

Poverty & Equity Brief

Latin America & the Caribbean

Haiti

April 2020

The latest official poverty rates for Haiti are from 2012, when the estimated poverty rate was 58.5 percent. Extreme weather events such as hurricane Matthew in 2016 and the ongoing political crisis that started at the end of 2018 have inevitably affected welfare in the country.

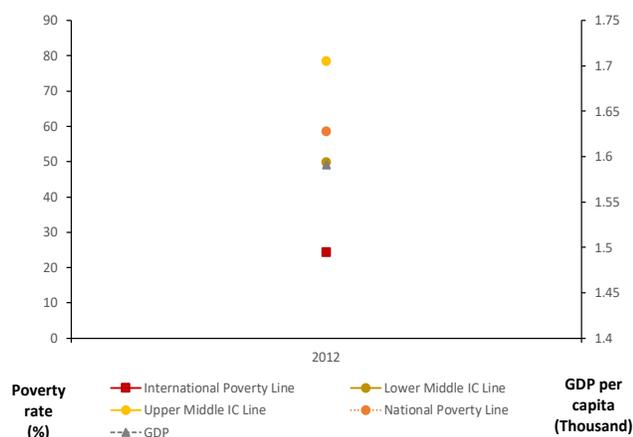
In the absence of recent nationally representative official data, a 2017 survey using the Survey of Well-being via Instant and Frequent Tracking methodology was developed. The survey suggests that, while the GDP per capita increased from USD 1,590 (2011 PPP) to USD 1,653 (2011 PPP) in the 2012-2017 period, changes in poverty were marginal. The predicted poverty rate for 2017 was 57 percent. This prediction, however, is based on changes in the characteristics of the population such as labor outcomes. Other changes that reflect a further deterioration of livelihoods, including higher food insecurity, are not captured. The macroeconomic picture is also a cause for concern. GDP per capita growth has hovered around or below 0 percent between 2017-2019. Inflation figures have not been published since August 2019, but it is estimated that inflation closed around 20 percent by end of the year. The violent protests, temporary closures of schools at the start of the school year and several instances of 'peyi lok' (where general activity ceases due to insecurity) are phenomena that most likely have negatively impacted the economy. There is no official data on unemployment. Modeled estimates for 2019 suggest overall unemployment is at 13 percent, while the rate for youth was 30 percent. Finally, there is no recent data to analyze the evolution of inequality. However, it's expected to remain high. In 2012, the richest 20 percent of households held more than 64 percent of the total income of the country. In contrast, the poorest 20 percent of households hold 1 percent.

The poor population's vulnerability due to the continuous reliance on agriculture and the lack of a social assistance network, may be further increased by the effects of the COVID-19 pandemic. With a majority of workers being in the informal sector or uninsured, health shocks and slower economic activity can lead to large income losses that are not likely to be mitigated by the current safety net.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	6.0	58.5	2012
International Poverty Line 42.2 in Haitian gourde (2012) or US\$1.90 (2011 PPP) per day per capita	2.5	24.2	2012
Lower Middle Income Class Poverty Line 71 in Haitian gourde (2012) or US\$3.20 (2011 PPP) per day per capita	5.1	49.9	2012
Upper Middle Income Class Poverty Line 122.1 in Haitian gourde (2012) or US\$5.50 (2011 PPP) per day per capita	8.0	78.4	2012
Multidimensional Poverty Measure		44.3	2012
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		41.1	2012
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth		0.26	2007-2012
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

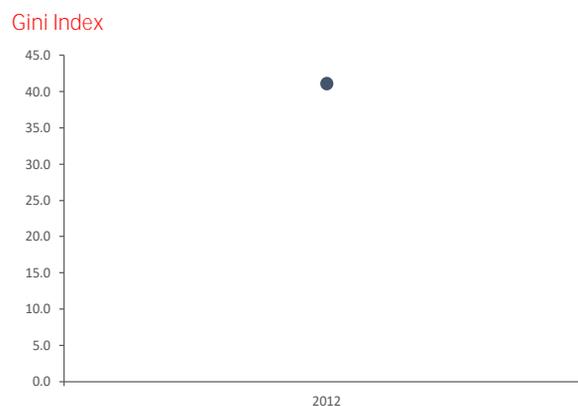
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of February 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2012



Source: World Bank using ECVMAS/SEDLAC/GMD

INEQUALITY TRENDS, 2012



Source: World Bank using ECVMAS/SEDLAC/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	91	9	20	80	Monetary poverty (Consumption)	
Rural population	62	38	58	42	Daily consumption less than US\$1.90 per person	24.2
Males	75	25	41	59	Education	
Females	77	23	39	61	At least one school-aged child is not enrolled in school	9.0
0 to 14 years old	70	30	48	52	No adult has completed primary education	23.2
15 to 64 years old	79	21	35	65	Access to basic infrastructure	
65 and older	77	23	39	61	No access to limited-standard drinking water	33.5
Without education (16+)	65	35	53	47	No access to limited-standard sanitation	68.8
Primary education (16+)	75	25	41	59	No access to electricity	64.3
Secondary education (16+)	87	13	26	74		
Tertiary/post-secondary education (16+)	98	N/A*	N/A*	94		

Source: World Bank using ECVMAS/SEDLAC/GMD

Source: World Bank using ECVMAS/SEDLAC/GMD

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

POVERTY DATA AND METHODOLOGY

Poverty in Haiti is estimated with per capita expenditure as the welfare aggregate. Per capita expenditure is estimated using the "cost-of-basic needs" methodology including both food and non-food expenditures. The poverty line reflects a minimum threshold of 2,400 cal per person per day, including 26 food products. The official poverty line is 12 percent higher than the \$3.20 international poverty line while the national extreme poverty line is 3 percent lower than the \$1.90 PPP international poverty lines. Official poverty numbers are reported for 2012. Recent poverty data required to estimate trends in poverty and inequality and to measure shared prosperity are not available.

HARMONIZATION

The numbers presented in the brief are based on the regional data harmonization effort known as the Socio-economic Database for Latin America and the Caribbean (SEDLAC) - a joint effort of the World Bank and CEDLAS from the National University of La Plata (Argentina). SEDLAC includes 18 countries and more than 300 household surveys since the 80s. Several Caribbean countries have not been included in the SEDLAC project due to lack of data. Since an income-based welfare aggregate is widely used in the region for official poverty estimates, income-based microdata is used for the Global Monitoring Database (GMD) and Global Poverty Monitoring. SEDLAC covers demographics, income, employment, and education. Terms of use of the data adhere to agreements with the original data producers.