

East Asia and Pacific



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Poverty & Equity Brief

East Asia & Pacific

China

April 2020

For decades China has experienced a sustained reduction in poverty rates driven by strong broad-based economic growth—above 6 percent. As of 2018, the official poverty rate stands at 1.7 percent of the rural population, using the official poverty line of 2,300 Renminbi (2010 standard), a 1.4 percentage point decline from the 2017 rate. Recent estimates for poverty rates using internationally comparable poverty lines confirm this trend. The World Bank estimates that, by 2016, poverty rates in China are 0.5 percent, 5.4 percent and 23.8 percent under the International, Lower Middle-Income Class, and the Upper Middle-Income Class poverty lines, respectively.

As workers continue to migrate from rural to urban areas and move away from agriculture and into manufacturing and services (sectors for which growth have been stronger), the bottom 40 percent of the population have been able to contribute to the broad-based economic growth process. As per the World Bank's measure of shared prosperity for the period 2013-2016, average consumption growth of the bottom 40 percent of the population not only has been strong (at 8.38 percent) but it has also been 1.26 percentage points higher than the average consumption growth of the total population.

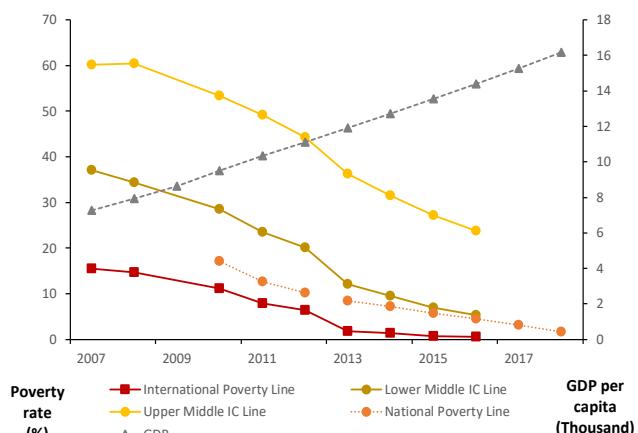
Consistently, income inequality has been falling in the past decade from 49.1 in 2008 to 46.7 in 2017, according to the latest official data (a trend also observed by independent researchers using different data and methods). Nevertheless, inequality remains high -largely driven by urban-rural differences- and the latest estimates show a flattening or slight reversal of the declining trend observed since 2008.

The recent outbreak of the COVID-19 is affecting the economy even beyond the Hubei province. Temporary labor dislocation, slower growth in household incomes, higher health expenditures suggest that the pace of poverty reduction is expected to slow significantly in 2020. Workers in less secure, informal and self-employment, particularly migrant workers, will be especially vulnerable, as well as the elderly population which face heightened health risks, higher health expenditures and potentially lower family transfers which are not compensated by public transfers.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	23.4	1.7	2018
International Poverty Line 7.5 in Chinese yuan (2016) or US\$1.90 (2011 PPP) per day per capita	7.2	0.5	2016
Lower Middle Income Class Poverty Line 12.6 in Chinese yuan (2016) or US\$3.20 (2011 PPP) per day per capita	73.9	5.4	2016
Upper Middle Income Class Poverty Line 21.7 in Chinese yuan (2016) or US\$5.50 (2011 PPP) per day per capita	328.7	23.8	2016
Multidimensional Poverty Measure		N/A	N/A
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent	8.38	2013-2016	
INEQUALITY			
Gini Index	46.7	2017	
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth	1.26	2013-2016	
GROWTH			
Annualized GDP per capita growth	6.43	2013-2016	
Annualized Consumption Growth per capita from Household Survey	7.12	2013-2016	
MEDIAN INCOME			
Growth of the annual median income/consumption per capita	7.86	2013-2016	

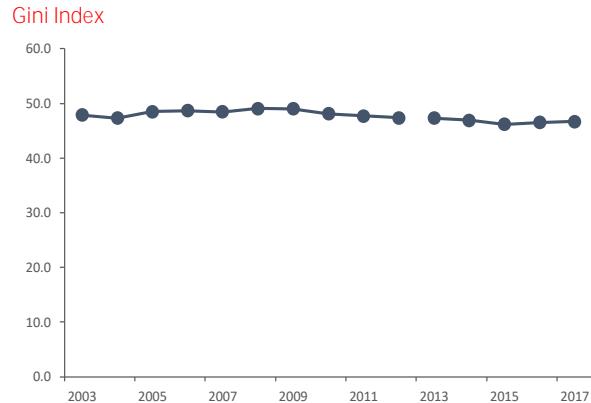
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2007-2018



Source: National Bureau of Statistics and World Bank

INEQUALITY TRENDS, 2003-2017



Source: National Bureau of Statistics and World Bank

KEY INDICATORS

	Upper Middle Income line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):
	Non-Poor	Poor	Bottom 40	Top 60	
Urban population			N/A		Monetary poverty
Rural population			N/A		Daily income/consumption less than US\$1.90 per person
Males			N/A		N/A
Females			N/A		Education
0 to 14 years old			N/A		At least one school-aged child is not enrolled in school
15 to 64 years old			N/A		No adult has completed primary education
65 and older			N/A		Access to basic infrastructure
Without education (16+)			N/A		No access to limited-standard drinking water
Primary education (16+)			N/A		No access to limited-standard sanitation
Secondary education (16+)			N/A		No access to electricity
Tertiary/post-secondary education (16+)			N/A		

Source: National Bureau of Statistics and World Bank

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

POVERTY DATA AND METHODOLOGY

The series for poverty and inequality experience a break in 2013, associated with a change of the sampling frame of the household survey and the including of home ownership imputation in the consumption aggregate. World Bank poverty estimates differ from official poverty estimates because of two methodological reasons. First, due to the lack of access to individual data from the household surveys, the World Bank's estimates of poverty in China are based on household consumption from grouped data. These are often not as precise as direct estimates based on the full distribution of household income and consumption from microdata. In addition, the official poverty line (at 2,300 renminbi for the rural population in 2010) is higher than the international poverty line (2011 PPP), spatially adjusted for urban/rural price differences (around 1,990 renminbi for rural areas for the same year). Second, the official estimates refer to a rural population, whereas the World Bank estimates refer to the total population.

HARMONIZATION

The numbers presented in this brief are based on the EAPPOV database. EAPPOV is a database of socio-economic statistics constructed using microdata from household surveys in the East Asia and the Pacific (EAP) region and is managed by the East Asia & Pacific Team for Statistical Development (EAPTS). As of January 2019, the collection includes 19 countries and 93 surveys. Harmonized surveys in the EAPPOV database are compiled into 4 modules following Global Monitoring Database (GMD) Harmonization guidelines. A subset of the harmonized variables form the basis of the GMD collection, 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.

Poverty & Equity Brief

East Asia & Pacific



April 2020

The latest Household Income and Expenditure Survey (HIES) used to estimate poverty in Fiji was conducted in 2013-14. A new HIES was conducted between March 2019 and February 2020, with new poverty estimates expected by the end of 2020. By World Bank definitions of data deprivation, Fiji is classified as vulnerable to data deprivation. In the past 10 years, Fiji has conducted a HIES on two occasions, with over five years between them (2013-14 and 2019-20).

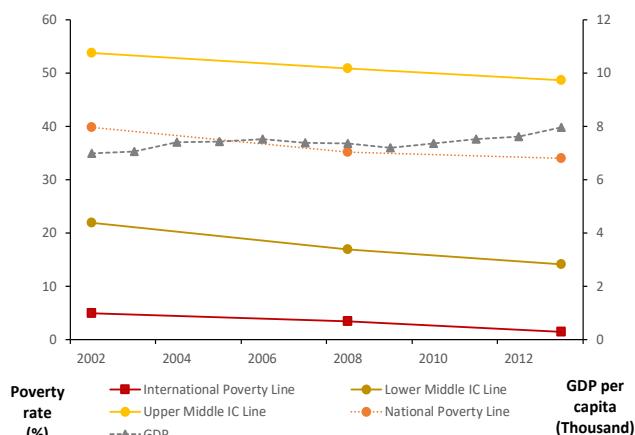
The national consumption-based poverty rate (see "Poverty Data and Methodology" section) was 34.0 percent in 2013-14, a decline from 39.8 percent in 2002-03 and 35.2 percent in 2008-09. Poverty is higher in rural areas than urban areas (38.3 percent and 29.2 percent, respectively), but the gap has narrowed since 2008-09. Characteristics associated with poverty include larger household sizes and household heads that are lower-educated, self-employed, or older. Using the international \$1.90 (2011 PPP USD per person per day) poverty line, the poverty rate for 2013-14 was estimated at 1.4 percent, among the lowest in the Pacific. Measured against the \$5.50 poverty line, which reflects living standards across upper middle-income countries, Fiji stood at 48.6 percent, much higher than the upper middle-income country global average of 29.7 percent. Moreover, the COVID-19 epidemic may severely increase poverty in Fiji, due to the resulting economic shock to key sectors such as tourism, as well as a projected drop in remittance incomes to many households.

Inequality, as measured by a consumption-based Gini index, was estimated at 36.7. Inequality fell between 2008-09 and 2013-14, driven by a growth in the consumption of the Bottom 40 (1.17 percent per year) in a period where the rest of the distribution experienced negative growth (-0.51 percent per year). Median income growth between the two survey periods was 0.73 percent, consistent with the trends seen in consumption growth.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	294.3	34.0	2013
International Poverty Line 2.5 in Fiji dollar (2013) or US\$1.90 (2011 PPP) per day per capita	11.9	1.4	2013
Lower Middle Income Class Poverty Line 4.1 in Fiji dollar (2013) or US\$3.20 (2011 PPP) per day per capita	121.9	14.1	2013
Upper Middle Income Class Poverty Line 7.1 in Fiji dollar (2013) or US\$5.50 (2011 PPP) per day per capita	420.7	48.6	2013
Multidimensional Poverty Measure	2.4		2013
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent	1.17		2008-2013
INEQUALITY			
Gini Index	36.7		2013
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth	1.68		2008-2013
GROWTH			
Annualized GDP per capita growth	1.58		2008-2013
Annualized Consumption Growth per capita from Household Survey	-0.51		2008-2013
MEDIAN INCOME			
Growth of the annual median income/consumption per capita	0.73		2008-2013

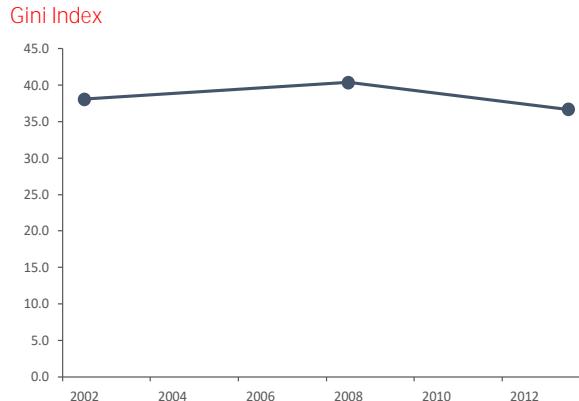
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2002-2013



Source: World Bank using HIES/EAPPOV/GMD

INEQUALITY TRENDS, 2002-2013



Source: World Bank using HIES/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2013	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2013
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	99	1	33	67	Monetary poverty (Consumption)	
Rural population	99	1	47	53	Daily consumption less than US\$1.90 per person	1.4
Males	99	1	40	60	Education	
Females	99	1	40	60	At least one school-aged child is not enrolled in school	1.4
0 to 14 years old	98	2	52	48	No adult has completed primary education	0.8
15 to 64 years old	99	1	35	65	Access to basic infrastructure	
65 and older	99	N/A*	33	67	No access to limited-standard drinking water	8.3
Without education (16+)	98	N/A*	38	62	No access to limited-standard sanitation	7.2
Primary education (16+)	99	1	43	57	No access to electricity	10.0
Secondary education (16+)	99	1	36	64		
Tertiary/post-secondary education (16+)	100	N/A*	11	89		

Source: World Bank using HIES/EAPPOV/GMD

Source: World Bank using HIES/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

Fiji has two alternative "cost of basic needs" poverty measures based on income and consumption data. For the income poverty measure, the Food Poverty Line estimated the amount of income required to consume a food menu designed by the Fiji Food and Nutrition Centre in 2002-3 that would meet minimum nutritional requirements, while the Non-Food Poverty Line was developed based on the average non-food consumption of the third decile of the income distribution. The measure uses an adult-equivalence benchmark, with children aged 0-14 counting as half of an adult. Separate poverty lines were estimated for urban and rural areas. Poverty measures in 2008-9 and 2013-14 continued to use the 2002-3 lines, adjusted for CPI inflation. For the consumption poverty measure, the FPL estimated the required expenditure to achieve 2793 calories of consumption per adult-equivalent, using a basket of goods based on the consumption of deciles 2, 3, 4, and 5 in the distribution. A single line was used in conjunction with spatial deflation of food consumption. The NFPL was estimated by scaling the FPL using the share of non-food consumption of households around the FPL. Separate NFPLs were estimated for urban and rural areas. To facilitate meaningful comparisons across countries, the World Bank publishes estimates using three different poverty lines (2011 PPP): the International Poverty Line (US\$1.90), and two other poverty lines at US\$3.20 and US\$5.50. For Fiji, per capita consumption aggregates were deflated to account for differences in the cost of living between rural and urban areas.

HARMONIZATION

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Poverty & Equity Brief

East Asia & Pacific

Indonesia

April 2020

Indonesia's poverty rate based on the national poverty line reached a record-low of 9.2 percent in September 2019. The share of Indonesians living below the national poverty line has more than halved since 1993. In 2017, the share of individuals living in extreme poverty (below the international poverty line of \$1.90 per day in 2011 PPP) was 5.7 percent and in moderate poverty (\$3.2 per day in 2011 PPP) was 27.3 percent respectively. Despite this progress, the pace of poverty reduction post-2010 has been about one-half (0.3 percentage points per year) of what it used to be in 2003-10 (0.6 percentage points per year). Vulnerability remains high; in 2018, 73.9 million individuals (30 percent of the population) were either poor and vulnerable to falling back into poverty.

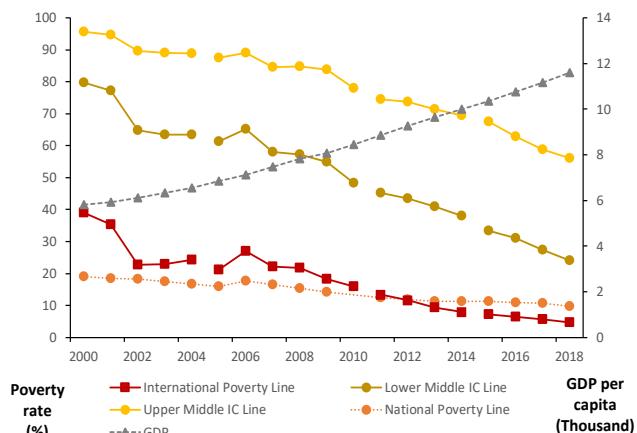
Indonesia's inequality as measured by the consumption Gini continued to moderate, reaching 38 in September 2019. But the rate of decline has been relatively slow. Most of the inequality decline is driven by gains at the middle of the distribution. Between 2014-19, the consumption share of the middle-40 (fifth to the eight decile of the distribution) increased by 1.8 percentage points from 35 percent, whilst that of the top 20 fell by 2.5 percentage points to 45.5 percent. Between 2014-18, the growth rate of consumption of the bottom 40 has picked up, but it still lags consumption growth at the mean (2.9 percent). In fact, the bottom 10 percent of the population (roughly the official poor in today's terms) increased their overall consumption by less than 0.1 percent per year in 2014-18.

