

Poverty & Equity Brief

Africa Eastern & Southern

Botswana

October 2020

Living conditions have improved for the Botswana people in the last 20 years, and poverty has fallen significantly. Using the poverty line for upper-middle income countries like Botswana (\$5.50 per person per day in 2011 PPP), the share of the population declined from 65 percent to 56 percent between 2003 and 2010. However, between 2010 and 2016 the progress with poverty reduction came to a halt and poverty rate increased to 59 percent, moderately reversing some of the gains. Lack of employment generation was behind the observed outcomes.

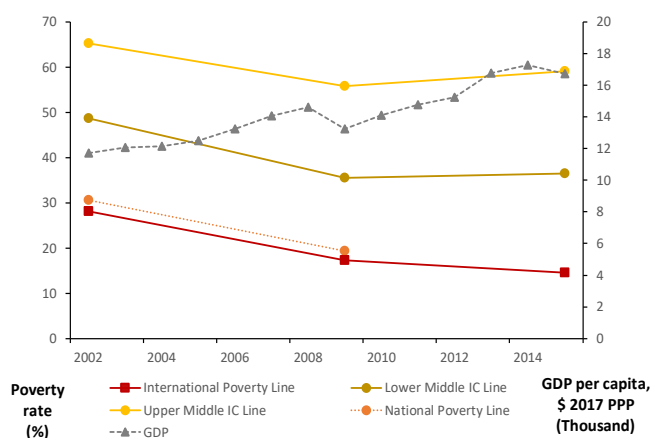
Progress in reducing poverty has been accompanied by improvements in shared prosperity. The growth rate of consumption per capita between **2009–10** and 2015-16 for the bottom 40 percentile of the population was 0.42 percent annually, higher than the growth rate of the top 60 percentile. Although Botswana's performance was only in the middle of the worldwide shared-prosperity distribution, inequality decreased with the Gini index falling from 60.5 percent to 53.3 percent. Nevertheless, Botswana remains one of the world's most unequal countries.

The COVID-19 pandemic is having important negative economic consequences on the country. It is estimated that poverty, in upper-middle income country standards, will increase to over 60 percent in 2020. Social interventions will have to scale up support to the most vulnerable members of society.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	382.1	19.3	2009
International Poverty Line 10.6 in Botswana pula (2015) or US\$1.90 (2011 PPP) per day per capita	307.3	14.5	2015
Lower Middle Income Class Poverty Line 17.8 in Botswana pula (2015) or US\$3.20 (2011 PPP) per day per capita	773.5	36.5	2015
Upper Middle Income Class Poverty Line 30.6 in Botswana pula (2015) or US\$5.50 (2011 PPP) per day per capita	1,252.6	59.1	2015
Multidimensional Poverty Measure		20.0	2015
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent		0.42	2009-2015
INEQUALITY			
Gini Index		53.3	2015
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		3.72	2009-2015
GROWTH			
Annualized GDP per capita growth		3.97	2009-2015
Annualized Consumption Growth per capita from Household Survey		-3.30	2009-2015
MEDIAN INCOME			
Growth of the annual median income/consumption per capita		-0.95	2009-2015

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

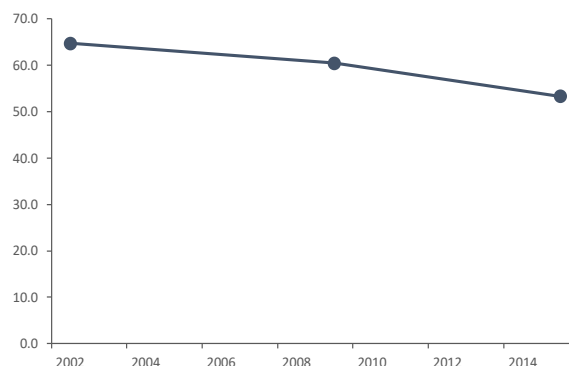
POVERTY HEADCOUNT RATE, 2002-2015



Source: World Bank using BMTHS/SSAPOV/GMD

INEQUALITY TRENDS, 2002-2015

Gini Index



Source: World Bank using BMTHS/SSAPOV/GMD

KEY INDICATORS

Distribution among groups: 2015	Upper Middle Income line(%)		Relative group (%)		Multidimensional Poverty Measures: 2015 (% of population)
	Non-Poor	Poor	Bottom 40	Top 60	
Urban population	50	50	31	69	Monetary poverty (Consumption) Daily consumption less than US\$1.90 per person 14.1
Rural population	24	76	57	43	
Males	43	57	38	62	Education At least one school-aged child is not enrolled in school 4.2 No adult has completed primary education 8.2
Females	39	61	42	58	
0 to 14 years old	29	71	52	48	Access to basic infrastructure No access to limited-standard drinking water 3.7 No access to limited-standard sanitation 52.0 No access to electricity 35.5
15 to 64 years old	49	51	33	67	
65 and older	32	68	44	56	
Without education (16+)	23	77	55	45	
Primary education (16+)	36	64	41	59	
Secondary education (16+)	45	55	34	66	
Tertiary/post-secondary education (16+)	82	18	9	91	

Source: World Bank using BMTHS/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

Botswana's poverty trend is based on two nationally representative household surveys: Household Income and Expenditure Survey in 2002-03 and Botswana Core Welfare Indicator in 2009-10 and in 2015-16. National poverty incidence is determined by computing the Poverty Datum Line (PDL), which is based on the cost of a basket of goods and services deemed to be necessary and adequate to meet basic needs for household members.

Potential sources of difference between national poverty incidence and international poverty incidence (USD 1.90 per day at 2011 PPP) include: (1) value of the poverty line in LCU (the national average PDL per household per month in 2009-10 is 882 pula, and the international poverty line per household per month is approximately 768 pula); and (2) adjustment for cost of living differences across space for the national poverty estimates but not in international poverty estimates.

Statistics Botswana is planning to conduct a Continuous Multi-Topic Household Survey (CMTHS) to provide, on a quarterly basis, more frequent information on household welfare for monitoring and decision-making.

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.