Prior to the COVID-19 induced crisis, poverty declined at a slow pace in The Gambia. The national poverty rate declined from 48.6 percent in 2015 to an estimated 45.8 percent in 2019, due to low and variable economic growth. Data collected in 2020 shows that national poverty rate increased to 53.4 percent, instead of declining to a projected 44.9 percent based on pre-COVID-19 growth rates. This implies that about 1.1 million Gambians were poor in 2020.

Poverty rates are higher in rural areas, where the poor typically work in the agricultural sector, while in urban areas the largest share of the poor participate in the informal service sector. The poverty rate (based on the national poverty line) in rural areas was estimated at 76 percent in 2020 compared to 34 percent in urban areas. However, a high share of the poor live in densely populated urban settlements such as Brikama, which is home to 307,501 poor people, the highest in the country. The increasing urban-rural divide also meant an increase in inequality, which is estimated to have increased from a Gini index of 36 in 2015 to 39 in 2020. High levels of poverty are closely intertwined with deficits in human capital accumulation and limited access to basic infrastructure. Access to water, sanitation, and electricity improved for all but the poorest quintile between 2013 and 2019. For example, protected water access rose from about 15 to 30 percent for the second quintile and electricity access rose from about 20 to 80 percent for the middle quintile. In contrast, households in the poorest wealth quintile saw no improvements in access to basic services, and access to electricity and water remained under 20 percent.
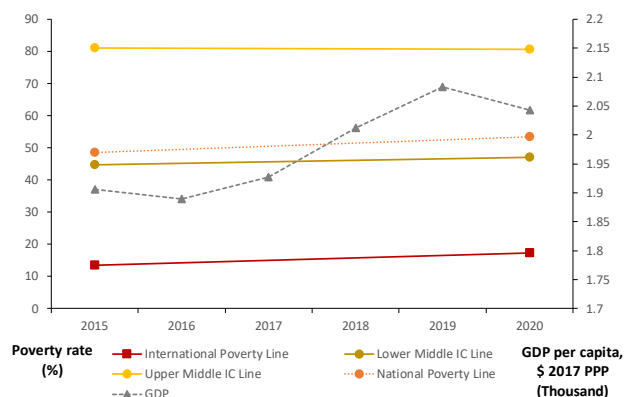
In 2022, GDP per capita growth reached 1.8 percent driven by improved agriculture production, higher public consumption, and infrastructure investments. However, high inflation dampened private demand, reaching decades highs, averaging 11.6 percent (year-on-year), with food and non-food inflation at 14.5 percent and 8.6 percent, respectively. High food prices remain a concern- especially for the poor.

Poverty (using the international poverty line of $2.15 (in 2017 PPPs) is expected to have increased to 20.3 percent in 2022 from 18.4 percent in 2021- driven by a combination of low growth and high inflation. The sharp increase in poverty (1.9pp increase in 2022 compared to a 1.2pp increase in 2021) is largely due to weaker growth in per capita GDP, and high prices eroding the purchasing power of households- especially the poor who spend a large amount of their expenditure on food. Data from the 2020 household survey showed that poor households spent 65 percent on food – over 10 percentage points higher than non-poor households. Recent food prices spiked (reaching 14.5 percent in 2022 compared to 8.6 percent for non-food during the same period) exposing the poor to the risk of sliding deeper into poverty. Rising food prices will limit the ability of vulnerable households to increase their already weak per capita income. Although stronger projected growth in agriculture and the expansion of cash transfers are expected to have a positive effect on poverty reduction, these gains will be tempered by continued high food prices.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	1,082.8	53.4	2020
International Poverty Line 39.5 in Gambian dalasi (2020) or US$2.15 (2017 PPP) per day per capita	443.8	17.2	2020
Lower Middle Income Class Poverty Line 67.1 in Gambian dalasi (2020) or US$3.65 (2017 PPP) per day per capita	1,211.0	47.0	2020
Upper Middle Income Class Poverty Line 125.9 in Gambian dalasi (2020) or US$6.85 (2017 PPP) per day per capita	2,074.4	80.6	2020
Multidimensional Poverty Measure		36.2	2020
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		38.8	2020
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth		1.40	2015-2020
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.
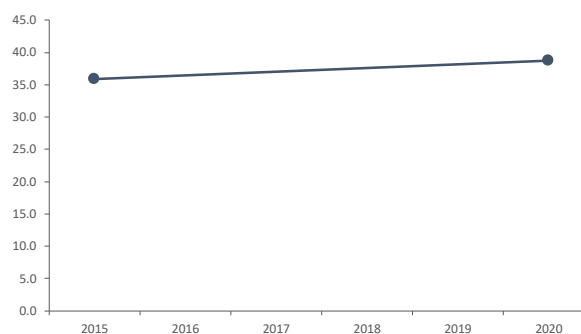
POVERTY HEADCOUNT RATE, 2015-2020

Poverty rate (%)	
━■━ International Poverty Line	━●━ Lower Middle IC Line
━●━ Upper Middle IC Line	┄┄ National Poverty Line
--▲-- GDP	

GDP per capita, $ 2017 PPP (Thousand)

Source: World Bank using IHS/SSAPOV/GMD

INEQUALITY TRENDS, 2015-2020
Gini Index

Source: World Bank using IHS/SSAPOV/GMD

KEY INDICATORS

Distribution among groups: 2020	International Poverty Line(%)		Relative group (%)	
	Non-Poor	Poor	Bottom 40	Top 60
Urban population	94	6	22	78
Rural population	69	31	62	38
Males				N/A
Females				N/A
0 to 14 years old				N/A
15 to 64 years old				N/A
65 and older				N/A
Without education (16+)				N/A
Primary education (16+)				N/A
Secondary education (16+)				N/A
Tertiary/post-secondary education (16+)				N/A

Source: World Bank using IHS/SSAPOV/GMD

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

Multidimensional Poverty Measures: 2020	(% of population)
Monetary poverty (Consumption)	
Daily consumption less than US$2.15 per person	17.2
Education	
At least one school-aged child is not enrolled in school	40.2
No adult has completed primary education	28.5
Access to basic infrastructure	
No access to limited-standard drinking water	12.8
No access to limited-standard sanitation	53.4
No access to electricity	29.1

Source: World Bank using IHS/SSAPOV/GMD

POVERTY DATA AND METHODOLOGY

Poverty and inequality statistics in The Gambia are produced by the Gambia Bureau of Statistics (GBoS), based on the national Integrated Household Survey (IHS). The latest round of the household survey was conducted between February 2020 and January 2021 (IHS 2020); and was comparable with the previous IHS which was conducted in 2015. The survey is representative at the district level with a sample size of over 13,000 households.

A High Frequency Phone Survey (HFPS) program to monitor the impacts of the COVID-19 pandemic on households- including on labor market activities, education, access to basic services, household income, access to vaccines, etc. was concluded in December 2021. The survey fielded 10 rounds of data collection; and was implemented by GBoS in collaboration with the World Bank and MOFEA. Funding for the survey is provided by the State and Peace Building Trust Fund managed by the World Bank.

GBoS is recently completed data collection for a Labor Force Survey (LFS). Data collection was conducted between January and February 2023. Additionally, the population and housing census is planned to begin in late 2023- 10 years after the previous one in 2013 and in line with international best practice.

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.

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