Targeted social assistance, access to basic services, and an inclusive growth process remain important to address poverty and inequality challenges. The outbreak of COVID-19 is likely to compound these existing challenges and reverse recent gains in poverty reduction. Mobility restrictions and the decline in tourism have already hit Indonesia's services sector hard, especially affecting informal workers in wholesale and retail trade, transport, accommodation and restaurants. The government has already announced several packages to mitigate the impact on the poor, such as scaling up the flagship CCT program, and topping up food vouchers. But a key challenge it faces is to identify, reach and deliver assistance to those above the bottom 40 who are not covered by the social assistance targeting database.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	25.9	9.8	2018
International Poverty Line 10542.3 in Indonesian rupiah (2018) or US\$1.90 (2011 PPP) per day per capita	12.4	4.6	2018
Lower Middle Income Class Poverty Line 17755.4 in Indonesian rupiah (2018) or US\$3.20 (2011 PPP) per day per capita	64.7	24.2	2018
Upper Middle Income Class Poverty Line 30517.1 in Indonesian rupiah (2018) or US\$5.50 (2011 PPP) per day per capita	150.2	56.1	2018
Multidimensional Poverty Measure	8.0		2016
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent	5.06		2014-2018
INEQUALITY			
Gini Index	37.7		2018
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth	0.13		2014-2018
GROWTH			
Annualized GDP per capita growth	3.79		2014-2018
Annualized Consumption Growth per capita from Household Survey	4.93		2014-2018
MEDIAN INCOME			
Growth of the annual median income/consumption per capita	6.18		2014-2018

Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2000-2018



Source: World Bank using SUSENAS/EAPPOV/GMD

INEQUALITY TRENDS, 2000-2018



Source: World Bank using SUSENAS/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2016	Lower Middle Income line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):
	Non-Poor	Poor	Bottom 40	Top 60	
Urban population	72	28	35	65	Monetary poverty (Consumption) Daily consumption less than US\$1.90 per person
Rural population	66	34	45	55	N/A
Males	69	31	40	60	Education At least one school-aged child is not enrolled in school
Females	68	32	40	60	N/A No adult has completed primary education
0 to 14 years old	64	36	46	54	Access to basic infrastructure No access to limited-standard drinking water
15 to 64 years old	72	28	37	63	N/A No access to limited-standard sanitation
65 and older	62	38	47	53	N/A No access to electricity
Without education (16+)	52	48	58	42	N/A
Primary education (16+)	63	37	47	53	N/A
Secondary education (16+)	76	24	32	68	
Tertiary/post-secondary education (16+)	93	7	11	89	

Source: World Bank using SUSENAS/EAPPOV/GMD

Source: World Bank using SUSENAS/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The poverty line in Indonesia is defined by Indonesia's national statistics office (Badan Pusat Statistik, BPS) as the amount of money required to obtain 2,100 calories per day, along with a small amount for other basic non-food items. There are 67 poverty lines in Indonesia, one for each of the urban and rural areas of the provinces outside of Jakarta; and the national poverty line is calculated as the weighted average of the 67 local poverty lines. Unlike in some countries, and in the calculation of international poverty lines, where the basket of goods used in calculating the poverty line is fixed and simply inflated by CPI, in Indonesia, the basket of goods is allowed to change every year in the calculation of each of the 67 local poverty lines. The basket of goods for each of the 67 local poverty lines is recalculated each year for a reference group of 'near poor' households, where 'near poor' households are defined as households that fall between the poverty line and 20th percentile of the consumption distribution above the poverty line. In the face of high food prices, the inflation factors applied to the national poverty lines tend to be larger than the CPI. Also, because the basket of goods used in calculating the national poverty line may change, the price per calories changes. This may probably explain why poverty reduction based on national poverty line appeared to be slower than that based on the international poverty line.

HARMONIZATION

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Poverty & Equity Brief

East Asia & Pacific

Kiribati

April 2020

The latest Household Income and Expenditure Survey (HIES) used to estimate poverty in Kiribati was conducted in 2006. A new HIES was launched in April 2019, with data collection scheduled to conclude by March 2020 and new poverty estimates expected by the end of 2020. By World Bank definitions of data deprivation, Kiribati is classified as extremely deprived, as it has not completed a HIES in the last 10 years.

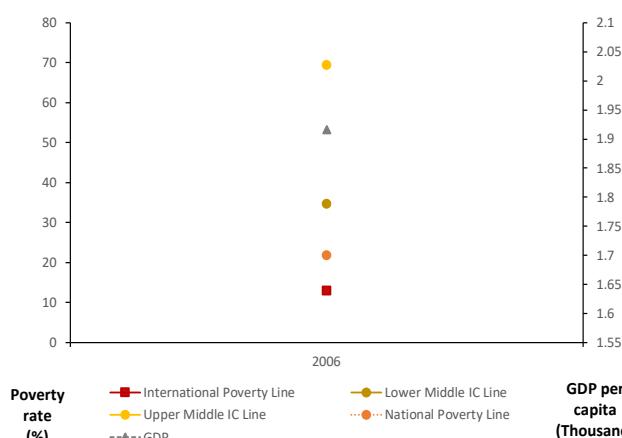
Using the national measures (see "Poverty Data and Methodology" section for details), 21.8 percent of the population lived below the basic needs poverty line in 2006. Poverty rates were considerably higher in South Tarawa (24.2 percent) and the Rest of the Gilbert Islands (22.0 percent) than in the Line and Phoenix Islands (8.9 percent). Characteristics associated with poverty include having a household head with lower levels of formal education.

Using the international poverty line of \$1.90 (2011 PPP USD per person per day), the headcount poverty rate was estimated at 12.9 percent. Measured against the \$3.20 poverty line, which reflects living standards across all lower middle income countries, the incidence of poverty was at 34.6 percent, which was lower than the lower-middle income countries global average of 60.8 percent in 2008. Inequality, as measured by the Gini index, was estimated at 37.0. The COVID-19 pandemic may increase poverty in Kiribati, due to the resulting economic shocks to various economic sectors, a projected drop in remittance incomes to many households, as well as disruptions in the supply of food and basic necessities through imports.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	20.5	21.8	2006
International Poverty Line 1.6 in Australian dollar (2006) or US\$1.90 (2011 PPP) per day per capita	12.1	12.9	2006
Lower Middle Income Class Poverty Line 2.7 in Australian dollar (2006) or US\$3.20 (2011 PPP) per day per capita	32.6	34.6	2006
Upper Middle Income Class Poverty Line 4.6 in Australian dollar (2006) or US\$5.50 (2011 PPP) per day per capita	65.5	69.4	2006
Multidimensional Poverty Measure	38.7		2006
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index	37.0		2006
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth	-0.12		2001-2006
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

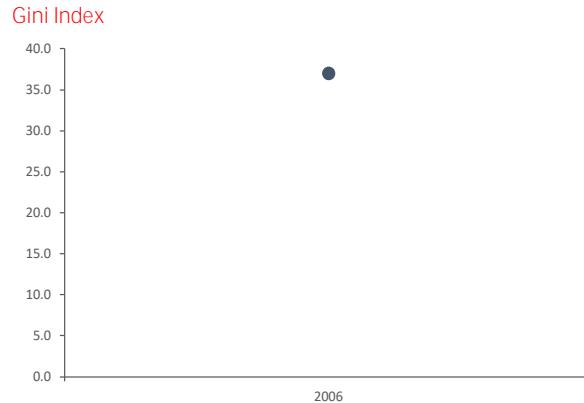
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2006



Source: World Bank using HIES/EAPPOV/GMD

INEQUALITY TRENDS, 2006



Source: World Bank using HIES/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2006	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2006
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	87	13	46	54	Monetary poverty (Consumption)	
Rural population	87	13	35	65	Daily consumption less than US\$1.90 per person	12.9
Males	87	13	40	60	Education	
Females	87	13	40	60	At least one school-aged child is not enrolled in school	10.9
0 to 14 years old	86	14	43	57	No adult has completed primary education	2.5
15 to 64 years old	88	12	38	62	Access to basic infrastructure	
65 and older	85	15	41	59	No access to limited-standard drinking water	N/A
Without education (16+)	86	14	41	59	No access to limited-standard sanitation	N/A
Primary education (16+)	85	15	39	61	No access to electricity	31.2
Secondary education (16+)	90	10	38	62		
Tertiary/post-secondary education (16+)	89	N/A*	N/A*	73		

Source: World Bank using HIES/EAPPOV/GMD

Source: World Bank using HIES/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The national poverty statistics of Kiribati for 2006 used a "cost of basic needs" approach to establish a welfare benchmark for the poverty line. A Food Poverty Line (FPL) estimated the required expenditure to achieve 2100 calories of consumption per adult-equivalent (with children aged 0-14 counting as half of an adult), using a basket of goods based on the actual consumption of the bottom three deciles in the distribution. Separate FPLs were estimated for each of three sub-regions: South Tarawa, Line & Phoenix, and Rest of Gilberts. The Non-Food Poverty Line (NFPL) was estimated using the average non-food consumption of the bottom three deciles in the distribution.

To facilitate meaningful comparisons across countries, the World Bank publishes estimates using three different poverty lines (2011 PPP): the International Poverty Line (US\$1.90), the Lower Middle Income Class Poverty Line (US\$3.20) and the Upper Middle Income Class Poverty Line (US\$5.50). In Kiribati, the consumption aggregates were deflated using the three regional poverty lines to account for spatial differences in the cost of living. These estimates also differ from the national poverty measures because they assess welfare needs on a per capita rather than an adult-equivalent basis.

HARMONIZATION

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Lao People's Democratic Republic

April 2020

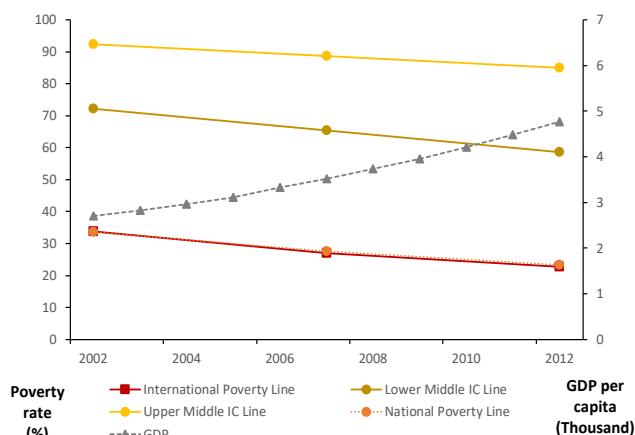
Lao PDR has made substantial progress in poverty reduction. Poverty halved from 46 to 23 percent between 1992 and 2012 and is expected to have further declined in recent years. However, the pace of poverty reduction has been slow despite high growth. Between 2007 and 2012, GDP per capita growth averaged around 6 percent a year, yet household consumption per capita and median income moderately grew at an average annual rate of 2.1 percent. Poverty measured using the lower middle-income class poverty line only fell by 7 percentage points and remained stubbornly high at 58.7 percent. A gradual decline in per-capita GDP growth since 2012 may have slowed down poverty reduction, unless growth has become more poverty reducing. Recurrent floods and droughts in recent years compounded by the recent COVID-19 outbreak could weigh negatively on progress against poverty. As a national lockdown and border closures are imposed, halting economic activities and breaking supply chains, households are expected to face abrupt disruptions to their income and consumption. Reverse migration from neighboring countries and from cities to villages means a significant loss in remittance income, making rural communities more vulnerable to the spread of the outbreak. Meanwhile, the country's limited fiscal space could constrain the implementation of rapid relief measures for vulnerable households and businesses.

Inequality is moderate but rising. The Gini index, a measure of inequality, steadily increased from 32.6 to 36.4 between 2002 and 2012 and is expected to have increased in recent years. The resource-driven growth disproportionately benefited the top of the income distribution as much of the economic activity associated with the resource sector and foreign investment was concentrated in specific areas and created limited spillovers to the rest of the economy. Meanwhile, agriculture which employs most poorer households was negatively affected by flooding and volatile commodity prices. Compounding this uneven distribution of growth benefits were vulnerability to health shocks, unequal access to public services and limited social protection schemes.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	1.5	23.4	2012
International Poverty Line 6700.4 in Lao kip (2012) or US\$1.90 (2011 PPP) per day per capita	1.5	22.7	2012
Lower Middle Income Class Poverty Line 11284.9 in Lao kip (2012) or US\$3.20 (2011 PPP) per day per capita	3.8	58.7	2012
Upper Middle Income Class Poverty Line 19396 in Lao kip (2012) or US\$5.50 (2011 PPP) per day per capita	5.5	85.0	2012
Multidimensional Poverty Measure		27.1	2012
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent	1.37	2007-2012	
INEQUALITY			
Gini Index	36.4	2012	
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth	-0.71	2007-2012	
GROWTH			
Annualized GDP per capita growth	6.25	2007-2012	
Annualized Consumption Growth per capita from Household Survey	2.08	2007-2012	
MEDIAN INCOME			
Growth of the annual median income/consumption per capita	2.12	2007-2012	

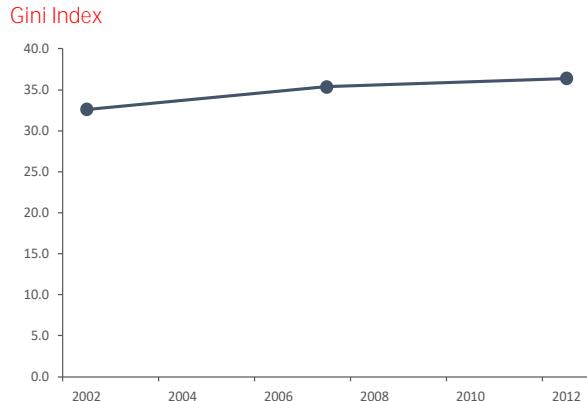
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2002-2012



Source: World Bank using LECS/EAPPOV/GMD

INEQUALITY TRENDS, 2002-2012



Source: World Bank using LECS/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2012	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2012
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	90	10	22	78	Monetary poverty (Consumption)	
Rural population	72	28	47	53	Daily consumption less than US\$1.90 per person	22.8
Males	77	23	40	60	Education	
Females	77	23	40	60	At least one school-aged child is not enrolled in school	5.7
0 to 14 years old	70	30	49	51	No adult has completed primary education	13.4
15 to 64 years old	81	19	36	64	Access to basic infrastructure	
65 and older	79	21	38	62	No access to limited-standard drinking water	15.5
Without education (16+)	66	34	55	45	No access to limited-standard sanitation	32.1
Primary education (16+)	78	22	40	60	No access to electricity	11.1
Secondary education (16+)	90	10	22	78		
Tertiary/post-secondary education (16+)	95	5	11	89		

Source: World Bank using LECS/EAPPOV/GMD

Source: World Bank using LECS/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The Lao Expenditure and Consumption Survey (LECS) is the primary source of poverty data. The survey is conducted at five-year intervals since 1992/93. The most recent round was completed in June 2019, a year later than scheduled due to government financing delays, but poverty estimates are yet to be disseminated. As a result, the latest poverty estimates are from the 2012/13 survey. The quality of the data is relatively good, but access is highly restricted. Public groups including government agencies only acquire at most 60 percent of the dataset. Often data must be purchased. National poverty is estimated with per capita consumption as the welfare aggregate. Per capita consumption is estimated using the "cost-of-basic needs" methodology including both food and non-food consumption. The poverty line reflects a minimum threshold of 2,100 Kcal per person per day. Non-food consumption includes durables in part but excludes housing rent. The national poverty line has been updated for changes in the cost of living since 2002. In 2012, the national poverty line was marginally higher than the international poverty line (US\$1.9 (2011 PPP) per day per capita) and 40.7 percent lower than the lower middle-income class poverty line (US\$3.2 (2011 PPP) per day per capita). Poverty trends using both the national and international poverty lines are consistent.

