

Poverty & Equity Brief

Africa Western & Central

Cote d'Ivoire

April 2023

Prior to the COVID-19 pandemic, Côte d'Ivoire was one of the fastest-growing economies in Sub-Saharan Africa, with real GDP per capita growth averaging 5.5 percent from 2015 to 2019. This economic success came accompanied by a decline in poverty and inequality. The poverty rate, using the national poverty line, fell to 39.5 percent in 2018/19, down from 44.0 percent in 2015 (as the surveys in 2015 and 2018/19 are not directly comparable due to methodological differences, the 2015 numbers reported here are result from a revision to make the 2015 estimates comparable to 2018/19).

Inequality, measured by the Gini index of household consumption, declined from 38.0 in 2015 to 35.1 in 2018/19 (the 2015 data was revised to make the estimates comparable to 2018/19). However, the average consumption of the top 20 percent of the population was still six-times higher than the average consumption of the bottom 20 percent. Regional disparities also remain significant, with poverty incidence declining in urban areas by 6.9 percentage points (from 31.6 to 24.7 percent) while remaining high in rural areas (54.6 percent).

The Ivorian economy has demonstrated resilience amid the global turmoil exacerbated by the war on Ukraine in 2022, posting an estimated 6.5 percent real GDP growth in 2022 (3.9 percent per capita). The incidence of extreme poverty (<US\$ 2.15 a day per capita, 2017 PPP) is expected to have increased to 12.3 percent in 2022, 0.6 percentage points higher than in 2021. While the expansion of services and industry (6.7 and 8.2 percent real growth in 2022), which employ 46.7 and 14.1 percent of the labor force, respectively, were drivers of poverty reduction, the increase in food prices offset the effects of economic growth on poverty.

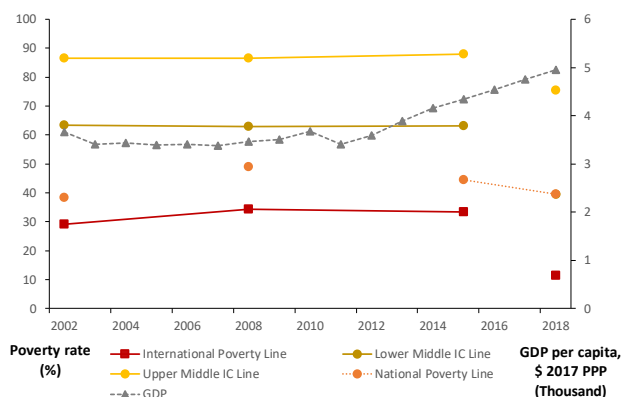
Inflation averaged 5.2 percent in 2022, up from 4.2 percent in 2021 on account of higher food (+8.9 percent), housing, water, energy (+5.7 percent) and transport (+6.4 percent) prices. Poor households in Côte d'Ivoire are relatively more vulnerable to rising food prices as they spend about 55 percent of their budget on food, 10 percentage points more than non-poor households.

Economic activity is expected to decelerate slightly in 2023 on the back of continued global headwinds. Yet, growth should remain strong over the medium-term, projected to average 6.3 percent between 2023-2025. Extreme poverty (<\$PPP2.15 a day per capita) is expected to fall to 12 percent in 2023 driven by the industry and services sectors, and lower inflation, especially among food items (expected to fall from 8.9 percent in 2022 to 4.8 percent in 2023). Poverty reduction should continue in the medium term despite the negative headwinds, reflecting higher employment in industry and services. Extreme poverty (<\$PPP2.15 a day per capita) is expected fall to 11.4 percent by 2024 and to 11.0 by 2025.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	9.9	39.5	2018
International Poverty Line 530.3 in CFA franc (2018) or US\$2.15 (2017 PPP) per day per capita	2.9	11.4	2018
Lower Middle Income Class Poverty Line 900.3 in CFA franc (2018) or US\$3.65 (2017 PPP) per day per capita	10.1	39.6	2018
Upper Middle Income Class Poverty Line 1689.6 in CFA franc (2018) or US\$6.85 (2017 PPP) per day per capita	19.2	75.4	2018
Multidimensional Poverty Measure		37.3	2018
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent		0.74	2008-2015
INEQUALITY			
Gini Index		37.2	2018
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		0.96	2008-2015
GROWTH			
Annualized GDP per capita growth		3.31	2008-2015
Annualized Consumption Growth per capita from Household Survey		-0.22	2008-2015
MEDIAN INCOME			
Growth of the annual median income/consumption per capita		0.05	2008-2015

Sources: WDI for GDP, National Statistical Offices for national poverty rates, PIP as of April 2023, and Global Monitoring Database for the rest.

