## Poverty & Equity Brief

Africa Eastern & Southern

# Democratic Republic of Congo

April 2023

Over the 2004–12 period, the Democratic Republic of Congo (DRC) experienced an average annual per capita GDP growth rate of 2.6 percent, which resulted in a decline in the proportion of the population below the national poverty line from 69.3 percent in 2005 to 64 percent in 2012. Despite another slight decrease (4.3 percentage points) between 2012 and 2018, poverty is widespread while inequality remains stable and relatively high. Moreover, due mainly to high population growth, the number of poor people increased by 6 million, reaching nearly 55 million in 2018. Current estimates suggest that, in 2022, DRC was home to the second-highest number of extreme poor in Sub-Saharan Africa, with nearly 60 million people. Although poverty and deprivation are high throughout the country, significant regional disparities exist, with the poor concentrated along two main corridors where 60 percent of Congolese live.

The poverty rate measured by the international poverty line of \$2.15 a day has also declined from 69.7 percent in 2012 to 64.6 percent in 2018. After an increase of 0.5 percentage point between 2019 and 2020, due to the onset of the COVID-19 pandemic, the poverty rate is expected to decrease by 2.4 percentage points in 2022 and poverty would be 62.7%. According to COVID-19 High-Frequency Phone surveys, in Kinshasa, over 10 percent of households have seen members lose their jobs, while 20 percent have reduced their food consumption due to rising prices in 2020. However, after 2020, the situation improved with a slight decrease in extreme poverty thanks to favorable economic prospects and despite the lasting adverse effect of the COVID-19 pandemic and the war in Ukraine.

During 2005-2012, the bottom 40 percent of the population enjoyed an annual consumption growth rate of nearly 1.4 percent, somewhat lower than the rest. This resulted in a shared prosperity premium of -0.05 percent. Because of this very small difference, inequality measured by the Gini index remained basically unchanged at around 42.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	44.1	63.9	2012
International Poverty Line 947.3 in Congo franc (2012) or US\$2.15 (2017 PPP) per day per capita	49.5	69.7	2012
Lower Middle Income Class Poverty Line 1608.2 in Congo franc (2012) or US\$3.65 (2017 PPP) per day per capita	62.3	87.7	2012
Upper Middle Income Class Poverty Line 3018 in Congo franc (2012) or US\$6.85 (2017 PPP) per day per capita	69.1	97.4	2012
Multidimensional Poverty Measure		78.3	2012
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent		9.78	2004-2012
INEQUALITY			
Gini Index		42.1	2012
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		-0.05	2004-2012
GROWTH			
Annualized GDP per capita growth		2.60	2004-2012
Annualized Consumption Growth per capita from Household Survey		9.83	2004-2012
MEDIAN INCOME			
Growth of the annual median income/consumption per capita		10.03	2004-2012

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

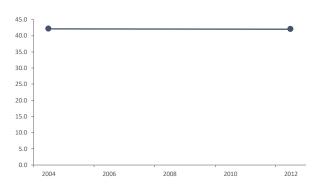


#### POVERTY HEADCOUNT RATE, 2004-2012

#### 100 70 0.8 60 50 0.6 40 0.4 30 20 0.2 10 2004 2006 2008 2010 2012 Poverty rate International Poverty Line - Lower Middle IC Line GDP per capita, \$ 2017 PPP - Upper Middle IC Line · O··· National Poverty Line (Thousand)

#### INEQUALITY TRENDS, 2004-2012

#### Gini Index



Source: World Bank using E123/SSAPOV/GMD

Source: World Bank using E123/SSAPOV/GMD

### **KEY INDICATORS**

Distribution among groups: 2012	International Poverty Line(%)		) Relative g	roup (%)	Multidianonsional Pousetty Massaures, 2012	(% of population)	
Distribution among groups. 2012	Non-Poor	Poor	Bottom 40	Top 60	Multidimensional Poverty Measures: 2012	(% or population)	
Urban population	53	47	18	82	Monetary poverty (Consumption)		
Rural population	16	84	54	46	Daily consumption less than US\$2.15 per person	69.7	
Males	30	70	40	60			
Females	31	69	40	60	Education		
0 to 14 years old	24	76	46	54	At least one school-aged child is not enrolled in school	8.0	
15 to 64 years old	35	65	36	64	No adult has completed primary education	22.5	
65 and older	43	57	25	75			
Without education (16+)	24	76	45	55	Access to basic infrastructure		
Primary education (16+)	26	74	43	57	No access to limited-standard drinking water	47.9	
Secondary education (16+)	41	59	29	71	No access to limited-standard sanitation	80.0	
Tertiary/post-secondary education (1	16+) 82	18	6	94	No access to electricity	83.0	

Source: World Bank using E123/SSAPOV/GMD

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

Source: World Bank using E123/SSAPOV/GMD

#### POVERTY DATA AND METHODOLOGY

While the 2005 and 2012 surveys are similar in structure, the comparability of consumption aggregates is unclear due to a lack of documentation on the methodology adopted in generating previous consumption aggregates, especially for the 2004/5 survey. Therefore, the consumption aggregates for the 2004/5 survey were recomputed using the same methodology as in 2012. A new household survey for only Kinshasa was completed in November 2018. The Poverty GP recently obtained a 2020 national survey with consumption data and is assessing it for quality/comparability with the previous surveys. A new national household survey including consumption data is expected to be implemented by December 2023 through the World Bank ENCORE project. Without recent consumption data, the recent Poverty Assessment has estimated 2018 poverty rates by applying survey-to-survey imputation methods to the 2018 Multiple Indicator Cluster Survey (MICS). The most important issue in terms of data gaps is the obsolescence of the sampling frame, which is still based on the population and housing census implemented in 1984. While implementing the new population census remains challenging despite the political will to make it happen, an option based on geospatial data is done through a Technical Assistance of the Bank.

Tracking poverty over time requires comparable consumption data and a consistent consumer price index (ideally for food and non-food items) to update the poverty lines. However, there is no consistent CPI series in DRC between 2004/5 and 2012, both in terms of geographic coverage and in computation methodology. Without a reliable consumer price index, unit prices from the consumption modules were used to compute price indices for both surveys.

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.