HARMONIZATION

The numbers presented in this brief are based on the EAPPOV database. EAPPOV is a database of socio-economic statistics constructed using microdata from household surveys in the East Asia and the Pacific (EAP) region and is managed by the East Asia & Pacific Team for Statistical Development (EAPTS). As of January 2019, the collection includes 19 countries and 93 surveys. Harmonized surveys in the EAPPOV database are compiled into 4 modules following Global Monitoring Database (GMD) Harmonization guidelines. A subset of the harmonized variables form the basis of the GMD collection, 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.

Poverty & Equity Brief

East Asia & Pacific

Malaysia

April 2020

Malaysia is an upper middle income country with a GNI per capita of nearly US\$ 31,000 (2011 PPP). The national poverty line is approximately US\$ 4.00 (2011 PPP) per person per day, and has not increased in real terms since 1977, despite the country's rapid economic development. As a result, only 0.4 percent of households live below the current national poverty line. At the WBG's Upper Middle Income Class poverty line of US\$ 5.50 (2011 PPP), poverty has declined from 16.7 percent of the population in 2008 to 2.7 percent in 2015. Malaysia introduced a national multidimensional poverty index (MPI) in 2015, and by that measure 0.9 percent of Malaysian households were estimated to be multidimensionally poor in 2015. Based on the World Bank's Multidimensional Poverty Measure, only 0.2 percent of Malaysians were multidimensionally poor as of 2015.

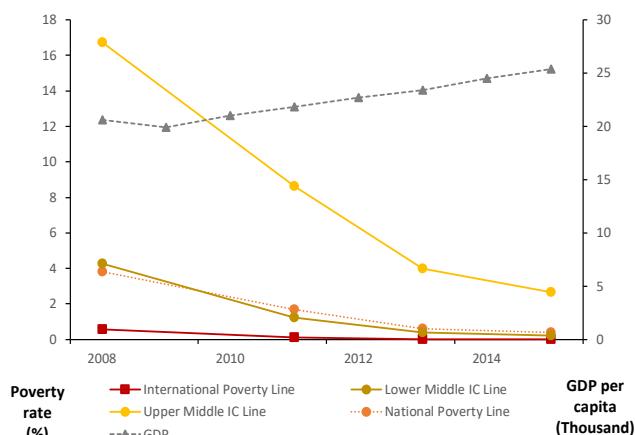
Annual growth of the bottom 40 percent's mean household income per capita was 8.3 percent from 2011 to 2015, which was 2.4 percentage points faster than the corresponding growth for the country's total population. Median household income per capita grew at 7.1 percent per year, also outpacing the growth in mean income. The inclusive pattern of growth has led to significant reductions in relative income inequality, with relative Gini index decreasing from 43.9 in 2011 to 41.0 by 2015. Even so, public discourse and policy statements have tended to focus on the continued increase in absolute income gaps, as the absolute Gini index has increased by 17 percent from 2011 to 2015.

Malaysia's economy is projected to contract in 2020 because of the COVID-19 pandemic and associated economic disruptions, with GDP forecast to decline in the range of 0.1 to 4.6 percent. As a result, the poverty rate at the US\$ 5.50 (2011 PPP) poverty line—which is estimated to be 1.3 percent in 2019—is projected to be between 1.3 and 1.5 percent in 2020.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	122.9	0.4	2015
International Poverty Line 3.3 in Malaysian ringgit (2015) or US\$1.90 (2011 PPP) per day per capita	3.1	0.0	2015
Lower Middle Income Class Poverty Line 5.6 in Malaysian ringgit (2015) or US\$3.20 (2011 PPP) per day per capita	71.0	0.2	2015
Upper Middle Income Class Poverty Line 9.6 in Malaysian ringgit (2015) or US\$5.50 (2011 PPP) per day per capita	810.9	2.7	2015
Multidimensional Poverty Measure		0.2	2015
SHARED PROSPERITY			
Annualized Income Growth per capita of the bottom 40 percent	8.30	2011-2015	
INEQUALITY			
Gini Index	41.0	2015	
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth	2.35	2011-2015	
GROWTH			
Annualized GDP per capita growth	3.88	2011-2015	
Annualized Income Growth per capita from Household Survey	5.95	2011-2015	
MEDIAN INCOME			
Growth of the annual median income/consumption per capita	7.14	2011-2015	

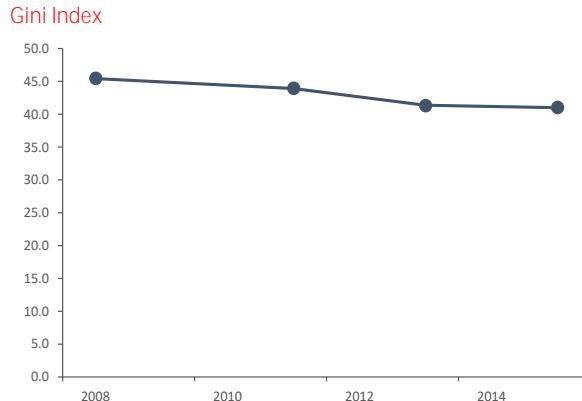
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2008-2015



Source: World Bank using HIS/EAPPOV/GMD

INEQUALITY TRENDS, 2008-2015



Source: World Bank using HIS/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2015	Upper Middle Income line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2015
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	99	1	33	67	Monetary poverty (income)	
Rural population	93	7	64	36	Daily income less than US\$1.90 per person	0.0
Males	97	3	40	60	Education	
Females	97	3	40	60	At least one school-aged child is not enrolled in school	0.6
0 to 14 years old	95	5	52	48	No adult has completed primary education	0.7
15 to 64 years old	98	2	36	64	Access to basic infrastructure	
65 and older	99	1	33	67	No access to limited-standard drinking water	1.6
Without education (16+)	95	5	54	46	No access to limited-standard sanitation	13.2
Primary education (16+)	97	3	49	51	No access to electricity	0.6
Secondary education (16+)	98	2	40	60		
Tertiary/post-secondary education (16+)	99	1	15	85		

Source: World Bank using HIS/EAPPOV/GMD

Source: World Bank using HIS/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The Department of Statistics Malaysia (DOSM) produces national poverty estimates. The estimates are income-based, using data from household surveys conducted every 2.5 years. Official statistics and results from the 2019 household survey are expected to be released in May 2020. The method roughly follows the Cost of Basic Needs methodology, with a food component based on nutritional requirements and a nonfood component based on consumption behavior of poor and near-poor households. Tens of thousands of household-specific poverty lines are calculated, tailored to the location (state and rural/urban) and the age and gender composition of each surveyed household. Because DOSM's methods sometimes diverge from those commonly used for international comparisons, particularly with regard to equivalence scales and weighting, DOSM's published results often differ from those published by the World Bank or other international organizations even when using the same primary data. For example, DOSM's published poverty rates refer to the proportion of households—not the more conventional proportion of the population—living below the poverty line. Similarly, the official published Gini index uses total household income as the welfare aggregate, without normalization for household size or composition, and calculates inequality across households. The resulting Gini index estimates are 2.0 to 2.5 percentage points lower than those calculated by the more common approach that uses household income per capita and population weights.

HARMONIZATION

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Federated States of Micronesia

April 2020

The latest Household Income and Expenditure Survey (HIES) used to estimate poverty in the Federated States of Micronesia (FSM) was conducted in 2013-2014. Using the national measures, 41.2 percent of the population lived below the basic needs poverty line. Poverty levels were highest in Chuuk (45.5 percent), the most populated State. Poverty is slightly lower in the States of Yap (39.4 percent) and Pohnpei (39.2 percent), and lowest in Kosrae (21.0 percent). Characteristics associated with poverty include households with more children and household heads that are female, lower-educated, and working outside the public sector.

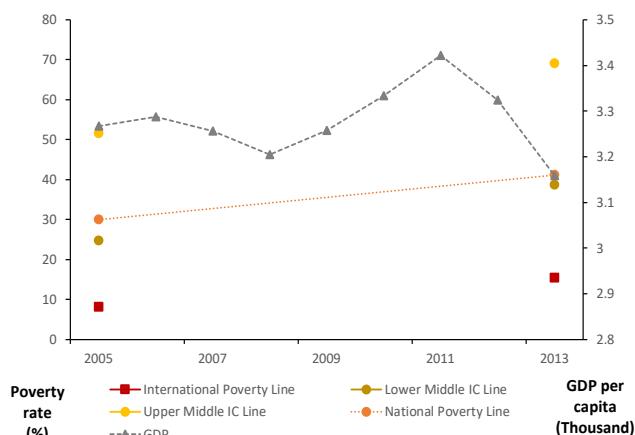
Using the international poverty line of \$1.90 (2011 PPP USD per person per day), the headcount poverty rate was estimated at 15.4 percent. According to the multi-dimensional poverty measure, the rate of poverty was 20.4 percent. Contributing factors are that 28 percent of households have at least one school aged child not enrolled in school and 23.6 percent of the population have no access to electricity. According to the \$3.20 Lower Middle Income Class Poverty Line, which reflects living standards across all lower middle income countries, the incidence of poverty is 38.7 percent. Inequality, as measured by the Gini index, was estimated at 40.1.

Like many countries in the Pacific region, FSM suffers from infrequent collection of data and a lack of comparability between rounds. Using the World Bank's definitions for data deprivation, FSM is classified as moderately deprived. In the past 10 years, FSM has only conducted one HIES in 2013-2014, with the previous one being in 2005. Methodological changes between the 2013-2014 HIES and the previous HIES in 2005-2006 mean that the resulting estimates of poverty are not comparable. However, it can be noted that the period 2005-2013 saw a fall in GDP per capita, which grew at an annualized rate of -0.29 percent. For FY2020, recession is anticipated due to the economic impact of COVID-19 with GDP projected to fall by 3 percent. Another impact of COVID-19 is a likely drop in remittance incomes to many households. For these reasons, poverty may increase in the short term.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	42.7	41.2	2013
International Poverty Line 2 in U.S. dollar (2013) or US\$1.90 (2011 PPP) per day per capita	16.3	15.4	2013
Lower Middle Income Class Poverty Line 3.4 in U.S. dollar (2013) or US\$3.20 (2011 PPP) per day per capita	41.0	38.7	2013
Upper Middle Income Class Poverty Line 5.9 in U.S. dollar (2013) or US\$5.50 (2011 PPP) per day per capita	73.2	69.1	2013
Multidimensional Poverty Measure	20.4		2013
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		40.1	2013
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth	-0.29		2008-2013
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

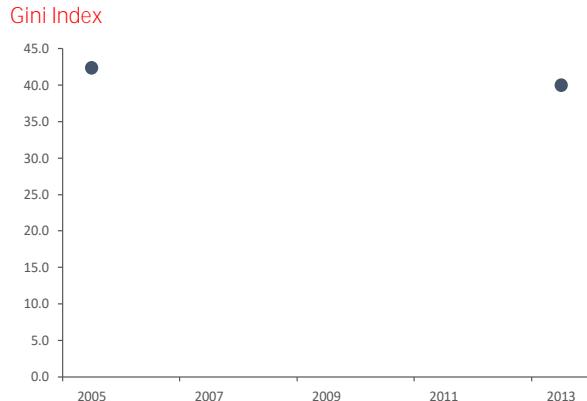
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2005-2013



Source: World Bank using HIES/EAPPOV/GMD

INEQUALITY TRENDS, 2005-2013



Source: World Bank using HIES/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2013	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2013
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population					N/A	
Rural population					N/A	
Males	84	16	40	60	Monetary poverty (Consumption)	
Females	85	15	40	60	Daily consumption less than US\$1.90 per person	15.4
0 to 14 years old	83	17	44	56	Education	
15 to 64 years old	86	14	38	62	At least one school-aged child is not enrolled in school	28.0
65 and older	83	17	41	59	No adult has completed primary education	8.7
Without education (16+)	89	11	39	61	Access to basic infrastructure	
Primary education (16+)	85	15	43	57	No access to limited-standard drinking water	5.0
Secondary education (16+)	91	9	28	72	No access to limited-standard sanitation	19.1
Tertiary/post-secondary education (16+)	97	N/A*	N/A*	93	No access to electricity	23.6

Source: World Bank using HIES/EAPPOV/GMD

Source: World Bank using HIES/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The national poverty statistics of FSM for 2013-14 used a "cost of basic needs" approach to establish a welfare benchmark for the poverty line. A Food Poverty Line (FPL) estimated the required expenditure to achieve 2565 calories of consumption per adult-equivalent (with children aged 0-14 counting as half of an adult), using a basket of goods based on the actual consumption of the bottom four deciles in the distribution. Separate FPLs were estimated for each state. The Non-Food Poverty Line (NFPL) was estimated using the average non-food consumption of households whose food consumption was near or around the FPL.

To facilitate meaningful comparisons across countries, the World Bank publishes estimates using three different poverty lines (2011 PPP): the International Poverty Line (US\$1.90), the Lower Middle Income Class Poverty Line (US\$3.20) and the Upper Middle Income Class Poverty Line (US\$5.50). In FSM, the consumption aggregates were deflated using the state poverty lines to account for spatial differences in the cost of living. These estimates also differ from the national poverty measures because they assess welfare needs on a per capita rather than an adult-equivalent basis.

HARMONIZATION

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Poverty & Equity Brief

East Asia & Pacific

Mongolia

April 2020

The national official poverty rate of Mongolia has fluctuated since 2010. The poverty headcount rate declined sharply from 38.8 percent to 21.6 percent during the economic boom in 2010-2014, but due to the economic recession, it reversed up to 29.6 percent in 2016 and then decreased moderately to 28.4 percent in 2018.

