

# Poverty & Equity Brief

## Africa Western & Central

# Guinea-Bissau

October 2020

The most recent household survey 2018 EHCVM indicates that 47.7 percent of the population (around 888,250 people) is poor, with monthly consumption per capita below the national poverty line estimated at FCFA271,000 per person per day. More than 75 percent of the poor live in rural areas, relying on subsistence agriculture and low productivity jobs. Individuals living in households where the head works in the agriculture sector have a higher poverty incidence (64 percent) compared to individuals in households where the head works in other sectors (33 percent).

Heads of household working in the informal sector are more likely to be poor. The poverty headcount is 52.2 percent for heads of household working in the informal sector compared to 25.7 percent for the others working in the formal sector.

Difficult access to basic social services is associated with higher poverty incidence. About 44.6 percent of the households in the capital city of Bissau do not have electricity, and in the rest of the country the proportion of households without electricity is much higher at 96.7 percent.

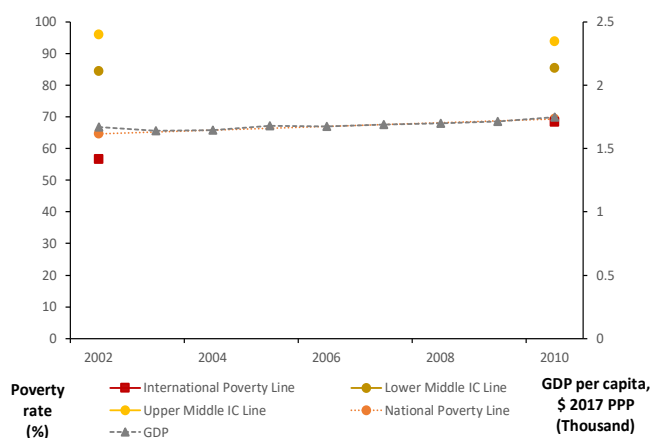
International measurements using the \$1.9 international poverty line indicate that extreme poverty is projected to decline from 63.3 percent to 62.7 percent between 2018 and 2019. The COVID-19 pandemic is expected to further increase the extreme poverty rate to 65.4 percent in 2020 pushing an additional 84,000 people into extreme poverty. For an economy that is largely dependent on agriculture – cashew production in particular – contractions in global trade and restrictions on access to markets imposed by lockdowns to contain the spread of the virus are likely to result in increases in poverty rates in rural areas due to an expected decline in private consumption.

Projections of extreme poverty (using the \$1.9 international poverty line) estimate a rebound in poverty reduction in 2021 and 2022. Extreme poverty in 2021 is projected at 64.9 percent and is expected to decline further to 64.0 percent in 2022. However, the number of extreme poor people is projected to remain largely unchanged. The decline in extreme poverty is likely to be supported by increased cashew production which will facilitate a rebound in private consumption growth.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	1.1	69.3	2010
International Poverty Line 449 in CFA franc (2010) or US\$1.90 (2011 PPP) per day per capita	1.0	68.4	2010
Lower Middle Income Class Poverty Line 756.2 in CFA franc (2010) or US\$3.20 (2011 PPP) per day per capita	1.3	85.4	2010
Upper Middle Income Class Poverty Line 1299.7 in CFA franc (2010) or US\$5.50 (2011 PPP) per day per capita	1.4	93.8	2010
Multidimensional Poverty Measure		80.3	2010
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		50.7	2010
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth		0.82	2005-2010
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

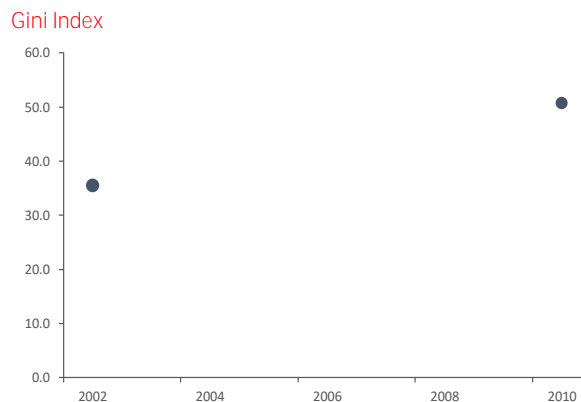
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of September 2020, and Global Monitoring Database for the rest.

## POVERTY HEADCOUNT RATE, 2002-2010



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

## INEQUALITY TRENDS, 2002-2010



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

## KEY INDICATORS

Distribution among groups: 2010	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures: 2010 (% of population)
	Non-Poor	Poor	Bottom 40	Top 60	
Urban population	43	57	23	77	<b>Monetary poverty (Consumption)</b> Daily consumption less than US\$1.90 per person 68.4
Rural population	24	76	51	49	
Males	32	68	40	60	<b>Education</b> At least one school-aged child is not enrolled in school 5.8 No adult has completed primary education 44.1
Females	32	68	40	60	
0 to 14 years old	28	72	44	56	<b>Access to basic infrastructure</b> No access to limited-standard drinking water 36.4 No access to limited-standard sanitation 65.8 No access to electricity 97.1
15 to 64 years old	34	66	37	63	
65 and older	33	67	40	60	
Without education (16+)	27	73	45	55	
Primary education (16+)	33	67	37	63	
Secondary education (16+)	50	50	21	79	
Tertiary/post-secondary education (16+)	74	26	N/A*	89	

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

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

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

## POVERTY DATA AND METHODOLOGY

Guinea-Bissau faces substantial challenges in data production and dissemination. The production of statistics is mainly supported by donors. One of the main barriers of the National Statistics Office is lack of human resources to implement large scale statistical operations. For instance, although data collection for the 2019 MICS and the 2017 employment and Informal surveys were completed the results are not available yet. The recent implementation of high frequency survey rounds to monitor the COVID-19 impact has also unveiled some of the capacity constraints of the National Statistics Office.

The recently completed 2018/19 WAEMU household budget survey has had important components to support statistical capacity building. Throughout the implementation of this survey the National Statistics team benefited from hands-on capacity building training on poverty measurement and analysis. However, larger investments in statistical capacity building are necessary in order to transform and modernize the National Statistical System.

## 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.