

Poverty & Equity Brief

Africa Western & Central

Cote d'Ivoire

April 2022

Cote d'Ivoire was one of the fastest-growing economies in Sub-Saharan Africa, with real GDP per capita growth averaging 5.5 percent between 2015 and 2019. This economic success has been associated with a decline in poverty and an expansion of the middle class. The poverty rate using the national poverty line declined to reach 39.5 percent in 2018/19 from 44.0 percent in 2015, while the middle class expanded from 34.6 percent to 36.5 percent over the same period. But a third of the middle-class households are still vulnerable to poverty. The COVID-19 crisis reversed recent gains, highlighting the high level of vulnerability of the population to shocks and the need to strengthen resilience. The real GDP per capita contracted by 5.2 ppt, declining to -0.6 percent in 2020, which resulted in a 1.8 ppt increase in poverty rate from its pre-COVID projection of 36.8 percent. Poverty projections estimated that such economic contraction has pushed about half a million people into poverty, driven by job losses and lower incomes for the self-employed.

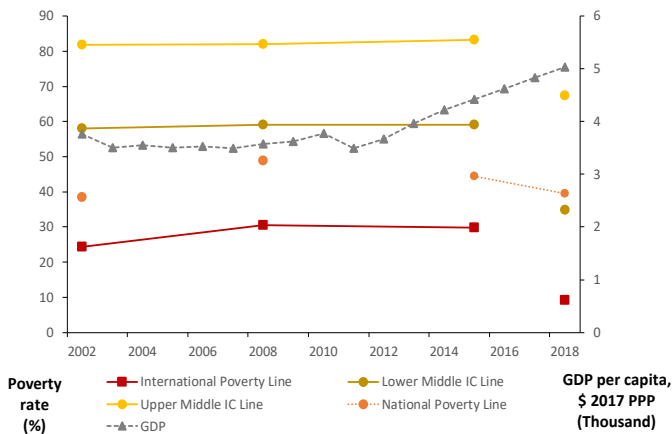
Inequality is also high, limiting an inclusive recovery from the pandemic. Inequality in 2018-19 measured by the Gini coefficient of household consumption was 35.1, while the average consumption of the top 20 percent of the population was six times higher than the average consumption of the bottom 20 percent. Regional disparities also remain significant, with poverty incidence declining in urban areas by 6.9 percentage points (from 31.6 to 24.7) while remaining high (around 55 percent) in rural areas. Beyond the urban-rural divide, western regions stand out as lagging regions regarding the number of poor. In some cash crop (cocoa, rubber, and palm oil) production regions such as San Pedro, Cavally, Nawa, and Goh, living conditions have worsened over the 2015-19 period.

As the economy gradually recovers from the pandemic thanks to crisis-support programs, increased cocoa production, and a rebound of manufacturing and services, downside risks remain significant. While cocoa production increased by 2.6 percent in 2021, farmgate prices dropped by 17.5 percent at 825 CFA. The decline in cocoa prices is partly explained by the slump in sales of 2020, due to logistical challenges from the pandemic and the setting of a Living Income Differential by Cote d'Ivoire and Ghana. The security threat in the north of the country will likely affect cashew and staple foods production. In addition, the Ukraine-Russia conflict will raise food, energy, and transport prices. The poor will be the most vulnerable to higher inflation which reached a 10-year high of 4.2 percent in 2021, affecting recent progress in food security and stagnating the projected path of further poverty reduction.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	9.9	39.5	2018
International Poverty Line 494.8 in CFA franc (2018) or US\$1.90 (2011 PPP) per day per capita	2.3	9.2	2018
Lower Middle Income Class Poverty Line 833.4 in CFA franc (2018) or US\$3.20 (2011 PPP) per day per capita	8.7	34.9	2018
Upper Middle Income Class Poverty Line 1432.5 in CFA franc (2018) or US\$5.50 (2011 PPP) per day per capita	16.9	67.4	2018
Multidimensional Poverty Measure		36.4	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		3.07	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

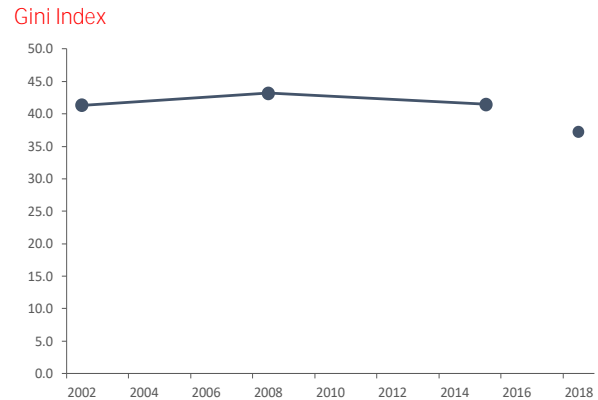
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of April 2022, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2002-2018



Source: World Bank using EHCVM/SSAPOV/GMD

INEQUALITY TRENDS, 2002-2018



Source: World Bank using EHCVM/SSAPOV/GMD

KEY INDICATORS

Distribution among groups: 2018	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures: (% of population)
	Non-Poor	Poor	Bottom 40	Top 60	
Urban population	96	4	23	77	Monetary poverty
Rural population	85	15	58	42	Daily income/consumption less than US\$1.90 per person
Males	91	9	40	60	
Females	91	9	40	60	Education
0 to 14 years old	88	12	49	51	At least one school-aged child is not enrolled in school
15 to 64 years old	93	7	34	66	No adult has completed primary education
65 and older	92	8	39	61	
Without education (16+)	89	11	46	54	Access to basic infrastructure
Primary education (16+)	94	6	32	68	No access to limited-standard drinking water
Secondary education (16+)	97	3	20	80	No access to limited-standard sanitation
Tertiary/post-secondary education (16+)	100	N/A*	4	96	No access to electricity

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

Cote 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 have been produced. The official poverty measurement methodology follows the Cost of Basic Needs approach. The welfare measure is 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 process of a second and comparable survey to the EHCVM 2018/19 has been launched in November 2020 with support through the World Bank's Regional Program to Harmonize and Modernize Living Conditions Surveys. The first wave of data collection was completed in February 2022 and the fieldwork for the second wave of data collection will be implemented from April to July 2022.

The World Bank is working with the Government to support the Côte d'Ivoire with an IDA Credit of US\$54 million, 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 ongoing post-census survey. The project also supports other statistical operations including the business census, households' surveys, and technical assistance for the production and improving the quality of national accounts.

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.