Between 2016 and 2018, poverty reduction was uneven, declining in rural but not in urban areas. Growth in rural areas was faster and favorable to the poor, contributing to reducing rural poverty by 4 percentage points from 34.9 percent in 2016 to 30.8 percent in 2018. By contrast, less-inclusive consumption growth in urban areas was accompanied by stagnation in poverty, leaving the poverty rate unchanged at 27 percent from 2016 to 2018. The lack of progress in poverty reduction in urban areas was mainly driven by stagnant wage growth in the poorest population group, while strong growth in farm income supported by rising livestock prices, together with the expansion of poverty-targeted social protection programs, contributed to robust poverty reduction in rural areas. Consequently, poverty is increasingly concentrated in urban areas. Although the incidence of poverty is still higher in rural Mongolia, with two-thirds of the population living in urban areas, more than six out of ten poor people now live in urban areas. In addition, the recent rising food prices can disproportionately affect the urban poor who spend most of their income on food. The adverse economic impact of COVID-19 is also likely to hit poor and vulnerable the hardest. Particularly poorer households who rely on labor income from the COVID-19 affected service and export-oriented industry sectors as well as remittance-receiving households face a higher risk of income losses.

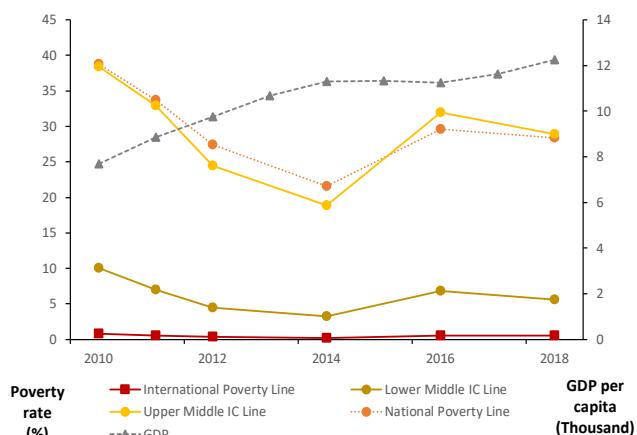
Over the decade, economic growth has been broadly shared, and inequality has remained stable. Between 2011 and 2018, the bottom 40 percent achieved 1.0 percent annual growth in real consumption per capita, which is 0.33 percentage points higher than the average per capita consumption growth. These shared prosperity patterns have also been accompanied by stable inequality, with the consumption Gini index remaining between 32-34 over this period.

While the percentage of poor under the national poverty line is substantial, the number of people living under the international poverty line of US\$1.90 and lower middle-income country poverty line of US\$3.20 (both in 2011 PPP) in 2018 are estimated at 0.5 percent and 5.6 percent, respectively.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	900.3	28.4	2018
International Poverty Line 1902.9 in Mongolian togrog (2018) or US\$1.90 (2011 PPP) per day per capita	17.0	0.5	2018
Lower Middle Income Class Poverty Line 3204.9 in Mongolian togrog (2018) or US\$3.20 (2011 PPP) per day per capita	177.3	5.6	2018
Upper Middle Income Class Poverty Line 5508.4 in Mongolian togrog (2018) or US\$5.50 (2011 PPP) per day per capita	915.1	28.9	2018
Multidimensional Poverty Measure	1.3		2016
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent	0.99		2011-2018
INEQUALITY			
Gini Index	32.7		2018
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth	0.33		2011-2018
GROWTH			
Annualized GDP per capita growth	4.74		2011-2018
Annualized Consumption Growth per capita from Household Survey	0.66		2011-2018
MEDIAN INCOME			
Growth of the annual median income/consumption per capita	1.01		2011-2018

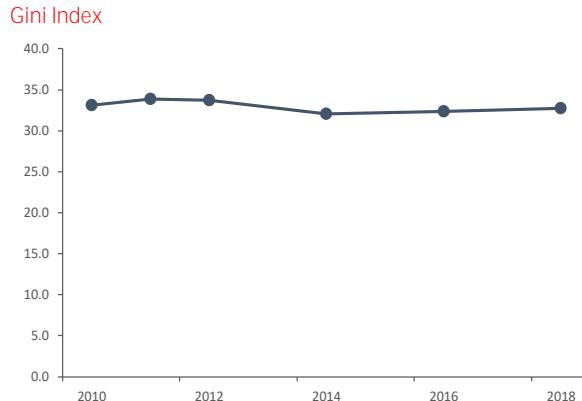
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2010-2018



Source: World Bank using HSES/EAPPOV/GMD

INEQUALITY TRENDS, 2010-2018



Source: World Bank using HSES/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2016	Lower Middle Income line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2016
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	93	7	37	63	Monetary poverty (Consumption)	
Rural population	93	7	47	53	Daily consumption less than US\$1.90 per person	0.6
Males	93	7	40	60	Education	
Females	93	7	40	60	At least one school-aged child is not enrolled in school	3.2
0 to 14 years old	90	10	51	49	No adult has completed primary education	6.0
15 to 64 years old	94	6	36	64	Access to basic infrastructure	
65 and older	98	2	22	78	No access to limited-standard drinking water	12.8
Without education (16+)	86	14	60	40	No access to limited-standard sanitation	9.6
Primary education (16+)	90	10	48	52	No access to electricity	0.2
Secondary education (16+)	93	7	45	55		
Tertiary/post-secondary education (16+)	99	1	16	84		

Source: World Bank using HSES/EAPPOV/GMD

Source: World Bank using HSES/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The National Statistical Office (NSO) and the World Bank have been collaborating in developing poverty measurement and estimating poverty rates since 2002. The Household Socio-Economic Survey (HSES) is the main survey used for estimating official poverty estimates. HSES data is collected over 12 months and the survey has been implemented biennially since 2012. Official poverty rates have been estimated at an aimag (province) level for the first time in 2016.

The current national poverty line in Mongolia is derived from the 2010 HSES using the cost of basic needs approach. The poverty line is set at the cost of acquiring a consumption bundle that provides 2100 calories per person per day as well as the cost of other non-food essential goods and services. The national poverty line was updated only for changes in price levels between surveys and the 2018 national poverty line is estimated at 166,580 MNT per person per month.

The international poverty lines are set by the World Bank for global poverty monitoring. Purchasing Power Parity exchange rates (PPPs) are used to put consumption estimates into internationally comparable terms.

HARMONIZATION

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Poverty & Equity Brief

East Asia & Pacific

Myanmar

April 2020

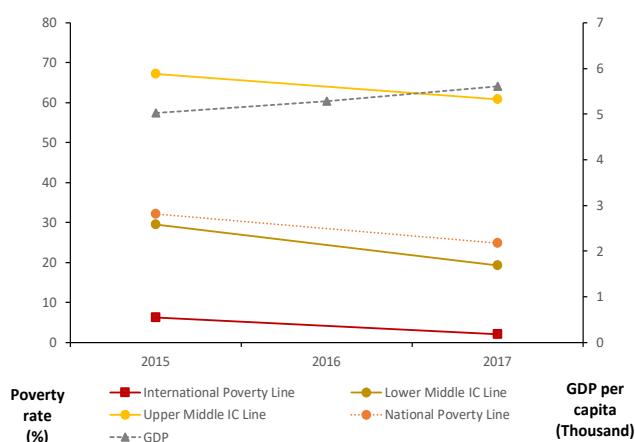
Myanmar's triple transition—from a planned to an open market economy; from military to civilian rule; from conflict to peace—has led to substantial reforms, and consequently rapid economic growth over the last decade. Between 2005 and 2017, poverty dropped by 5.3 percent every year from 48 to 25 percent using the national poverty line. However, this decrease in poverty reduction benefited more the urban areas than the rural areas with three out of ten people being poor in rural areas compared to one out of ten in urban areas. Rapid poverty decline in urban areas is associated with rapid growth in manufacturing and services while growth in agriculture has been slow.

However, these gains in poverty reduction are largely under threat if the economic fluctuations due to COVID-19 came to materialize. While the sectors likely to be hit hardest by the economic fluctuations represent a significant source of labor income for most households, the poor and vulnerable are likely going to be disproportionately harmed. The rural poor unable to diversify their income sources with off-farm activities, can suffer from declines in production and sales of their products associated with a reduced demand from China. Women working in the garment industry in Yangon Region or Sagaing Region will likely see their income decrease as factories have been laying off workers due to declining demand for exports and difficulties in accessing necessary intermediate materials from China. As borders close and social distancing measures advance, employment in the hospitality industry will be severely affected, especially in urban areas.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	13.2	24.8	2017
International Poverty Line 829.4 in Myanmar kyat (2017) or US\$1.90 (2011 PPP) per day per capita	1.1	2.0	2017
Lower Middle Income Class Poverty Line 1397 in Myanmar kyat (2017) or US\$3.20 (2011 PPP) per day per capita	10.3	19.3	2017
Upper Middle Income Class Poverty Line 2401 in Myanmar kyat (2017) or US\$5.50 (2011 PPP) per day per capita	32.5	60.8	2017
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	30.7		2017
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth	6.40		2012-2017
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, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2015-2017



Source: World Bank using MLCS/EAPPOV/GMD

INEQUALITY TRENDS, 2015-2017



Source: World Bank using MLCS/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2015	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2015
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	99	1	19	81	Monetary poverty (Consumption)	
Rural population	92	8	48	52	Daily consumption less than US\$1.90 per person	6.2
Males	94	6	41	59	Education	
Females	94	6	39	61	At least one school-aged child is not enrolled in school	13.7
0 to 14 years old	91	9	50	50	No adult has completed primary education	17.7
15 to 64 years old	95	5	36	64	Access to basic infrastructure	
65 and older	97	3	31	69	No access to limited-standard drinking water	N/A
Without education (16+)	89	11	52	48	No access to limited-standard sanitation	N/A
Primary education (16+)	95	5	39	61	No access to electricity	N/A
Secondary education (16+)	99	N/A*	23	77		
Tertiary/post-secondary education (16+)	99	N/A*	9	91		

Source: World Bank using MLCS/EAPPOV/GMD

Source: World Bank using MPLCS/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The evidence presented in the table and trends analysis in the section above are based on the 2015 Myanmar Poverty and Living Conditions Survey. The differences in poverty across geographic areas included in the text use the 2017 Myanmar Living Conditions Survey (MLCS). In 2017, there were issues in the coverage as it was not possible to interview in northern parts of Rakhine State (Maungdaw and Buthidaung townships) and the Wa Self-Administered Division. Limitations in coverage are fully documented in the MLCS 2017 Technical Report (CSO, UNDP and WB, 2018). There are substantial differences in the methodologies used to calculate the national and international poverty rates. The national poverty line is derived from household living conditions surveys using the Cost of Basic Needs approach and is valued in 2017 Myanmar kyat. The international poverty line was estimated from a collection of national poverty lines among poor countries and is in 2011 PPP-adjusted USD. Finally, the national poverty line is based on per adult equivalent household size, while the international poverty line uses a per capita measure. The number of poor is calculated using WDI population data.

HARMONIZATION

The numbers presented in this brief are based on the EAPPOV database. EAPPOV is a database of socio-economic statistics constructed using microdata from household surveys in the East Asia and the Pacific (EAP) region and is managed by the East Asia & Pacific Team for Statistical Development (EAPTS). As of January 2019, the collection includes 19 countries and 93 surveys. Harmonized surveys in the EAPPOV database are compiled into 4 modules following Global Monitoring Database (GMD) Harmonization guidelines. A subset of the harmonized variables form the basis of the GMD collection, 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.

Poverty & Equity Brief

East Asia & Pacific

Papua New Guinea

April 2020

In the past 10 years, PNG has conducted only one Household Income and Expenditure Survey (HIES) in 2009-2010, with the previous one being in 1996. Using the World Bank's definitions for data deprivation, PNG is currently classified as moderately deprived, but will likely fall into extreme data deprivation as the next HIES is planned for 2021.

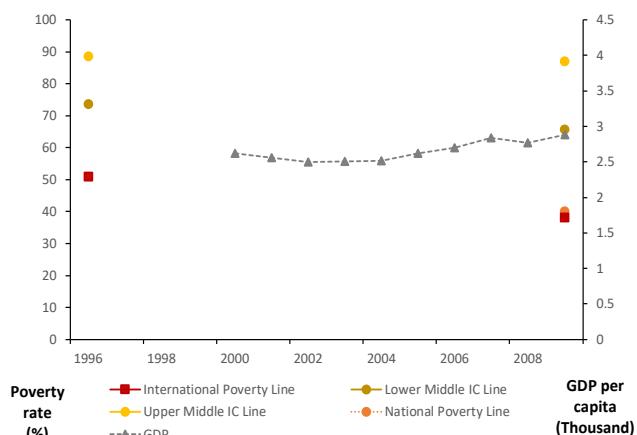
Using the national measure (see "Poverty Data and Methodology" section below for details), 39.9 percent of the population lived below the basic needs poverty line. Using the international poverty line of \$1.90 (2011 PPP USD per person per day), the poverty rate was estimated at 38.0 percent. Applying the international poverty line to urban and rural areas, the poverty rate is 40 percent for rural populations and 27 percent for urban populations. This is noteworthy as 87 percent of the population lives in rural areas. The incidence of poverty is also very high (65.6 percent) measured against the Lower Middle Income Class Poverty Line of \$3.20 and is high in the context of the East Asia Pacific region. With the coronavirus pandemic slowing global growth and impacting commodity prices, there are anticipated to be negative spillovers for Papua New Guinea, which may increase poverty.

According to the multi-dimensional poverty measure, 85.7 percent of the population is living in poverty. This is due to the high rate of monetary poverty, low educational achievement and most of the population (82.1 percent) having no access to electricity. Inequality, as measured by the Gini index, was estimated at 41.9.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	2.8	39.9	2009
International Poverty Line 3.8 in Papua New Guinea kina (2009) or US\$1.90 (2011 PPP) per day per capita	2.7	38.0	2009
Lower Middle Income Class Poverty Line 6.4 in Papua New Guinea kina (2009) or US\$3.20 (2011 PPP) per day per capita	4.7	65.6	2009
Upper Middle Income Class Poverty Line 11 in Papua New Guinea kina (2009) or US\$5.50 (2011 PPP) per day per capita	6.2	86.9	2009
Multidimensional Poverty Measure		85.7	2009
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		41.9	2009
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth	2.74	2004-2009	
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

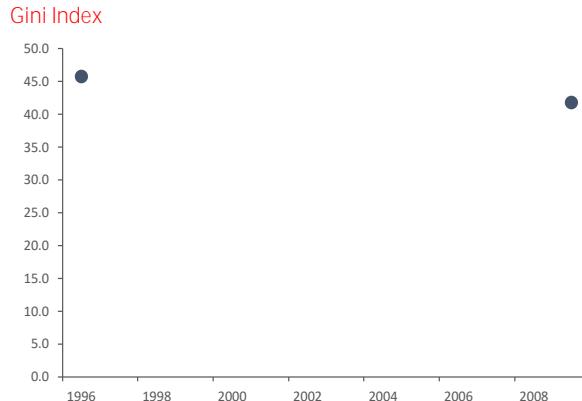
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 1996-2009



Source: World Bank using HIES/EAPPOV/GMD

INEQUALITY TRENDS, 1996-2009



Source: World Bank using HIES/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2009	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2009
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	73	27	29	71	Monetary poverty (Consumption)	
Rural population	60	40	42	58	Daily consumption less than US\$1.90 per person	38.0
Males	62	38	40	60	Education	
Females	62	38	40	60	At least one school-aged child is not enrolled in school	9.0
0 to 14 years old	57	43	45	55	No adult has completed primary education	19.6
15 to 64 years old	66	34	36	64	Access to basic infrastructure	
65 and older	55	45	47	53	No access to limited-standard drinking water	N/A
Without education (16+)	44	56	56	44	No access to limited-standard sanitation	N/A
Primary education (16+)	67	33	35	65	No access to electricity	82.1
Secondary education (16+)	74	26	28	72		
Tertiary/post-secondary education (16+)	87	N/A*	13	87		

Source: World Bank using HIES/EAPPOV/GMD

Source: World Bank using HIES/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The national poverty statistics of Papua New Guinea for 2009 used a "cost of basic needs" approach to establish a welfare benchmark for the poverty line. A Food Poverty Line (FPL) estimated the required expenditure to achieve 2200 calories of consumption per adult-equivalent (with children aged 0-6 counting as half of an adult). Separate FPLs were estimated for each of six sub-regions: National Capital District, the South Coast, the Highlands, Urban Momase, Rural Momase, and the New Guinea Islands. The Non-Food Poverty Line (NFPL) was estimated by scaling the FPL using the non-food consumption shares of households living exactly at the FPL. Methodological changes between the 2009-2010 HIES and the previous HIES in 1996 mean that the resulting estimates are not comparable. For example, while the 2009-2010 HIES used a 2-week diary to record consumption, the 1996 HIES used a recall method.

