

Poverty & Equity Brief

Africa Western & Central

Guinea

April 2023

As of 2018/19, 43.7 percent of Guineans lived below the national poverty line, equivalent to 5.8 million people. While this recent estimate is not comparable to the 2012 poverty estimate of 55.2 percent, complementary indicators suggest an improvement in living conditions in recent years. The national Multidimensional Poverty Index declined from 0.36 in 2012 to 0.32 in 2018/19. The Gini Index (spatial deflated) is relatively low (27.2 in 2018/19) compared to peer countries in the WAEMU region, where it ranges from 31.6 for Guinea Bissau to 38.6 for Burkina Faso. However, Guinea exhibits substantial regional heterogeneity in poverty rates, with Labé presenting the highest rate (66 percent compared to 31 percent in Kankan).

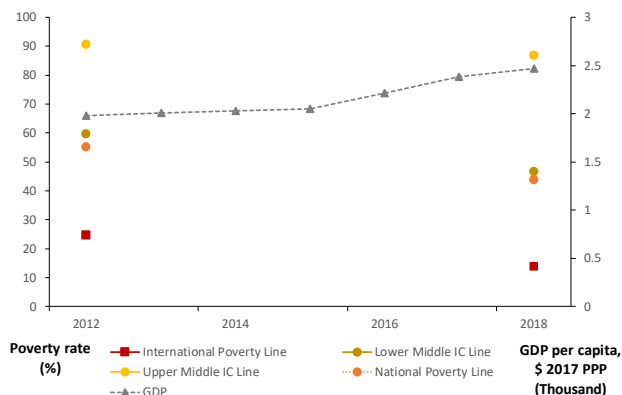
The increase in global commodity prices exacerbated inflation in 2021, pushing more people into poverty. Reduced household food purchasing power due to high food inflation can make households resort to coping strategies with negative long-term impacts on human capital accumulation. In fact, household data analysis reveals that a one percent increase in rice prices leads to a 0.2 percent reduction in nutritious food intake such as fish and dairy. Importantly, this tends to disproportionately impact the poor and, consequently, can widen inequalities in human capital in the long run. Furthermore, simulations indicate that the national poverty incidence increased from 47.3 percent in 2018 to 47.7 percent in 2021, corresponding to more than half a million additional poor.

Poverty is expected to have continued to increase in 2022 to 50.1 percent, in line with the sharp deceleration in the service sector, and despite inflation being contained between 2021 and in 2022 thanks to the appreciation of the GNF. The estimated increase in poverty is geographically heterogenous with Conakry seeing the largest increase (3.4 percentage points), certainly owing to the overrepresentation of its population in the service sector. Conversely, the Kankan region is estimated to have experienced the lowest increase, which is in line with growth in the industry, given the high involvement of the region in the mining sector. The war on Ukraine likely further exacerbated deprivation in welfare. Based on a rapid household phone survey conducted in September-October 2022, 9 percent of households reported that the main reason for being unable to access medicines when needed was scarcity.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	5.8	43.7	2018
International Poverty Line 8524.5 in Guinean franc (2018) or US\$2.15 (2017 PPP) per day per capita	1.7	13.8	2018
Lower Middle Income Class Poverty Line 14471.9 in Guinean franc (2018) or US\$3.65 (2017 PPP) per day per capita	5.9	46.6	2018
Upper Middle Income Class Poverty Line 27159.5 in Guinean franc (2018) or US\$6.85 (2017 PPP) per day per capita	10.9	86.8	2018
Multidimensional Poverty Measure		51.7	2018
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		29.6	2018
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth		4.27	2013-2018
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.

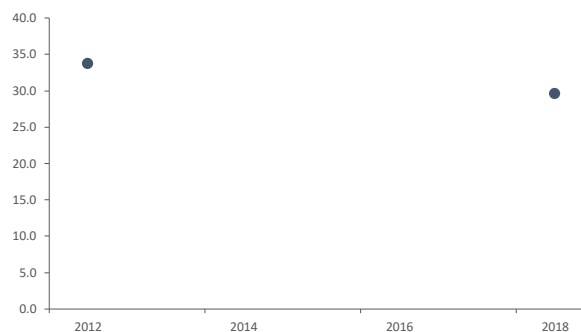
POVERTY HEADCOUNT RATE, 2012-2018



Source: World Bank using EHCVM/SSAPOV/GMD

INEQUALITY TRENDS, 2012-2018

Gini Index



Source: World Bank using EHCVM/SSAPOV/GMD

KEY INDICATORS

	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures:	(% of population)
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population					Monetary poverty	
Rural population					Daily income/consumption less than US\$2.15 per person	N/A
Males					Education	
Females					At least one school-aged child is not enrolled in school	N/A
0 to 14 years old					No adult has completed primary education	N/A
15 to 64 years old					Access to basic infrastructure	
65 and older					No access to limited-standard drinking water	N/A
Without education (16+)					No access to limited-standard sanitation	N/A
Primary education (16+)					No access to electricity	N/A
Secondary education (16+)						
Tertiary/post-secondary education (16+)						

Source: World Bank using EHCVM/SSAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

Data collection is not regular in Guinea, and there is generally a lag of five years or more between two household budget surveys. Moreover, the consumption aggregates of the last two rounds of household budget surveys are not directly comparable. Except for the two ELEP – Enquête Légère pour l'Evaluation de la Pauvreté (2007 and 2012) – the comparison with the new household survey conducted from July 2018 to June 2019 – Enquête Harmonisé sur les Conditions de Vie des Ménages (EHCVM) – is not possible due to differences in survey design as well as on the welfare measurement method. The second EHCVM survey – which has been delayed due to the political situation – is planned to start in Fall 2023 and will allow comparable poverty estimates to the ones from the 2018/19 survey.

Guinea has lacked long-term financing for statistical capacity building to support the modernization of its national statistical system over the last decades. The upcoming regional statistics project - Harmonizing and Improving Statistics in West and Central Africa (HISWACA) Project will help fill in this gap. The project will support public financial and human resource management and enhance statistical capacity in the country to improve data production activities that promote better data production and data/statistics dissemination.

The Gini Index mentioned in the text above is computed from consumption that considers spatial price differences and is different from those in the table, which uses nominal consumption and the 2017 PPP.

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.