

COUNTRY POVERTY BRIEF

SUB-SAHARAN AFRICA

NIGERIA

October 2017

| POVERTY | | Rate (Number of Poor) | Period |
|---|--|-----------------------|--------|
| National Poverty Line | | 46.0% (71.0 million) | 2009 |
| International Poverty Line 133.5 in Local Currency Unit or US\$1.90 (2011 PPP) per day per capita | | 53.5% (82.6 million) | 2009 |
| Lower Middle Income Class (IC) Poverty Line 224.9 in Local Currency Unit or US\$3.20 (2011 PPP) per day per capita | | 77.6% (119.8 million) | 2009 |
| Upper Middle Income Class (IC) Poverty Line 386.5 in Local Currency Unit or US\$5.50 (2011 PPP) per day per capita | | 92.1% (142.2 million) | 2009 |
| SHARED PROSPERITY | | | |
| Income or Consumption growth of the bottom 40 percent | | N/A | N/A |
| INEQUALITY | | | |
| Gini Coefficient | | 0.43 | 2009 |
| Shared Prosperity Premium | Difference between the income or consumption growth of the bottom 40 percent and that of the average | N/A | N/A |
| GDP GROWTH | | | |
| Annualized GDP per capita growth | | N/A | N/A |

Sources: WDI, SSATSD using LSS/SSAPOV/GMD. National poverty lines are provided by national statistical offices.

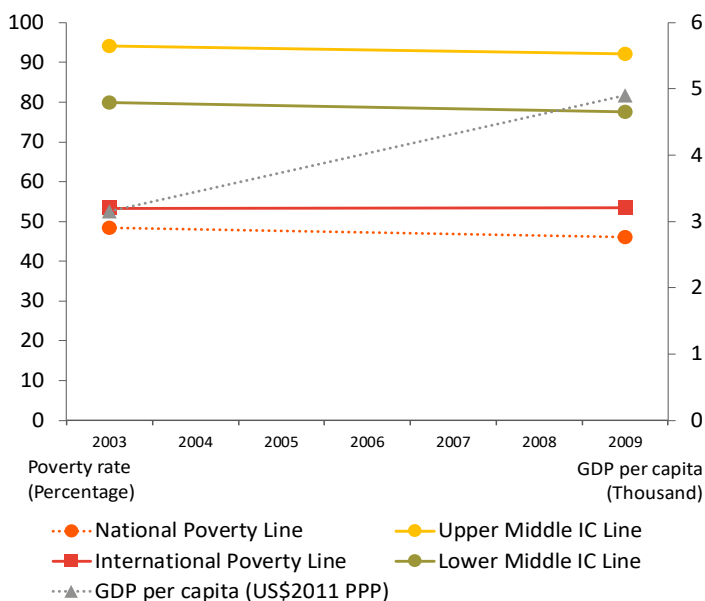
PROGRESS ON POVERTY AND EQUITY

Extreme poverty was 53.5 percent in 2009 based on the most recent official household survey, the HNLSS. All subsequent estimates of poverty are projections using this official survey. Poverty is projected to have fallen moderately to 46.8 percent by 2015. Thus, almost 85 ml persons lived below the international poverty line of \$1.90 (2011 PPP) per day.

The economic contraction in 2016 led to a projected increase in poverty by close to 2 percentage points and reached 48.4 percent. Poverty is likely to continue to rise in 2017 unless economic growth resumes. Poverty in Nigeria, as per the projections based on NLSS 2009/10, is estimated to have increased along with negative economic growth in all four quarters of 2016 and the first quarter of 2017. The economic recession, insecurity and displacement in North Eastern Nigeria led to low agricultural production, substantial disruption of basic services and damage to infrastructure, depleted household's food stocks, and reduced purchasing power, with several millions of people facing a food security crisis. The conflict between the herdsmen and farmers in the North Central Nigeria also posed similar threats in the region, especially for food security.