To facilitate meaningful comparisons across countries, the World Bank publishes estimates using three different poverty lines (2011 PPP): the International Poverty Line (US\$1.90), the \$3.20 line and the \$5.50 line. In PNG, the consumption aggregates were deflated using the six regional poverty lines to account for spatial differences in the cost of living.

HARMONIZATION

The numbers presented in this brief are based on the EAPPOV database. EAPPOV is a database of socio-economic statistics constructed using microdata from household surveys in the East Asia and the Pacific (EAP) region and is managed by the East Asia & Pacific Team for Statistical Development (EAPTS). As of January 2019, the collection includes 19 countries and 93 surveys. Harmonized surveys in the EAPPOV database are compiled into 4 modules following Global Monitoring Database (GMD) Harmonization guidelines. A subset of the harmonized variables form the basis of the GMD collection, 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.

Poverty & Equity Brief

East Asia & Pacific

Philippines

April 2020

The pace of poverty reduction in the Philippines has picked up in recent years. Based on the international lower middle-income poverty line (\$3.2 in 2011 PPP), poverty declined from 33.5 percent in 2012 to 26.0 percent in 2015, a 7.5 percentage point decline during this period compared to the 0.7 percentage point decline during **2009–2012**. This faster pace of poverty reduction can be attributed both to the transition of workers from agriculture to better paying jobs, principally in the services sector, and to increases in government spending on social programs, most notably through expanded coverage of the conditional cash transfer program, Pantawid Pamilyang Pilipino Program.

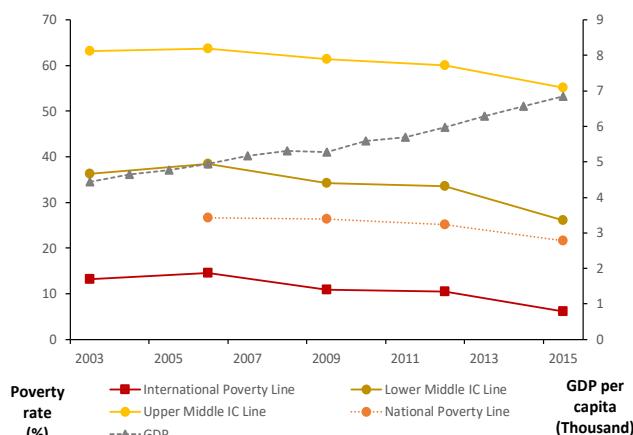
Household survey data indicate that per capita income growth in the Philippines has become more inclusive. In **2012–2015**, average incomes of households in the bottom 40 percent grew at an annualized rate of 5.1 percent, about 2.6 percentage points faster than the growth rate of average incomes of all households (this difference in the two respective growth rates is also known as the shared prosperity premium). Shared prosperity was spurred by the growth in non-agriculture wage incomes and receipts from the conditional cash transfer program, particularly for households in the bottom 40 percent. The Gini index for the Philippines dropped from 47 in 2006 to 44 in 2015. However, inequality in the Philippines is still higher than in most other developing countries in the East Asia and Pacific region.

According to the latest official poverty estimates using the 2018 Family Income and Expenditures Survey (FIES), poverty incidence using the national poverty line for 2018 has declined to 16.6 percent from 23.3 percent in 2015. The ongoing increasing trend in real wages might be hampered by the impact of the COVID-19. With limited capacity to manage the risks of the COVID-19 outbreak, the poor and vulnerable, many of whom work in the informal sector, are likely to suffer a more significant welfare loss. [Note: The 2015 poverty estimate is revised from the 21.6 percent released previously as it was revised/updated based on the following: a) rebasing the Consumer Price Index (CPI) basket from 2006 to 2012; and b) adoption of the 2015 Population Census for the weights in the FIES. These changes were incorporated in the 2015 full year poverty estimates for comparability with the full year 2018 official poverty statistics. The poverty rates against the lower middle-income class poverty line discussed above are not adjusted in the same manner].

	Number of Poor (million)	Rate (%)	Period
POVERTY			
National Poverty Line	22.0	21.6	2015
International Poverty Line 39.5 in Philippine peso (2015) or US\$1.90 (2011 PPP) per day per capita	6.3	6.1	2015
Lower Middle Income Class Poverty Line 66.6 in Philippine peso (2015) or US\$3.20 (2011 PPP) per day per capita	26.6	26.0	2015
Upper Middle Income Class Poverty Line 114.4 in Philippine peso (2015) or US\$5.50 (2011 PPP) per day per capita	56.3	55.1	2015
Multidimensional Poverty Measure	8.3		2015
SHARED PROSPERITY			
Annualized Income Growth per capita of the bottom 40 percent	5.12		2012-2015
INEQUALITY			
Gini Index	44.4		2015
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth	2.56		2012-2015
GROWTH			
Annualized GDP per capita growth	4.69		2012-2015
Annualized Income Growth per capita from Household Survey	2.56		2012-2015
MEDIAN INCOME			
Growth of the annual median income/consumption per capita	4.03		2012-2015

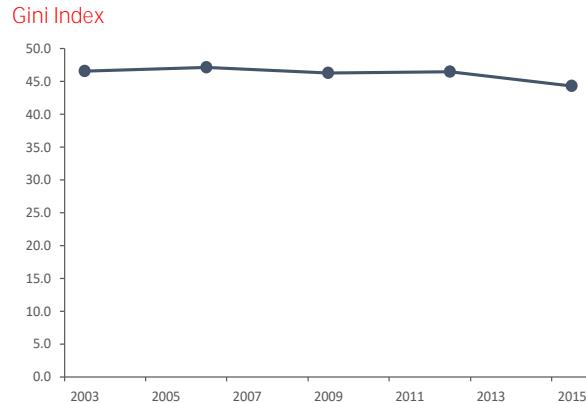
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2003-2015



Source: World Bank using FIES/EAPPOV/GMD

INEQUALITY TRENDS, 2003-2015



Source: World Bank using FIES/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2015	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2015
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	98	2	24	76	Monetary poverty (income)	
Rural population	91	9	52	48	Daily income less than US\$1.90 per person	6.1
Males	94	6	41	59	Education	
Females	94	6	39	61	At least one school-aged child is not enrolled in school	4.4
0 to 14 years old	90	10	54	46	No adult has completed primary education	4.5
15 to 64 years old	95	5	35	65	Access to basic infrastructure	
65 and older	97	3	29	71	No access to limited-standard drinking water	10.6
Without education (16+)	82	18	67	33	No access to limited-standard sanitation	6.8
Primary education (16+)	92	8	51	49	No access to electricity	9.1
Secondary education (16+)	98	2	25	75		
Tertiary/post-secondary education (16+)	100	0	5	95		

Source: World Bank using FIES/EAPPOV/GMD

Source: World Bank using FIES/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

National official poverty estimates in the Philippines are produced by the Philippines Statistics Authority (PSA). These are derived using income welfare aggregates evaluated against per capita poverty lines that are set broadly following the cost of basic needs (CBN) approach. Using a national reference food bundle based on expert opinion of what constitutes a nutritionally adequate bundle, province-specific bundles are set separately for urban and rural areas and reflect locally consumed commodities. These locally priced bundles that constitute food poverty lines are scaled up by a constant food-to-non-food ratio to calculate total poverty lines. There are 163 poverty lines set corresponding to urban and rural areas of the 81 provinces and the National Capital Region in the country, and these were benchmarked to 2009, when this methodology was developed. The 2015 and 2018 official poverty lines were revised/updated based on the following: a) rebasing of the CPI basket from 2006 to 2012; and b) adoption of the 2015 Population Census for the weights in the FIES. Unlike the international poverty line that is fixed and updated by CPI, the national poverty lines are updated by re-estimating the food poverty lines at current prices. The fixed food to non-food ratio used to derive the poverty lines assumes that the non-food price inflation is the same as food price inflation.

Poverty estimates are calculated from the triennial Family Income and Expenditures Survey (FIES). The two rounds of information for each FIES, one for the first semester and one for the full year, are not strictly comparable. The poverty estimates reported draw from the full year information if not otherwise specified.

HARMONIZATION

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Poverty & Equity Brief

East Asia & Pacific

Samoa

April 2020

The latest Household Income and Expenditure Survey used to estimate poverty in Samoa was conducted in 2018-19. However, data presented in this brief refer to the previous HIES done in 2013 as the 2018-19 data is still under processing. By World Bank definitions for data deprivation, Samoa is classified as meeting the minimum data needs. In the past 10 years, Samoa has conducted a HIES on two occasions, with a maximum of five years separating the two (2013 and 2018-19).

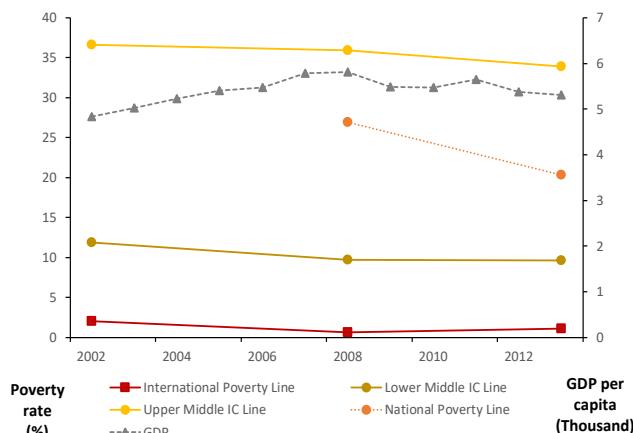
Using the national measures (see "Poverty Data and Methodology" section below for details), 20.3 percent of the population lived below the basic needs poverty line in 2013, down from 26.7 percent in 2008. While there was little variation in poverty rates across regions in 2008, the 2013 data show much higher rates in Apia Urban Area and North-West Upolu (25-26 percent) than in the Rest of Upolu and Savai'i regions (around 14 percent).

Measured against the international poverty line of \$1.90 (2011 PPP USD per person per day), the headcount poverty rate for 2013 was estimated at 1.1 percent. Measured against the \$5.50 poverty line, which reflects living standards across all upper middle-income countries, the incidence of poverty was at 33.9 percent, higher than the global upper middle-income country average of 29.7 percent in 2013. Inequality, as measured by the Gini index, was estimated at 38.7. The COVID-19 pandemic may increase poverty in Samoa, due to the resulting economic shock to tourism as well as a projected drop in remittance incomes, which are vital to most Samoan households.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	38.8	20.3	2013
International Poverty Line 3.7 in Samoa tala (2013) or US\$1.90 (2011 PPP) per day per capita	2.2	1.1	2013
Lower Middle Income Class Poverty Line 6.2 in Samoa tala (2013) or US\$3.20 (2011 PPP) per day per capita	18.4	9.6	2013
Upper Middle Income Class Poverty Line 10.7 in Samoa tala (2013) or US\$5.50 (2011 PPP) per day per capita	64.7	33.9	2013
Multidimensional Poverty Measure	1.2		2008
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index	38.7		2013
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth	-1.77		2008-2013
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

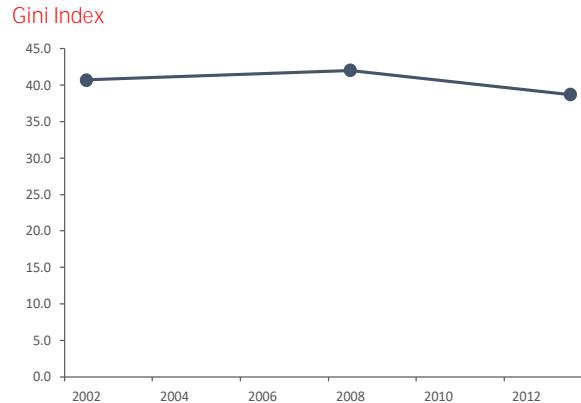
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2002-2013



Source: World Bank using HIES/EAPPOV/GMD

INEQUALITY TRENDS, 2002-2013



Source: World Bank using HIES/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2008	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2008
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	99	1	39	61	Monetary poverty (Consumption)	
Rural population	99	1	41	59	Daily consumption less than US\$1.90 per person	0.6
Males	99	1	41	59	Education	
Females	99	1	39	61	At least one school-aged child is not enrolled in school	N/A
0 to 14 years old	99	1	45	55	No adult has completed primary education	0.6
15 to 64 years old	99	1	37	63	Access to basic infrastructure	
65 and older	100	N/A*	31	69	No access to limited-standard drinking water	10.2
Without education (16+)	99	N/A*	47	53	No access to limited-standard sanitation	14.9
Primary education (16+)	99	N/A*	42	58	No access to electricity	2.0
Secondary education (16+)	100	N/A*	29	71		
Tertiary/post-secondary education (16+)	100	N/A*	13	87		

Source: World Bank using HIES/EAPPOV/GMD

Source: World Bank using HIES/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The national poverty statistics of Samoa for 2013 used a "cost of basic needs" approach to establish a welfare benchmark for the poverty line. A Food Poverty Line (FPL) estimated the required expenditure to achieve 2100 calories of consumption per capita, using a basket of the top 25 goods consumed by the bottom three deciles. Separate FPLs were estimated for each of four sub-regions: Apia Urban Area, Northwest Upolu, Rest of Upolu, and Savai'i. The Non-Food Poverty Line (NFPL) was estimated using the average non-food consumption of the bottom three deciles in the distribution. The poverty estimates produced by the World Bank for 2013 differ from the Samoa Hardship and Poverty Report produced by the UNDP, due to differences in the consumption aggregate calculation. The UNDP report includes gifts given away and other disbursements in the aggregates, while the World Bank aggregates do not; this results in World Bank estimates producing slightly higher rates of poverty due to lower consumption aggregates.

To facilitate meaningful comparisons across countries, the World Bank publishes estimates using three different poverty lines (2011 PPP): the International Poverty Line (US\$1.90), the \$3.20 line and the \$5.50 line. In Samoa, the consumption aggregates were deflated using the four regional poverty lines to account for spatial differences in the cost of living.

