

COUNTRY POVERTY BRIEF

MIDDLE EAST & NORTH AFRICA

JORDAN

October 2017

POVERTY		Rate (Number of Poor)	Period
National Poverty Line		14.4% (1.0 million)	2010
International Poverty Line 0.8 in Local Currency Unit or US\$1.90 (2011 PPP) per day per capita		0.1% (8.3 thousand)	2010
Lower Middle Income Class (IC) Poverty Line 1.4 in Local Currency Unit or US\$3.20 (2011 PPP) per day per capita		2.1% (149.2 thousand)	2010
Upper Middle Income Class (IC) Poverty Line 2.4 in Local Currency Unit or US\$5.50 (2011 PPP) per day per capita		18.1% (1.3 million)	2010
SHARED PROSPERITY			
Income or Consumption growth of the bottom 40 percent		4.5%	2008-2010
INEQUALITY			
Gini Coefficient		0.34	2010
Shared Prosperity Premium	Difference between the income or consumption growth of the bottom 40 percent and that of the average	-1.2pp	2008-2010
GDP GROWTH			
Annualized GDP per capita growth		-1.3%	2008-2010

Sources: WDI, MNATSD using HEIS/MNAPOV/GMD. National poverty lines are provided by national statistical offices.

PROGRESS ON POVERTY AND EQUITY

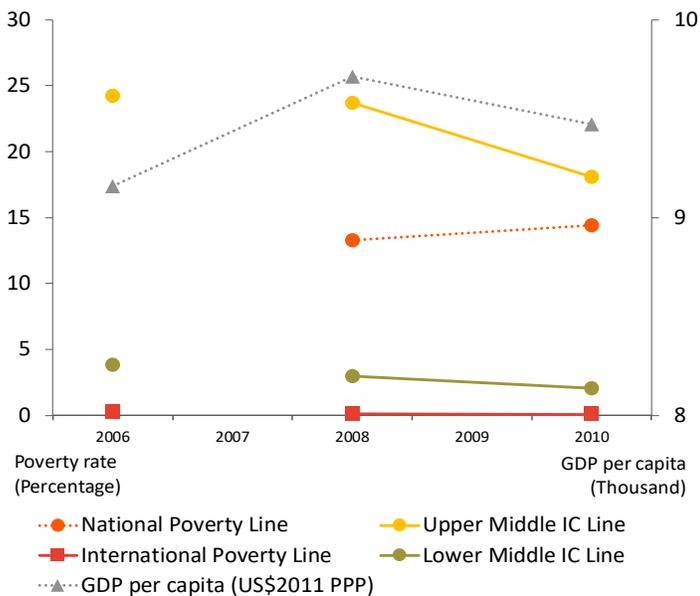
The last publicly released poverty estimates for Jordan are based on the 2010 HIES. The most recent complete round of HIES, conducted in 2013/14, could not be used to provide poverty estimates, due to serious data quality concerns.

The 2013/14 HIES was a complex survey that was collected in a difficult environment. Many challenges were faced during the data collection phase of the survey that significantly reduced its quality, including high rates of non-response. First, the survey was carried out between July 2013 and June 2014, a period that coincides with the peak of a massive influx of Syrian refugees: the number of registered Syrian refugees more than doubled from 178,000 to almost 600,000 during this time. Second, the survey's sample frame was outdated and based on the previous 2004 Population and Housing Census which does not capture the major changes the country experienced over the previous decade.

A new survey round of HIES was initiated in August 2017, following a year long process that focused on improving survey design and data management systems. Following a request for technical assistance from the Government of Jordan, this process involved an in-depth and systematic diagnostic of the current HIES system to inform the design of the new survey system.