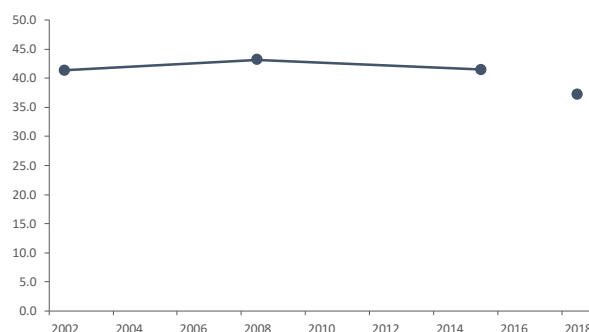
POVERTY HEADCOUNT RATE, 2002-2018



Source: World Bank using EHCVM/SSAPOV/GMD

INEQUALITY TRENDS, 2002-2018

Gini Index



Source: World Bank using EHCVM/SSAPOV/GMD

KEY INDICATORS

Distribution among groups: 2018	International Poverty Line(%)		Relative group (%)	
	Non-Poor	Poor	Bottom 40	Top 60
Urban population	95	5	23	77
Rural population	82	18	58	42
Males	89	11	40	60
Females	88	12	40	60
0 to 14 years old	85	15	49	51
15 to 64 years old	91	9	34	66
65 and older	90	10	39	61
Without education (16+)	86	14	46	54
Primary education (16+)	92	8	32	68
Secondary education (16+)	97	3	20	80
Tertiary/post-secondary education (16+)	100	N/A*	4	96

Source: World Bank using EHCVM/SSAPOV/GMD

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

Multidimensional Poverty Measures: 2018	(% of population)
Monetary poverty (Consumption)	
Daily consumption less than US\$2.15 per person	11.4
Education	
At least one school-aged child is not enrolled in school	N/A
No adult has completed primary education	N/A
Access to basic infrastructure	
No access to limited-standard drinking water	N/A
No access to limited-standard sanitation	N/A
No access to electricity	N/A

Source: World Bank using EHCVM/SSAPOV/GMD

POVERTY DATA AND METHODOLOGY

Côte d'Ivoire completed a new household survey in 2019, the "Enquete Harmonisee sur Conditions de Vie des Menages" EHCVM 2018/19, which is a harmonized household survey across WAEMU countries. New poverty estimates based on a national poverty line were produced based on this survey. The official poverty measurement methodology follows the Cost of Basic Needs approach, while the welfare measure is the 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 2015 household survey are significant, as they involve a new methodology to measure poverty, both in terms of the definition of the welfare aggregate and of the poverty line. The 2015 consumption aggregate was revised to allow comparability with the 2018 numbers.

The implementation of a second and comparable survey to the EHCVM 2018/19 was launched in November 2020 with support of the World Bank's Regional Program to Harmonize and Modernize Living Conditions Surveys. The first wave of data collection was completed by end-2021, and the second wave was finalized in July 2022. Data cleaning is ongoing, and the computation of welfare aggregate is currently under preparation.

The World Bank is working with the Government to support Côte d'Ivoire to improve its statistical system through a regional statistics program to Harmonize and Improve Statistics in West Africa (HISWA). This project supported the Population census completed in December 2021 and the following post-census survey. The project also supports other statistical operations including the business census, households' surveys, and technical assistance aimed at improving the quality of national accounts.

Note on new global poverty lines: Poverty data are now expressed in 2017 Purchasing Power Parity (PPP) prices, versus 2011 PPP in previous editions. As price levels across the world evolve, global poverty lines have to be periodically updated to reflect the increase of the value of the lines in nominal terms. The new global poverty lines of \$2.15, \$3.65, and \$6.85 reflect the typical national poverty lines of low-income, lower-middle-income, and upper-middle-income countries in 2017 prices. In addition to reflecting updates in nominal terms, upper-middle-income countries raised the standards by which they determine people to be poor from 2011 to 2017. Hence, the increase in the upper line is larger, and the population that does not meet the new standard is higher in most countries than it was with 2011 PPPs. See pip.worldbank.org.

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.