HARMONIZATION

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Poverty & Equity Brief
 East Asia & Pacific
Solomon Islands
 April 2020

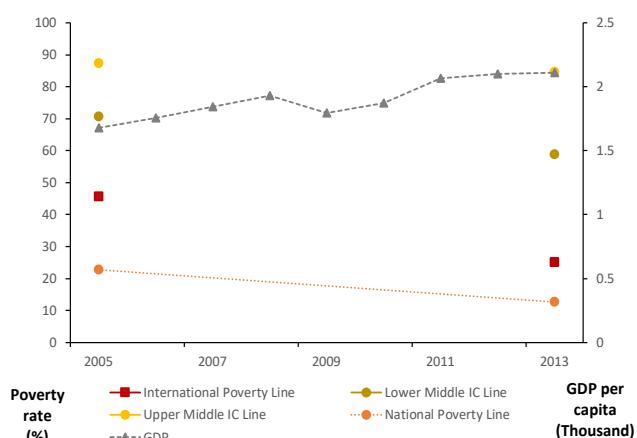
The latest Household Income and Expenditure Survey (HIES) used to estimate poverty in the Solomon Islands was conducted in 2012-2013. Using the national measures (see "Poverty Data and Methodology" section below for details), 12.7 percent of the population lived below the basic needs poverty line. Using the international poverty line of \$1.90 (2011 PPP USD per person per day), the headcount poverty rate was estimated at 25.1 percent. According to the \$3.20 Lower Middle Income Class Poverty Line, which reflects living standards across all lower middle income countries, the incidence of poverty is 58.8 percent. According to the multi-dimensional poverty measure, 37.6 percent of the population is living in poverty. A key contributor to this is limited access to basic infrastructure, with 53.8 percent of the population having no access to electricity and 58.5 percent of the population having no access to limited standard sanitation. Inequality, as measured by the Gini index, was estimated at 37.1. As the COVID-19 pandemic poses a substantial risk to log exports, government revenues and growth, there may be implications for poverty and shared prosperity but the extent of such an impact remains unclear.

Using the World Bank's definitions for deprivation, the Solomon Islands is classified as moderately deprived. In the past 10 years, the Solomon Islands only conducted one HIES (2012-2013), with the previous one being in 2005-2006. Methodological issues in the poverty estimation based on the 2005-2006 HIES, as well as methodological changes between 2005-2006 and 2012-2013, mean that estimates for the two time periods are not directly comparable. For example, poverty lines in 2005-2006 were constructed using separate and unequal food baskets in each region, which represented completely different standards of living. In addition, the 2005-2006 estimation featured two errors: food price calculations used retail prices in Honiara while hypothetical selling prices were used elsewhere, and the calorie calculations mistakenly used cooked rice and noodles although the quantities in the diaries were for uncooked foods.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	71.6	12.7	2013
International Poverty Line 15.1 in Solomon Islands dollar (2013) or US\$1.90 (2011 PPP) per day per capita	143.6	25.1	2013
Lower Middle Income Class Poverty Line 25.5 in Solomon Islands dollar (2013) or US\$3.20 (2011 PPP) per day per capita	335.7	58.8	2013
Upper Middle Income Class Poverty Line 43.8 in Solomon Islands dollar (2013) or US\$5.50 (2011 PPP) per day per capita	483.7	84.7	2013
Multidimensional Poverty Measure	37.6		2013
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		37.1	2013
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth	1.79		2008-2013
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

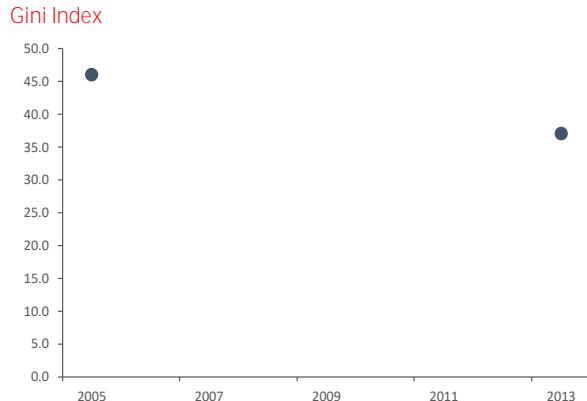
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2005-2013



Source: World Bank using HIES/EAPPOV/GMD

INEQUALITY TRENDS, 2005-2013



Source: World Bank using HIES/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2013	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2013
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	96	4	9	91	Monetary poverty (Consumption)	
Rural population	70	30	47	53	Daily consumption less than US\$1.90 per person	25.1
Males	75	25	40	60	Education	
Females	75	25	40	60	At least one school-aged child is not enrolled in school	13.5
0 to 14 years old	70	30	45	55	No adult has completed primary education	11.4
15 to 64 years old	78	22	36	64	Access to basic infrastructure	
65 and older	75	25	42	58	No access to limited-standard drinking water	25.5
Without education (16+)	70	30	47	53	No access to limited-standard sanitation	58.5
Primary education (16+)	74	26	42	58	No access to electricity	53.8
Secondary education (16+)	86	14	26	74		
Tertiary/post-secondary education (16+)	95	5	11	89		

Source: World Bank using HIES/EAPPOV/GMD

Source: World Bank using HIES/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The national poverty statistics of the Solomon Islands for 2013 used a "cost of basic needs" approach to establish a welfare benchmark for the poverty line. A Food Poverty Line (FPL) estimated the required expenditure to achieve 2200 calories of consumption per adult-equivalent (with children aged 0-6 counting as half of an adult), using a basket of goods based on the actual consumption of the bottom two deciles in the distribution. Separate FPLs were estimated for each of the nine provinces: Central, Choiseul, Guadalcanal, Honiara, Isabel, Makira, Malaita, Temotu, and Western. The Non-Food Poverty Lines (NFPL) for the nine provinces were estimated using the average non-food expenditures of households whose spending on food is equal to the FPL.

To facilitate meaningful comparisons across countries, the World Bank publishes estimates using three different poverty lines (2011 PPP): the International Poverty Line (US\$1.90), the Lower Middle Income Class Poverty Line (US\$3.20) and the Upper Middle Income Class Poverty Line (US\$5.50). The international poverty estimates for the Solomon Islands do not reflect any implicit spatial price deflation. These estimates also differ from the national poverty measures because they assess welfare needs on a per capita rather than an adult-equivalent basis.

HARMONIZATION

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Poverty & Equity Brief

East Asia & Pacific

Thailand

April 2020

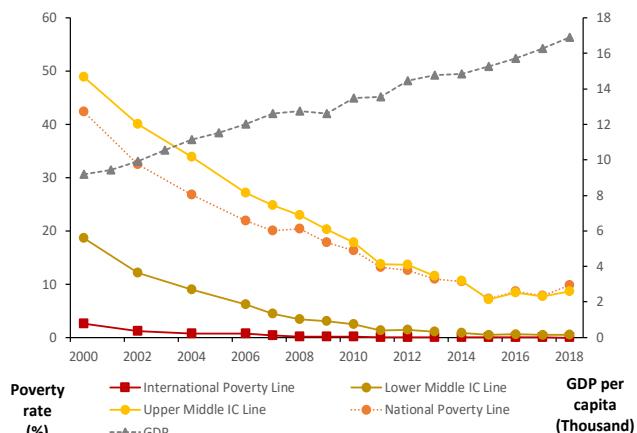
Over the past three decades, Thailand has made substantial gains on key social and economic development objectives, reflecting its remarkable transition from a low-income to an upper middle-income country in a single generation. Official poverty rates reduced from 65.2 percent in 1988 to 9.85 percent in 2018.

However, over the past few years, household incomes and consumption growth have stalled nationwide, with declines among households at the bottom of the income distribution. Thailand's official poverty rate increased in 2016 and again in 2018. These were the fourth and fifth instances official poverty rates increased since 1988, the previous three instances occurring around the time of financial crisis. These recent poverty increases in Thailand reveal that households are vulnerable to shocks and poor economic conditions. With a rapidly aging population, a conflict-affected Southern region, low quality of education, and one-third of the labor force still employed in low-productivity agriculture, poverty and equity remain relevant topics for Thailand, its upper middle-income status notwithstanding. Historically, economic growth has been the key driver of poverty reduction in Thailand. However, the engine that delivered most of the productivity gains in the **past—the movement of people from the low-productivity agricultural sector into higher-productivity jobs, particularly in the manufacturing sector—has** begun to lose steam. From 2015-17, household income and consumption declined. While initially cushioned by high global demand for primary commodities, the recent fall in agricultural prices negatively impacted farmers and contributed to worsening household welfare in rural areas. Urban households also experienced declining market income from 2015-17. The stagnation in poverty coincides with emerging and shifting economic and environmental challenges in the economy. Over the past few years, Thailand's growth rate has been lower than other large economies in the developing East Asia and Pacific region. Growth has been moderating across the region as trade and economic growth have also weakened globally. The COVID-19 pandemic will confound an already challenging context of stagnant wages and rising poverty. All sectors in Thailand are facing challenges: reductions in tourism amid the COVID-19 outbreak, declines in exports, and severe droughts have affected the livelihoods of farmers who are typically the poorest. The government has recently implemented policies aimed specifically at helping those who work in the informal sector via a 5,000 baht per worker per month COVID-19 relief package.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	6,838.7	9.9	2018
International Poverty Line 26.4 in Thai baht (2018) or US\$1.90 (2011 PPP) per day per capita	16.7	0.0	2018
Lower Middle Income Class Poverty Line 44.5 in Thai baht (2018) or US\$3.20 (2011 PPP) per day per capita	375.5	0.5	2018
Upper Middle Income Class Poverty Line 76.5 in Thai baht (2018) or US\$5.50 (2011 PPP) per day per capita	5,984.5	8.6	2018
Multidimensional Poverty Measure		0.1	2017
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent	1.45	2014-2018	
INEQUALITY			
Gini Index	36.4	2018	
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth	0.30	2014-2018	
GROWTH			
Annualized GDP per capita growth	3.29	2014-2018	
Annualized Consumption Growth per capita from Household Survey	1.15	2014-2018	
MEDIAN INCOME			
Growth of the annual median income/consumption per capita	1.40	2014-2018	

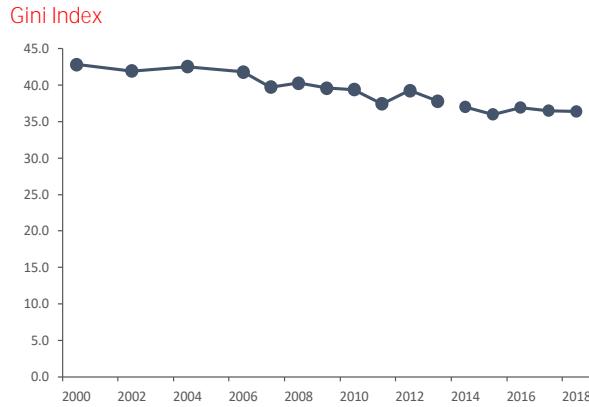
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2000-2018



Source: World Bank using SES/EAPPOV/GMD

INEQUALITY TRENDS, 2000-2018



Source: World Bank using SES/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2017	Upper Middle Income line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2017
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population					N/A	
Rural population					N/A	
Males	92	8	40	60	Monetary poverty (Consumption)	
Females	92	8	40	60	Daily consumption less than US\$1.90 per person	0.0
0 to 14 years old	87	13	55	45	Education	
15 to 64 years old	94	6	35	65	At least one school-aged child is not enrolled in school	0.6
65 and older	91	9	47	53	No adult has completed primary education	14.8
Without education (16+)	82	18	63	37	Access to basic infrastructure	
Primary education (16+)	91	9	48	52	No access to limited-standard drinking water	0.9
Secondary education (16+)	96	4	29	71	No access to limited-standard sanitation	0.2
Tertiary/post-secondary education (16+)	100	0	6	94	No access to electricity	0.1

Source: World Bank using SES/EAPPOV/GMD

Source: World Bank using SES/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

Poverty and inequality statistics are calculated using data from the Thailand Socio-Economic Survey (SES), which is conducted annually by the National Statistical Office of Thailand.

National and international trends in poverty are aligned but do not match exactly due to differences in methodology. A welfare aggregate based on nominal consumption per capita is used for both national and international measurement. The main differences between the national and World Bank international measures are due to the different poverty lines that are used. Thailand produces national poverty estimates which are based on household-level poverty lines, with variation by household composition in age and gender, and which also incorporate regional price differences. The WBG measure is based on a singular poverty line, which allows for ease of comparability across countries.

HARMONIZATION

The numbers presented in this brief are based on the EAPPOV database. EAPPOV is a database of socio-economic statistics constructed using microdata from household surveys in the East Asia and the Pacific (EAP) region and is managed by the East Asia & Pacific Team for Statistical Development (EAPTS). As of January 2019, the collection includes 19 countries and 93 surveys. Harmonized surveys in the EAPPOV database are compiled into 4 modules following Global Monitoring Database (GMD) Harmonization guidelines. A subset of the harmonized variables form the basis of the GMD collection, 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.

Poverty & Equity Brief

East Asia & Pacific

Timor-Leste

April 2020

Poverty in Timor-Leste has fallen substantially since 2007. The poverty rate at the national poverty line fell from 50.4 percent in 2007 to 41.8 percent in 2014. Measured using an internationally comparable poverty line of US\$1.90 per person per day (2011 PPP), poverty declined even more rapidly from 47.2 percent in 2007 to 30.7 percent in 2014. Yet, this trend of declining poverty was expected to slow down, or may even reverse, following the 2017-2018 economic recessions due to political uncertainty. Despite a return to economic growth in 2019, the likely economic impacts of COVID-19 outbreak and renewed political uncertainty could increase poverty in 2020.

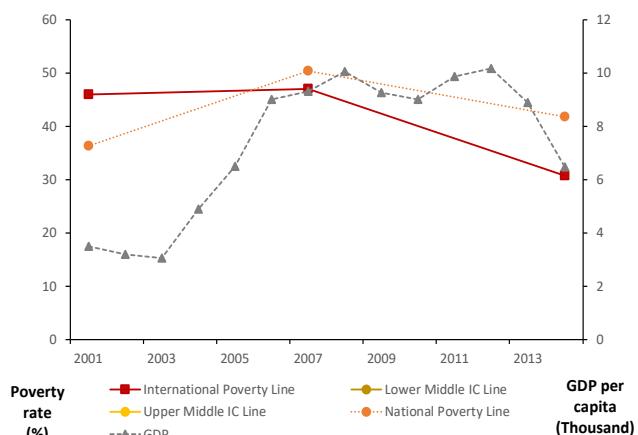
Geographically, progress in reducing poverty has been highly uneven. Poverty is a predominantly rural phenomenon, with 80 percent of the poor living in rural areas. Yet, the single largest cluster of poor people can be found in Dili, the capital of the country, where around 15 percent of the poor (80,000 people) live. Across the country, poverty headcount rates are much higher in the western region of Timor-Leste than in the eastern region. In addition, village-level poverty maps show that areas with higher levels of poverty tend to also suffer from poorer key public services and lower human capital. There is a strong correlation between village level poverty incidence and access to improved sanitation and safe drinking water. Similarly, the incidence of households with institutionalized delivery is negatively correlated with the village-level poverty rate. Moreover, the prevalence of young adult illiteracy and non-attendance of school is higher in poorer areas. These patterns suggest the importance of education attainment and access to basic public services as critical drivers for poverty reduction in Timor-Leste.