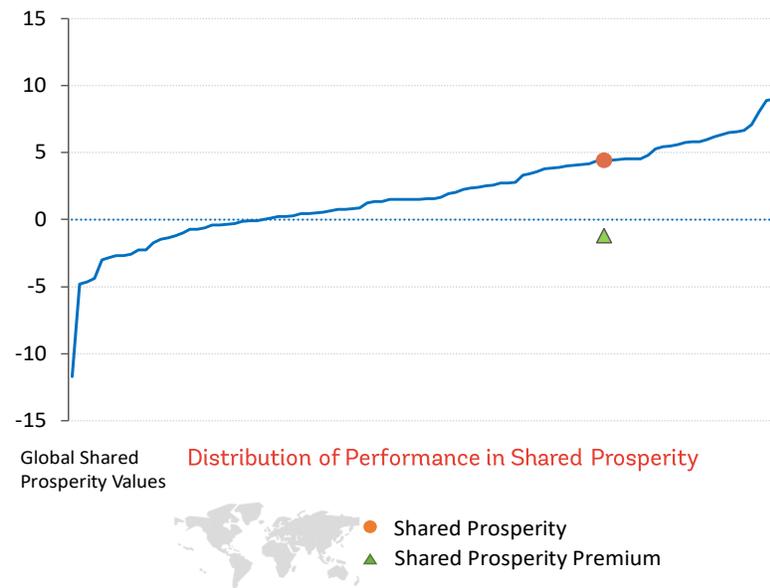
This survey is designed to be representative of Jordanian, Non-Jordanian, and Syrian nationals. This expansion in the focus of the survey is unique in the developing world where countries predominantly define samples based on their nationals.

POVERTY HEADCOUNT RATE, 2006-2010



Source: World Bank using HEIS/MNAPOV/GMD

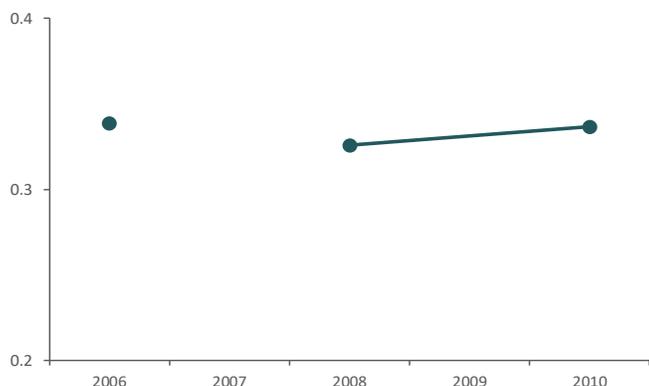
SHARED PROSPERITY AND SHARED PROSPERITY PREMIUM, 2008-2010



Source: World Bank using HEIS/MNAPOV/GMD

INEQUALITY TRENDS, 2006-2010

Gini Coefficient



Source: World Bank using HEIS/MNAPOV/GMD

% CONTRIBUTION TO POVERTY CHANGE, 2008-2010

The decomposition is not displayed either because the change in poverty over the period of analysis is too small or the lack of availability of at least two household surveys.

Source: World Bank using HEIS/MNAPOV/GMD

POVERTY DATA AND METHODOLOGY

In 2012, the Government of Jordan updated its previous methodology to produce poverty estimates. The 2010 HIES was used to estimate a new national poverty line, following a 'cost of basic needs' (CBN) approach. The poverty line was based on a common national caloric requirement of 2,347 calories per capita per day, and with a common food and non-food basket for all households. Since consumption habits of rich and poor households may differ greatly, the poverty line was based on the revealed consumption and expenditure patterns of the bottom 30 percent of the population (regarded as poor or near-poor) as reflected in the 2010 HIES. Although the survey was designed to be representative at the sub-district level, a sample of roughly 13,866 households provided estimates with high levels of precision at the national and the regional level. The 2013 HIES data suffered from very high rates of non-response (>35%); and other problems of poor data quality and was therefore not used to estimate poverty. In 2016, important changes were made to the sample and survey design to address these problems, and to establish a new benchmark for measuring and tracking poverty in Jordan. These included: (i) apportioning the sample in a more efficient and less burdensome way to ensure representative samples across space (at the Governorate level) and over time; (ii) a move from a diary to recall methods for collecting data on consumption expenditures. The 2017/18 HIES which is currently in the field aims to reach a total of 20,000 sample households. This survey is designed to able provide quarterly estimates of national poverty; and governorate level representatives for Jordanians at the end of 12-month survey period. Poverty estimates for non-Jordanians and Syrian nationals will be representative only at a national level.

HARMONIZATION

The numbers presented in this brief are based on the MNAPOV database. MNAPOV is a new data collection effort enacted in 2014, and managed by MNATSD. It covers 30 surveys from 11 countries. Two data points (surveys) are available for each country, except Algeria. The database is organized in 3 modules following the Global Monitoring Database (GMD) Harmonization guidelines, including the welfare aggregate which is used for Global Poverty Monitoring. Terms of use of the data adhere to agreements with the original data producers.