing the field work which is planned from October to December 2021 for the first wave and April to June 2022 for the second wave.

The World Bank jointly with the National Statistical Office launched a program of high frequency mobile phone survey back in June 2020, to support government efforts of monitoring the impacts of the COVID-19 crisis on households and firms. Four rounds of the survey to households and three for firms have been implemented between June 2020 and May 2021. To complement this program, the 2021/22 EHCVM survey has also included a module about the effects of COVID-19.

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.