With a Gini index of 28.7 in 2014, inequality in Timor-Leste is low by international standards. Nonetheless, consumption growth has been less favorable for the poor. Between 2007 and 2014, real consumption per capita for the bottom 40 grew at the average rate of 2.85 percent per year, slightly lower than the national average growth rate of 2.95 percent per year.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	507.0	41.8	2014
International Poverty Line 1.3 in U.S. dollar (2014) or US\$1.90 (2011 PPP) per day per capita	360.7	30.7	2014
Lower Middle Income Class Poverty Line 2.2 in U.S. dollar (2014) or US\$3.20 (2011 PPP) per day per capita	N/A	N/A	N/A
Upper Middle Income Class Poverty Line 3.9 in U.S. dollar (2014) or US\$5.50 (2011 PPP) per day per capita	N/A	N/A	N/A
Multidimensional Poverty Measure	39.8		2014
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index	28.7		2014
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth	-6.96		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, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2001-2014



Source: World Bank using TLSLS/EAPPOV/GMD

INEQUALITY TRENDS, 2001-2014



Source: World Bank using TLSLS/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2014	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2014
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	81	19	26	74	Monetary poverty (Consumption)	
Rural population	65	35	46	54	Daily consumption less than US\$1.90 per person	30.7
Males	69	31	40	60	Education	
Females	70	30	39	61	At least one school-aged child is not enrolled in school	0.3
0 to 14 years old	63	37	47	53	No adult has completed primary education	21.2
15 to 64 years old	73	27	36	64	Access to basic infrastructure	
65 and older	80	20	26	74	No access to limited-standard drinking water	22.1
Without education (16+)	68	32	40	60	No access to limited-standard sanitation	48.6
Primary education (16+)	71	29	40	60	No access to electricity	27.2
Secondary education (16+)	79	21	29	71		
Tertiary/post-secondary education (16+)	90	10	15	85		

Source: World Bank using TLSLS/EAPPOV/GMD

Source: World Bank using TLSLS/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

Poverty in Timor-Leste is estimated based on per capita consumption expenditure. Members of a household are considered poor if the per capita consumption of the household is below the poverty line, which is determined using the cost-of-basic-needs approach. This method calculates the poverty line as the cost of a consumption bundle that is (1) consistent with the consumption pattern of the poor; and (2) deemed adequate for meeting basic needs. The poverty line has three main components: food, rent, and non-food. The food poverty line is constructed based on representative food bundles to meet the recommended nutritional need of 2,100 calories per person per day. The rent poverty line represents the average imputed rental cost per person of a reference dwelling. The non-food (excluding rent) poverty line is estimated in terms of what the poor generally spend on non-food items.

In 2014, poverty lines were estimated for the 13 districts using the Timor-Leste Surveys of Living Standards (TLSLS-3). For 2007, poverty lines were constructed for six domains (the rural and urban segments of three regions), as the TLSLS-2 sample size permitted only this degree of spatial disaggregation. Yet, both years present comparable estimates of poverty.

HARMONIZATION

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Poverty & Equity Brief

East Asia & Pacific

Tonga

April 2020

The latest Household Income and Expenditure Survey (HIES) used to estimate poverty in Tonga was conducted in 2015-2016. The next HIES round is scheduled for 2020-2021. By World Bank definitions of data deprivation, Tonga is classified as vulnerable to deprivation. In the past 10 years, Tonga has conducted a HIES on two occasions, but they are separated by more than 5 years (2009 and 2015-2016).

Using national measures for 2009-10 (see "Poverty Data and Methodology" section below for details), 22.5 percent of the population lived below the basic needs poverty line. The incidence of poverty was lowest in the capital, Nuku'alofa, at 21.4 percent, while it was estimated at 23.5 percent in the Rest of Tongatapu and 22.9 percent for Other Islands.

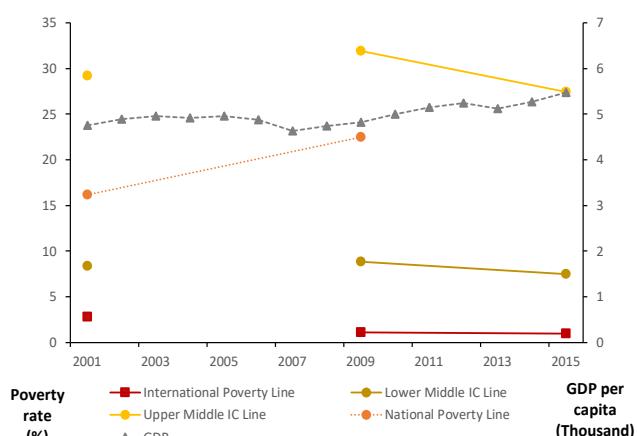
Measuring the 2015-16 HIES data against the international poverty line of \$1.90 (2011 PPP USD per person per day), the poverty rate was estimated at 1 percent. Measured against the \$5.50 poverty line, which reflects living standards across all upper middle-income countries, the incidence of poverty was at 27.5 percent, slightly higher than the global upper middle-income country average of 24.4 percent in 2015. The COVID-19 pandemic may increase poverty in Tonga, due to the resulting economic shock to tourism as well as a projected drop in remittance incomes, which are vital to most Tongan households.

Inequality in 2015-16, as measured by a consumption-based Gini index, was estimated at 37.6. Consumption growth in the Bottom 40 between 2009-10 and 2015-16 exceeded the average growth rate (1.03 percent per year compared to 0.60 percent). The annual median income growth rate during the same time was lower than the reported consumption growth, at only 0.16 percent.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	23.3	22.5	2009
International Poverty Line 3.2 in Tongan pa'anga (2015) or US\$1.90 (2011 PPP) per day per capita	1.0	1.0	2015
Lower Middle Income Class Poverty Line 5.4 in Tongan pa'anga (2015) or US\$3.20 (2011 PPP) per day per capita	7.5	7.5	2015
Upper Middle Income Class Poverty Line 9.3 in Tongan pa'anga (2015) or US\$5.50 (2011 PPP) per day per capita	27.7	27.5	2015
Multidimensional Poverty Measure		1.7	2015
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent		1.03	2009-2015
INEQUALITY			
Gini Index		37.6	2015
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		0.43	2009-2015
GROWTH			
Annualized GDP per capita growth		2.14	2009-2015
Annualized Consumption Growth per capita from Household Survey		0.60	2009-2015
MEDIAN INCOME			
Growth of the annual median income/consumption per capita		0.16	2009-2015

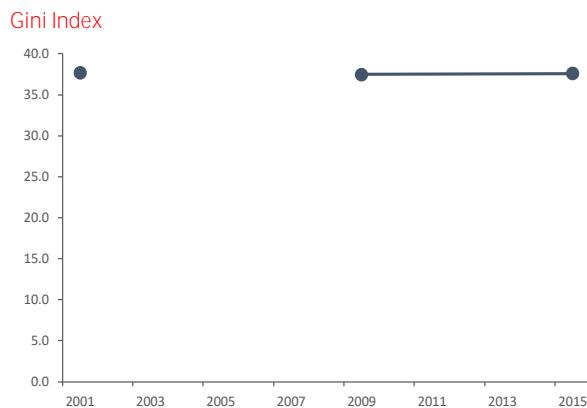
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2001-2015



Source: World Bank using HIES/EAPPOV/GMD

INEQUALITY TRENDS, 2001-2015



Source: World Bank using HIES/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2015	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2015
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	100	N/A*	35	65	Monetary poverty (Consumption)	
Rural population	99	1	41	59	Daily consumption less than US\$1.90 per person	1.0
Males	99	1	41	59	Education	
Females	99	1	39	61	At least one school-aged child is not enrolled in school	0.8
0 to 14 years old	99	1	54	46	No adult has completed primary education	N/A
15 to 64 years old	99	1	36	64	Access to basic infrastructure	
65 and older	100	N/A*	25	75	No access to limited-standard drinking water	0.1
Without education (16+)			N/A		No access to limited-standard sanitation	1.8
Primary education (16+)			N/A		No access to electricity	0.0
Secondary education (16+)			N/A			
Tertiary/post-secondary education (16+)			N/A			

Source: World Bank using HIES/EAPPOV/GMD

Source: World Bank using HIES/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The national poverty statistics of Tonga for 2009 (as reported for Sustainable Development Goals tracking purposes) used a "cost of basic needs" approach to establish a welfare benchmark for the poverty line. A single food poverty line was used nationally, using a per capita basis rather than applying the adult equivalence scale commonly used across the Pacific. Separate non-food poverty lines were constructed for each of three sub-regions: Nuku'alofa, the Rest of Tongatapu, and Other Islands. National consumption-based poverty measures were not officially produced by the Tonga Statistics Department for 2015-16.

To facilitate meaningful comparisons across countries, the World Bank publishes estimates using three different poverty lines (2011 PPP): the International Poverty Line (US\$1.90), the Lower Middle Income Class Poverty Line (US\$3.20) and the Upper Middle Income Class Poverty Line (US\$5.50). For Tonga, the consumption aggregates were deflated using the three regional poverty lines to account for spatial differences in the cost of living.

HARMONIZATION

The numbers presented in this brief are based on the EAPPOV database. EAPPOV is a database of socio-economic statistics constructed using microdata from household surveys in the East Asia and the Pacific (EAP) region and is managed by the East Asia & Pacific Team for Statistical Development (EAPTS). As of January 2019, the collection includes 19 countries and 93 surveys. Harmonized surveys in the EAPPOV database are compiled into 4 modules following Global Monitoring Database (GMD) Harmonization guidelines. A subset of the harmonized variables form the basis of the GMD collection, 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.

Poverty & Equity Brief

East Asia & Pacific

Tuvalu

April 2020

The latest Household Income and Expenditure Survey (HIES) used to estimate poverty in Tuvalu was conducted in 2015-16. However, the data presented in this brief refer to the previous HIES in 2010, as substantial issues with the 2015-16 data set prevent the reliable estimation of poverty indicators. The next round of the HIES is scheduled for 2021-22. By World Bank definitions for data deprivation, Tuvalu is classified as meeting the minimum data needs. In the past 10 years, Tuvalu has conducted a HIES on two occasions, with a maximum of five years separating the two (2010 and 2015-2016).

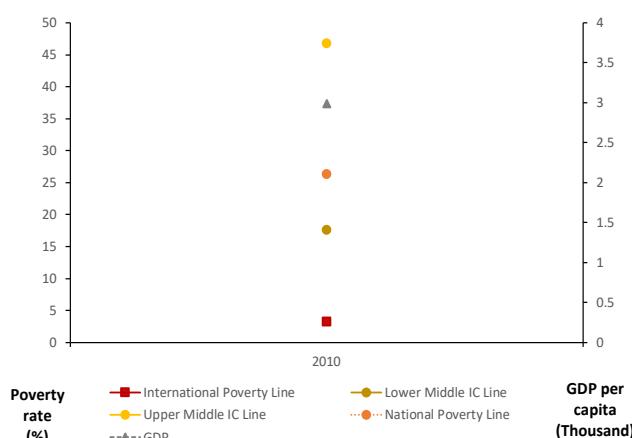
Using the national measures (see "Poverty Data and Methodology" section below for details), 26.3 percent of the population lived below the basic needs poverty line in 2010. The incidence of poverty was higher in the capital Funafuti (27.5 percent) than on the Outer Islands (24.8 percent), although separate poverty lines were estimated for the two areas. Households headed by an elderly person were more likely to be poor.

Measured against the international poverty line of \$1.90 (2011 PPP USD per person per day), the poverty rate in 2010 was estimated at 3.3 percent. However, measured against the \$5.50 poverty line, which reflects living standards across all upper middle-income countries, the incidence of poverty was at 46.7 percent, higher than the global upper middle-income country average of 40.8 percent in 2010. Multidimensional poverty indicators for education and access to sanitation and electricity all exceed the \$1.90 monetary poverty measure, implying that some Tuvaluans who are not poor by monetary measures are still deprived of basic services. Inequality, as measured by the Gini index, was estimated at 39.1. The COVID-19 pandemic may increase poverty in Tuvalu, due to the resulting economic shocks, a projected drop in remittance incomes, and disruptions to the imports of food and other basic necessities.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	2.8	26.3	2010
International Poverty Line 2.2 in Australian dollar (2010) or US\$1.90 (2011 PPP) per day per capita	0.3	3.3	2010
Lower Middle Income Class Poverty Line 3.7 in Australian dollar (2010) or US\$3.20 (2011 PPP) per day per capita	1.9	17.6	2010
Upper Middle Income Class Poverty Line 6.4 in Australian dollar (2010) or US\$5.50 (2011 PPP) per day per capita	4.9	46.7	2010
Multidimensional Poverty Measure		3.9	2010
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		39.1	2010
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth	0.70	2005-2010	
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

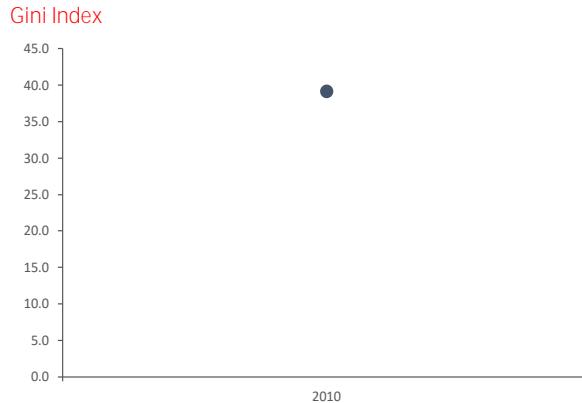
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2010



Source: World Bank using HIES/EAPPOV/GMD

INEQUALITY TRENDS, 2010



Source: World Bank using HIES/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2010	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2010
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	97	3	42	58	Monetary poverty (Consumption)	
Rural population	97	3	39	61	Daily consumption less than US\$1.90 per person	3.3
Males	97	3	39	61	Education	
Females	97	3	41	59	At least one school-aged child is not enrolled in school	6.1
0 to 14 years old	96	4	44	56	No adult has completed primary education	4.5
15 to 64 years old	97	3	38	62	Access to basic infrastructure	
65 and older	96	N/A*	42	58	No access to limited-standard drinking water	0.0
Without education (16+)	93	N/A*	54	N/A*	No access to limited-standard sanitation	11.5
Primary education (16+)	96	4	41	59	No access to electricity	9.2
Secondary education (16+)	97	N/A*	38	62		
Tertiary/post-secondary education (16+)	100	N/A*	N/A*	85		

Source: World Bank using HIES/EAPPOV/GMD

Source: World Bank using HIES/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The national poverty statistics of Tuvalu for 2010 used a "cost of basic needs" approach to establish a welfare benchmark for the poverty line. A Food Poverty Line (FPL) estimated the required expenditure to achieve 2100 calories of consumption per adult-equivalent (with children aged 0-14 counting as half of an adult), using a basket of goods comprising the top 30 goods consumed by the bottom three deciles in the distribution. Separate FPLs were estimated for each of two sub-regions: Funafuti and the Outer Islands. The Non-Food Poverty Line (NFPL) was estimated using the average non-food consumption of the bottom three deciles in the distribution.

