

# Poverty & Equity Brief

Africa Eastern & Southern

## Comoros

April 2023

The national poverty headcount was estimated at 44.8 percent when the last budget survey was conducted in 2020. Using the new lower middle-income poverty line of \$3.65 a day (in 2017 PPP), poverty rate was estimated to be 39.2 percent in 2022, which is unlikely to have changed from 2021 due to limited growth and lack of structural change. Comoros's growth remains driven by private consumption, fueled by remittances from a large Comorian diaspora.

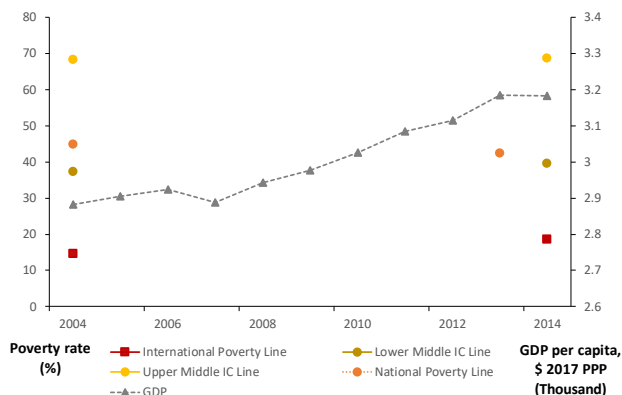
The country barely exports and remains highly reliant on imported foods, which makes Comoros particularly vulnerable to the ongoing global inflation, which averaged 12 percent – the highest value in 20 years. Ongoing inflation has mostly been driven by food item prices, affecting the poor disproportionately more in view of their high expenditure share on food items (59 percent). This disproportional impact, however, may be attenuated when the government expand its social protection program and appropriately target the poor during 2023. The Poverty rate therefore is expected to reach 38.8 percent in 2023 and continue along its rather timid downward trend to recover its pre-pandemic level of 38.2 percent in 2024.

The labor market participation rate in the Comoros remains low. In 2020, the labor market participation rate was 52.7%, lower as compared to the rate observed in most of the peer countries. The low labor force participation rate is partially explained by the weak participation of women, which stands at around 40%. At 0.33, the Gini coefficient is lower than most peer countries. This inequality is driven mostly by inequalities within urban and rural areas as well as within each of the islands rather than between geographical locations, implying that differences in consumption per capita between the rich and the poor are observed across all locations and are not restricted to a particular location.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	314.4	42.4	2013
International Poverty Line US\$2.15 (2017 PPP) per day per capita	133.2	18.6	2014
Lower Middle Income Class Poverty Line US\$3.65 (2017 PPP) per day per capita	282.4	39.5	2014
Upper Middle Income Class Poverty Line US\$6.85 (2017 PPP) per day per capita	490.2	68.6	2014
Multidimensional Poverty Measure		N/A	N/A
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		45.3	2014
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth		1.35	2009-2014
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, PIP as of April 2023, and Global Monitoring Database for the rest.

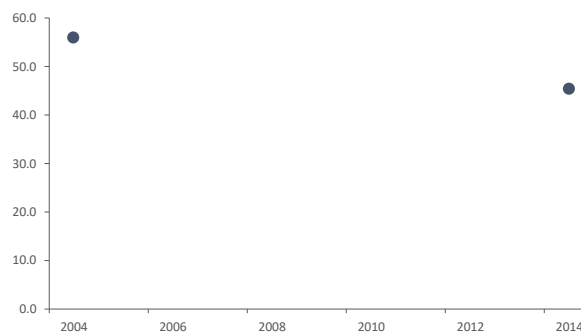
## POVERTY HEADCOUNT RATE, 2004-2014



Source: World Bank using EESIC/SSAPOV/GMD

## INEQUALITY TRENDS, 2004-2014

### Gini Index



Source: World Bank using EESIC/SSAPOV/GMD

## KEY INDICATORS

Distribution among groups: 2014	Lower Middle Income line(%)		Relative group (%)	
	Non-Poor	Poor	Bottom 40	Top 60
Urban population	71	29	30	70
Rural population	54	46	47	53
Males	60	40	40	60
Females	61	39	40	60
0 to 14 years old	51	49	50	50
15 to 64 years old	62	38	39	61
65 and older	70	30	30	70
Without education (16+)	N/A*	N/A*	N/A*	N/A*
Primary education (16+)	61	39	39	61
Secondary education (16+)	68	32	33	67
Tertiary/post-secondary education (16+)	82	18	19	81

Source: World Bank using EESIC/SSAPOV/GMD

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

### Multidimensional Poverty Measures: 2014 (% of population)

<b>Monetary poverty (Consumption)</b>	
Daily consumption less than US\$2.15 per person	18.6
<b>Education</b>	
At least one school-aged child is not enrolled in school	7.3
No adult has completed primary education	15.3
<b>Access to basic infrastructure</b>	
No access to limited-standard drinking water	6.4
No access to limited-standard sanitation	67.2
No access to electricity	28.5

Source: World Bank using EESIC/SSAPOV/GMD

## POVERTY DATA AND METHODOLOGY

The "Enquête Harmonisée sur les Conditions de Vie des Ménages" or Harmonized Household Survey for 2020 (henceforth referred to as EHCVM 2020) is the most recent available household survey. This survey is also used in West African Economic and Monetary Union (WAEMU) countries and uses the latest innovations in questionnaire design, data collection and poverty measurement methodology. In addition, the EHCVM 2020 survey represents the most recent consumption basket of Comoros' households. The survey collected detailed consumption expenditure data on food and non-food products and thus allows the use of consumption per capita as the welfare aggregate and a poverty line equivalent to KMF 41,495 (USD 99) per capita per month to update the situation of poverty and inequality in the country. Thus, going forward, this survey is well suited and expected to become the new baseline for monitoring poverty and welfare in the country.

The new consumption aggregate based on the 2020 EHCVM covers a large group of food and nonfood items, durable goods, and housing that are captured using more consistent recall periods. The cost-of-basic-needs (CBN) approach, which corresponds to the cost for a household to achieve a level of well-being considered the minimum necessary to satisfy its food and non-food needs, was used to construct the poverty line for Comoros.

The household budget surveys of 2014 and 2020 are not directly comparable due to differences in design, data collection and changes in poverty measurement methodology. However, using survey to survey imputation method, poverty in 2014 was made comparable to the 2020 number to facilitate poverty monitoring

**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](http://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.