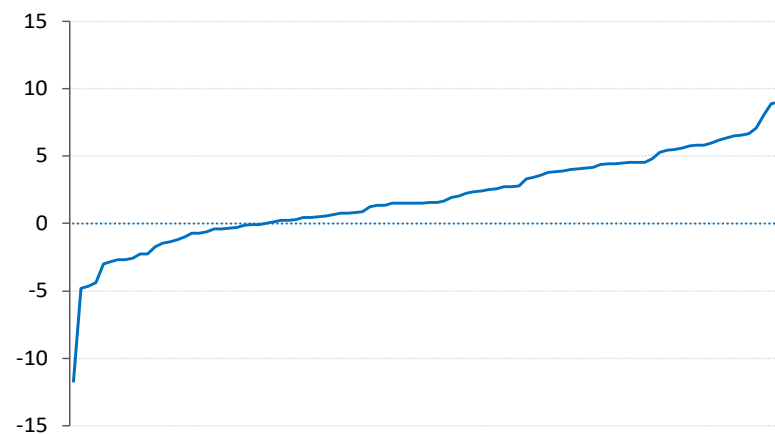
The high growth rates enjoyed by Nigeria before the current low oil price crisis was driven by the coastal area and around the capital but with limited trickle down to the rest of the country; overall, good economic performance concealed the limited inclusiveness of growth. Poverty reduction in Nigeria compared to the rest of the Sub-Saharan African and other lower middle income countries (LMICs) have been less responsive to its fast-paced economic growth. Estimates of the growth elasticity of poverty (GEP) indicate that, for every 1.0 percent growth in GDP per capita, poverty declined by only 0.6 percent. Nigeria's GEP is half that of the regional average and only a fourth of that of lower-middle-income countries.

POVERTY HEADCOUNT RATE, 2003-2009

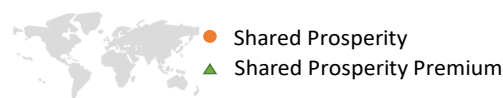


Source: World Bank using LSS/SSAPOV/GMD

SHARED PROSPERITY AND SHARED PROSPERITY PREMIUM



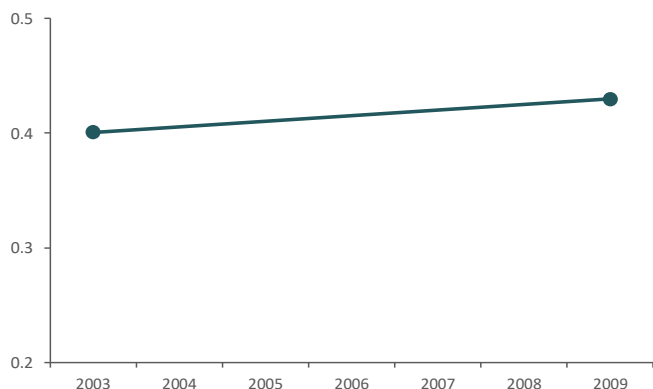
Global Shared Prosperity Values Distribution of Performance in Shared Prosperity



Source: World Bank using LSS/SSAPOV/GMD

INEQUALITY TRENDS, 2003-2009

Gini Coefficient



Source: World Bank using LSS/SSAPOV/GMD

% CONTRIBUTION TO POVERTY CHANGE

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

POVERTY DATA AND METHODOLOGY

National Consumer Surveys (NCS) originally generated evidence for monitoring and evaluating national programs and policies in Nigeria, which laid the foundation for the poverty assessments. The very first NCS was conducted back in 1974 followed by annual surveys from 1980 to 1985. The next round of NCS was carried out in 1992 but with scope to analyze poverty using consumer expenditure. 2003/2004 Nigeria Living Standard Survey (NLSS) replaced the NCS with a greater scope that incorporated modules on demography, health, fertility behavior, education, skills/training, employment, housing, social capital, agriculture, and household income and expenditure. The scope of the data was further enlarged during 2009/2010 Harmonized NLSS, which was carried out as a follow up to 2003/2004 NLSS to update poverty estimates in Nigeria. Nigeria's 2010 poverty rate and subsequent projections are estimated based on the 2009/2010 HNLSS. The survey covered 36 States of the Federation and the Federal Capital Territory. 77,400 households were sampled from 774 Local Government Areas (LGA) with an average of 100 households in each LGA, and the sample is representative at the State level.

The next round of HNLSS is scheduled for the fourth quarter of 2017, and is expected to be completed towards the end of 2018. The National Bureau of Statistics factored in the lessons learned from the 2009/2010 NLSS to draw the sample and questionnaires for 2017/2018 NLSS. The team drew a sample of 22,200 households with a two-stage sampling approach to be representative at the State level, covering 36 States and the Federal Capital Territory. Data from the upcoming HNLSS will be the basis for next round of official poverty estimate in Nigeria, and the estimates will be calculated at the national, regional and State levels.

HARMONIZATION

The numbers in this report are based on the SSAPOV database. SSAPOV is a database of socio-economic statistics managed by SSATSD. It captures the relevant information for 43 out of 48 countries in the SSA region, and it is based on 145 regional surveys. The 5 countries not covered in the SSAPOV database are Eritrea, Equatorial Guinea, Gambia, Somalia and Zimbabwe. The Africa database is organized in 4 modules following the Global Monitoring Database (GMD) Harmonization guidelines, including the construction of the welfare aggregate which is used for the Global Poverty Monitoring. Terms of use of the data adhere to agreements with the original data producers.