To facilitate meaningful comparisons across countries, the World Bank publishes estimates using three different poverty lines (2011 PPP): the International Poverty Line (US\$1.90), the Lower Middle Income Class Poverty Line (US\$3.20) and the Upper Middle Income Class Poverty Line (US\$5.50). For Tuvalu, the consumption aggregates were deflated using the two regional poverty lines to account for spatial differences in the cost of living. These estimates also differ from the national poverty measures because they assess welfare needs on a per capita rather than an adult-equivalent basis.

HARMONIZATION

The numbers presented in this brief are based on the EAPPOV database. EAPPOV is a database of socio-economic statistics constructed using microdata from household surveys in the East Asia and the Pacific (EAP) region and is managed by the East Asia & Pacific Team for Statistical Development (EAPTS). As of January 2019, the collection includes 19 countries and 93 surveys. Harmonized surveys in the EAPPOV database are compiled into 4 modules following Global Monitoring Database (GMD) Harmonization guidelines. A subset of the harmonized variables form the basis of the GMD collection, 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.

Poverty & Equity Brief

East Asia & Pacific

Vanuatu

April 2020

The latest Household Income and Expenditure Survey (HIES) used to estimate poverty in Vanuatu was conducted in 2010, with a HIES prior to that occurring in 2006. Using the World Bank's definitions for data deprivation, Vanuatu is classified as moderately deprived (one HIES in the past ten years). However, Vanuatu is currently finishing field work for a 2019-2020 HIES.

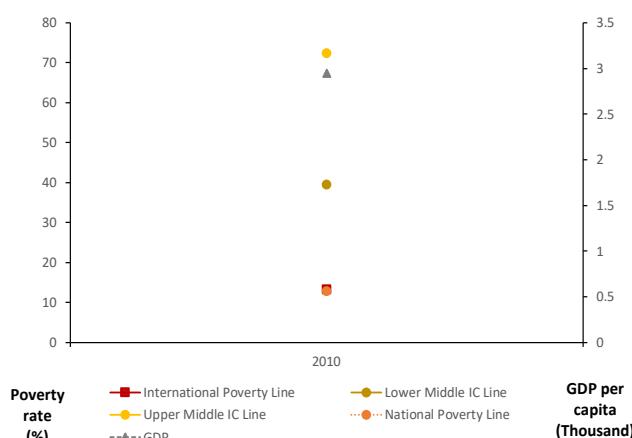
Using the national measures (see "Poverty Data and Methodology" section below for details), 12.7 percent of the population lived below the basic needs poverty line. While this is similar to poverty measured in 2006, comparability between the two periods is limited because the 2010 poverty line was recalculated using a new basket of goods from the 2010 HIES rather than adjusting the 2006 poverty line for inflation. For the period of 2005-2010, annualized growth in GDP per capita was 2.5 percent. Using the international poverty line of \$1.90 (2011 PPP USD per person per day), the headcount poverty rate in 2010 was estimated at 13.2 percent. As a lower middle income country, it is also important to measure poverty in Vanuatu using the \$3.20 Lower Middle Income Class Poverty Line, at which the poverty rate is 39.4 percent. Inequality, as measured by the Gini index, was estimated at 37.6. According to the multidimensional poverty measure, 33.1 percent of the population was in poverty. One prominent dimension of this in Vanuatu is access to basic infrastructure, with 55.9 percent of the population having no access to electricity and 45.6 percent lacking access to limited-standard sanitation.

The tourism-driven economy of Vanuatu will be hard hit by COVID-19. This will be particularly significant for households directly linked to the tourism industry (estimated at 12 percent). While these households are not disproportionately poor, they will experience job and income losses, and other households may suffer from a slowdown in activity in linked sectors such as agriculture. Poverty may increase as a result.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	30.0	12.7	2010
International Poverty Line 218.2 in Vanuatu vatu (2010) or US\$1.90 (2011 PPP) per day per capita	31.1	13.2	2010
Lower Middle Income Class Poverty Line 367.4 in Vanuatu vatu (2010) or US\$3.20 (2011 PPP) per day per capita	93.2	39.4	2010
Upper Middle Income Class Poverty Line 631.5 in Vanuatu vatu (2010) or US\$5.50 (2011 PPP) per day per capita	170.9	72.4	2010
Multidimensional Poverty Measure	33.1		2010
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index	37.6		2010
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth	2.47		2005-2010
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

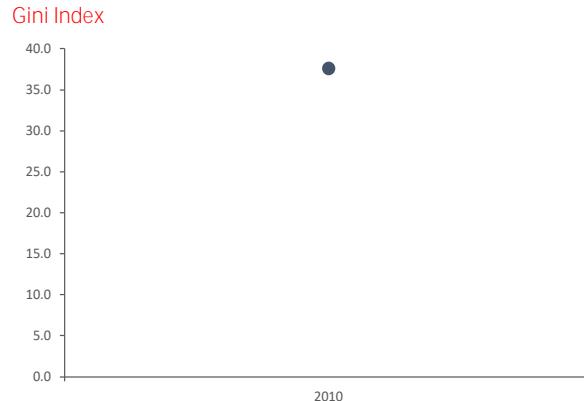
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2010



Source: World Bank using HIES/EAPPOV/GMD

INEQUALITY TRENDS, 2010



Source: World Bank using HIES/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2010	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2010
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	81	19	53	47	Monetary poverty (Consumption)	
Rural population	89	11	36	64	Daily consumption less than US\$1.90 per person	13.2
Males	87	13	39	61	Education	
Females	87	13	41	59	At least one school-aged child is not enrolled in school	14.6
0 to 14 years old	84	16	47	53	No adult has completed primary education	18.5
15 to 64 years old	89	11	36	64	Access to basic infrastructure	
65 and older	90	10	31	69	No access to limited-standard drinking water	19.1
Without education (16+)	86	14	39	61	No access to limited-standard sanitation	45.6
Primary education (16+)	89	11	35	65	No access to electricity	55.9
Secondary education (16+)	89	11	36	64		
Tertiary/post-secondary education (16+)	92	N/A*	24	76		

Source: World Bank using HIES/EAPPOV/GMD

Source: World Bank using HIES/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The national poverty statistics of Vanuatu for 2010 used a "cost of basic needs" approach to establish a welfare benchmark for the poverty line. A Food Poverty Line (FPL) estimated the required expenditure to achieve 2100 calories of consumption per adult-equivalent (with children aged 0-14 counting as half of an adult), using a basket of goods comprising the top 30 goods consumed by the bottom three deciles in the distribution. An adjustment factor of 0.8 is applied to the market price when consuming from household production. Separate FPLs were estimated for each of three sub-regions: Port Villa, Luganville, and Rural. The Non-Food Poverty Line (NFPL) was estimated using the average non-food consumption of the bottom three deciles in the distribution.

To facilitate meaningful comparisons across countries, the World Bank publishes estimates using three different poverty lines (2011 PPP): the International Poverty Line (US\$1.90), the Lower Middle Income Class Poverty Line (US\$3.20) and the Upper Middle Income Class Poverty Line (US\$5.50). For Vanuatu, the consumption aggregates were deflated using the three regional poverty lines to account for spatial differences in the cost of living. These estimates differ from the national poverty measures because they assess welfare needs on a per capita rather than an adult-equivalent basis.

HARMONIZATION

The numbers presented in this brief are based on the EAPPOV database. EAPPOV is a database of socio-economic statistics constructed using microdata from household surveys in the East Asia and the Pacific (EAP) region and is managed by the East Asia & Pacific Team for Statistical Development (EAPTS). As of January 2019, the collection includes 19 countries and 93 surveys. Harmonized surveys in the EAPPOV database are compiled into 4 modules following Global Monitoring Database (GMD) Harmonization guidelines. A subset of the harmonized variables form the basis of the GMD collection, 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.

Poverty & Equity Brief

East Asia & Pacific

Vietnam

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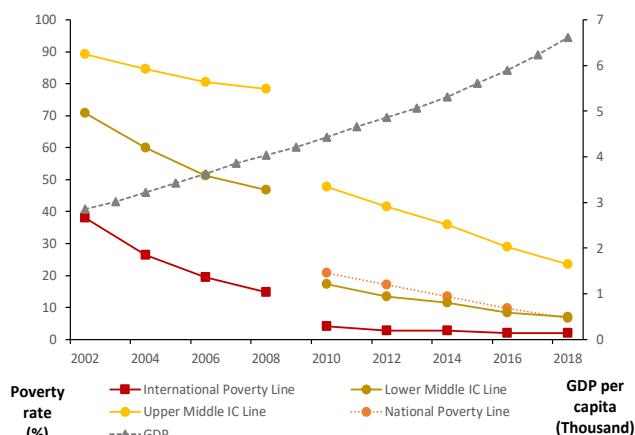
National poverty estimates for 2018 show that the incidence of poverty declined by 4 percentage points since 2016 to 7 percent. Significant poverty reduction has been observed among ethnic minorities, with a 7.5 percentage points decline in poverty during 2016-18 or by more than 20 percentage points since 2014. But with a poverty rate of 37 percent in 2018, they remain significantly poorer than the rest of the population. Poverty reduction was driven by strong wage job growth. About 2.8 million more non-agriculture jobs, including 1.8 million wage jobs, were added between 2016 and 2018. Most of the new opportunities were in rural areas, resulting in a reallocation of labor from agriculture to the manufacturing, construction and service sectors. The shift of labor into high wage sectors, combined with overall increase in real wages in all sectors, significantly raised wage incomes. But with most households now wage dependent, the anticipated slowdown in manufacturing, hotel and catering as well as retail sectors owing to supply disruptions, reduced demand and temporary work suspension caused by the COVID-19 crisis, could temporarily increase poverty during the first half of 2020 and stall poverty reduction. This risk is elevated by the high informality of both wage and self-employment in affected sectors, implying that **most of the exposed non-agriculture workers – up to 42 percent of the labor force - are not covered by social insurance.**

Being labor intensive, growth in Vietnam has been both high and broad based. Median incomes grew by an average of 5.16 percent per year during 2012-18, matching the growth in GDP per capita over this period. Past fiscal investments not only provided targeted benefits to the poor, but also enhanced people's ability to secure new and better opportunities through human capital investments. Vietnam was ranked among the top 20 in the 2017 PISA rankings - one reason its Human Capital Index of 0.67 places it above most middle-income countries. However, the shared prosperity premium has vanished, now being estimated at -0.11 percent during 2012-18. Since the remaining poor were closer to the poverty line, poverty reduction in more recent years is being purely driven by high growth than its distributional pattern. So, while welfare is improving, gaps between the poor and non-poor are not closing. The Gini of 35.7 in 2018 is a marginal increase compared to 2014, suggesting that inequality is beginning to rise again or at best, has not improved. Gaps are also emerging in access to tertiary education. Enrolment or graduation rates in tertiary education among 19-24 year olds in the top 60 percent households are twice that of the bottom 40 percent, for example. The fiscal incidence of education and health which is progressive for basic education and primary health care, is regressive for both tertiary education and health services.

	Number of Poor (million)	Rate (%)	Period
POVERTY			
National Poverty Line	6.4	6.7	2018
International Poverty Line 19383.5 in Vietnamese dong (2018) or US\$1.90 (2011 PPP) per day per capita	1.8	1.9	2018
Lower Middle Income Class Poverty Line 32645.8 in Vietnamese dong (2018) or US\$3.20 (2011 PPP) per day per capita	6.7	7.0	2018
Upper Middle Income Class Poverty Line 56110 in Vietnamese dong (2018) or US\$5.50 (2011 PPP) per day per capita	22.5	23.6	2018
Multidimensional Poverty Measure	3.9		2014
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent	4.91		2012-2018
INEQUALITY			
Gini Index	35.7		2018
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth	-0.11		2012-2018
GROWTH			
Annualized GDP per capita growth	5.27		2012-2018
Annualized Consumption Growth per capita from Household Survey	5.01		2012-2018
MEDIAN INCOME			
Growth of the annual median income/consumption per capita	5.16		2012-2018

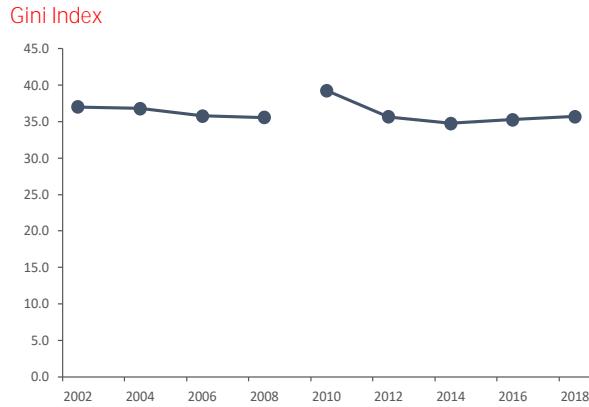
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2002-2018



Source: World Bank using VHLSS/EAPPOV/GMD

INEQUALITY TRENDS, 2002-2018



Source: World Bank using VHLSS/EAPPOV/GMD

KEY INDICATORS

Distribution among groups: 2016	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures (% of people):	2014
	Non-Poor	Poor	Bottom 40	Top 60		
Urban population	100	N/A*	17	83	Monetary poverty (Consumption)	
Rural population	97	3	51	49	Daily consumption less than US\$1.90 per person	2.7
Males	98	2	40	60	Education	
Females	98	2	40	60	At least one school-aged child is not enrolled in school	1.3
0 to 14 years old	96	4	49	51	No adult has completed primary education	5.9
15 to 64 years old	98	2	37	63	Access to basic infrastructure	
65 and older	99	1	41	59	No access to limited-standard drinking water	7.1
Without education (16+)	91	9	73	27	No access to limited-standard sanitation	19.8
Primary education (16+)	98	2	48	52	No access to electricity	0.9
Secondary education (16+)	100	0	28	72		
Tertiary/post-secondary education (16+)	100	N/A*	11	89		

Source: World Bank using VHLSS/EAPPOV/GMD

Source: World Bank using VHLSS/EAPPOV/GMD

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

POVERTY DATA AND METHODOLOGY

The primary source of poverty data is the Vietnam Household Living Standards Survey (VHLSS), which is conducted once every two years. The data, collected over a 12-month period for each survey, are available to users, are considered to be good quality, and have been widely used in research.

Poverty is estimated using the cost-of-basic-needs approach, with household welfare measured using consumption, which includes imputations for housing rent and durables. The current poverty line was estimated in 2010 and has been updated only for cost-of-living changes. The international poverty line estimates are generated from the same consumption aggregate as national estimates, with the CPI used to inflate (deflate) the 2011 PPP-based poverty line into the survey-year prices. Poverty trends using both the national and international poverty lines are consistent. The point estimates for the lower middle income poverty line of 2011 PPP \$3.20 per person per day and the national GSO-World Bank poverty line are also close, since the implied poverty lines are similar.

HARMONIZATION

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