

Poverty & Equity Brief

Middle East & North Africa

Morocco

October 2020

From 2007 to 2013 Morocco experienced significant poverty reduction. Poverty measured with the national poverty line declined from 8.9 percent in 2007 to about 4.8 percent in 2013. Likewise, when measured with international lines the decline is also sharp. Using the International Poverty Line (IPL) of 1.90 \$ PPP, poverty in 2013 is almost eradicated (around 1 percent) while using the lower middle-income poverty line (3.20 \$ PPP) poverty fell to 7.3 percent. In line with monetary indicators, the multidimensional poverty rate registers a very low value, 5.4 percent in 2013.

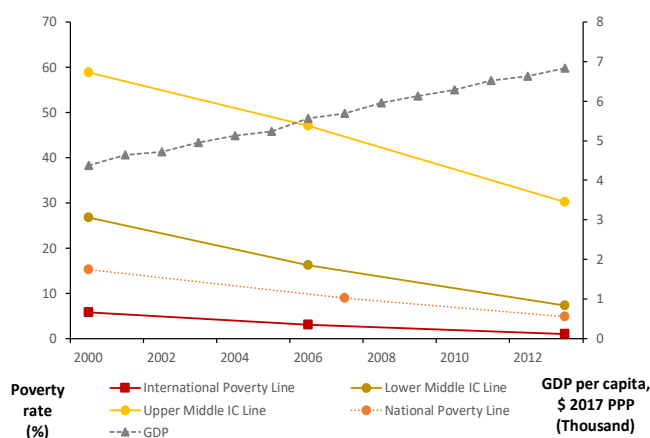
Growth over the last decade has been pro-poor but the urban-rural gap in poverty rates remains large; in 2013 the average consumption of urban households was almost double compared to that of rural ones. From 2006 to 2013 the growth of households' consumption in the bottom two quintiles was positive and above the average: 3.8 percent compared to an average growth of 3 percent. The growth of the median household consumption was also around 4 percent. In addition, the growth of consumption in urban areas (around 3.5 percent) was higher than in rural areas (2.8 percent).

At the regional level, the evolution of the standard of living between 2007 and 2013 showed the existence of a process of convergence between the 12 regions, although the rate of reduction in regional differences was not the same. Convergence has been strong in Fes-Meknes and Oriental while it has been slower in Draa-Tafilalt and Benimalal-Khenifra. Overall inequality has slightly decreased though not in all regions. The Gini index fell slightly between 2007 and 2013, going from 40.7 to 39.5. The reduction in the overall Gini index was the result of two counter-balancing trends: convergence of development across regions and increased within-region inequality in some of the regions. Indeed, inequality increased in some regions (e.g. Rabat-Sale-Kenitra from 39.9 to 44.2 and the Regions du Sud from 35.0 to 40.2) while it decreased in others such as Casablanca and Marakkesh and Souss-Massa. In 2020 due to the COVID-19 crisis and the consequent economic downturn poverty is expected to increase.

POVERTY	Number of Poor (thousand)	Rate (%)	Period
National Poverty Line	1,623.6	4.8	2013
International Poverty Line 8.2 in Moroccan dirham (2013) or US\$1.90 (2011 PPP) per day per capita	311.3	0.9	2013
Lower Middle Income Class Poverty Line 13.9 in Moroccan dirham (2013) or US\$3.20 (2011 PPP) per day per capita	2,474.3	7.3	2013
Upper Middle Income Class Poverty Line 23.9 in Moroccan dirham (2013) or US\$5.50 (2011 PPP) per day per capita	10,186.8	30.2	2013
Multidimensional Poverty Measure		5.4	2013
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		39.5	2013
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth		2.78	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

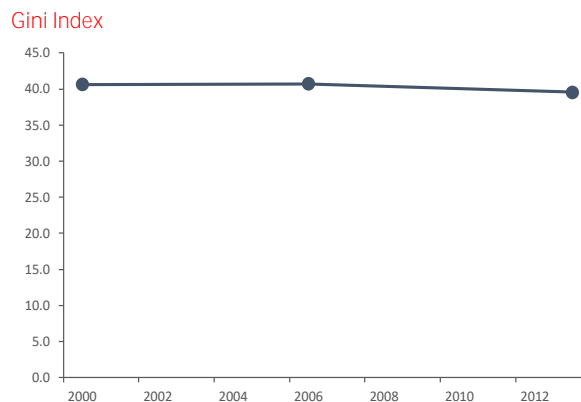
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of September 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2000-2013



Source: World Bank using ENCDM/MNAPOV/GMD

INEQUALITY TRENDS, 2000-2013



Source: World Bank using ENCDM/MNAPOV/GMD

KEY INDICATORS

Distribution among groups: 2013	Lower Middle Income line(%)		Relative group (%)		Multidimensional Poverty Measures: 2013 (% of population)
	Non-Poor	Poor	Bottom 40	Top 60	
Urban population				N/A	Monetary poverty (Consumption)
Rural population	85	15	60	40	Daily consumption less than US\$1.90 per person
Males	93	7	40	60	
Females	93	7	40	60	Education
0 to 14 years old	90	10	48	52	At least one school-aged child is not enrolled in school
15 to 64 years old	94	6	37	63	No adult has completed primary education
65 and older	94	6	32	68	
Without education (16+)	90	10	48	52	Access to basic infrastructure
Primary education (16+)	94	6	40	60	No access to limited-standard drinking water
Secondary education (16+)	97	3	27	73	No access to limited-standard sanitation
Tertiary/post-secondary education (16+)	99	1	12	88	No access to electricity

Source: World Bank using ENCDM/MNAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

Poverty and inequality estimates in Morocco are produced by the High Planning Commission (HCP). HCP collects a nationally representative household survey (ENCDM) on average every seven years and publishes national and regional poverty rates after each survey round. In 2013/14, the welfare aggregate is based on a consumption expenditure measure that includes food, education, health, dwelling related expenditures, communications and transportation, clothing, entertainment, and an estimate of rental values for the dwelling where the household resides. The welfare aggregate is not spatially or temporally deflated for poverty measurement, but spatially adjusted using poverty lines for calculating Gini index. Two poverty lines in Dirhams (MAD) per person per year are estimated and used to calculate the official poverty rates: urban areas (MAD 4,667) and rural areas (MAD 4,312). In PPP the average line is equivalent to about 2.9 USD.

HARMONIZATION

The numbers presented in this brief are based on the MNAPOV database. MNAPOV is a new data collection effort enacted in 2014, and managed by MNATSD. It covers 36 surveys from 11 countries. Two data points (surveys) are available for each country, except Algeria. The database is organized in 3 modules following the Global Monitoring Database (GMD) Harmonization guidelines, including the welfare aggregate which is used for Global Poverty Monitoring. Terms of use of the data adhere to agreements with the original data producers.