

Poverty & Equity Brief

Africa Western & Central

Guinea

October 2020

Based on the most recent official survey data, 43.7 percent of Guineans lived below the national poverty line in 2018, equivalent to 5.8 million people living in poverty. Due to methodological differences in surveys and poverty measurements, this measure of poverty is not comparable to the previous poverty number, which was estimated at 55.2 percent in 2012. However, the Multidimensional Poverty Index, which declined from 36.3 percent in 2012 to nearly 31 percent in 2018/2019, suggests a decline in non-monetary poverty. Yet, with the potential negative spillovers of the COVID-19 pandemic and the decline in agricultural GDP growth in 2019, poverty is likely to rise, as many households' livelihoods are threatened. Furthermore, the country presents substantial disparities in welfare levels between rural and urban areas and across regions despite a relatively low Gini index (27.2 in 2018).

The welfare of many households remains precarious, as the COVID-19 pandemic is likely to continue exposing people to health and economic shocks. Statistics from the COVID-19 household high-frequency survey, conducted in July-August 2020, indicate that approximately 13 percent of household heads stopped working. Up to 82 percent of the households experienced a reduction in their earnings as a result of the pandemic. Households who own nonfarm enterprises and those receiving domestic transfers are among the most affected (90 percent and 84 percent, respectively).

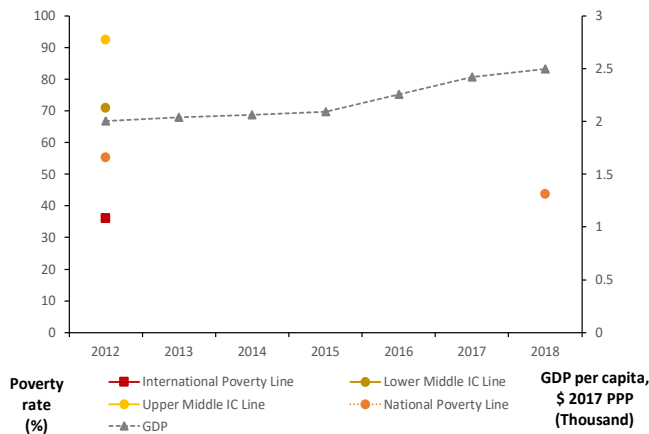
Statistics by household demographics reveal important heterogeneity of the impact of the pandemic on household welfare. Precisely, the proportion of female household heads who stopped working following the pandemic outbreak is 20 percent compared to 11 percent for their counterpart male household heads. The results based on welfare level also indicate that households in the bottom 40 percent of the consumption distribution were more likely to stop working by 2 percentage points relative to those in the top 60 percent (15 percent for the bottom 40). Likewise, income reduction was more prevalent among households in the bottom 40 percent (85 percent compared to 80 percent for those in the top 60 percent).

These income-based heterogeneous effects of the pandemic are likely to drive inequality up. As a result, achieving shared prosperity will require devising policies for inclusive growth.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	5.8	43.7	2018
International Poverty Line 5631.6 in Guinean franc (2012) or US\$1.90 (2011 PPP) per day per capita	3.8	36.1	2012
Lower Middle Income Class Poverty Line 9484.8 in Guinean franc (2012) or US\$3.20 (2011 PPP) per day per capita	7.6	70.9	2012
Upper Middle Income Class Poverty Line 16301.9 in Guinean franc (2012) or US\$5.50 (2011 PPP) per day per capita	9.9	92.5	2012
Multidimensional Poverty Measure		63.3	2012
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		33.7	2012
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth		1.53	2007-2012
Annualized 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

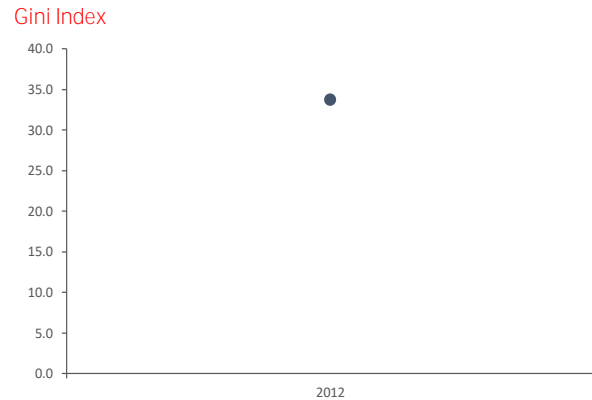
Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of September 2020, and Global Monitoring Database for the rest.

POVERTY HEADCOUNT RATE, 2012-2018



Source: World Bank using ELEP/SSAPOV/GMD

INEQUALITY TRENDS, 2012



Source: World Bank using ELEP/SSAPOV/GMD

KEY INDICATORS

	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures: (% of population)
	Non-Poor	Poor	Bottom 40	Top 60	
Urban population				N/A	Monetary poverty (Consumption)
Rural population				N/A	Daily consumption less than US\$1.90 per person
Males				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	
Without education (16+)				N/A	Access to basic infrastructure
Primary education (16+)				N/A	No access to limited-standard drinking water
Secondary education (16+)				N/A	No access to limited-standard sanitation
Tertiary/post-secondary education (16+)				N/A	No access to electricity

Source: World Bank using ELEP/SSAPOV/GMD

Source: World Bank using ELEP/SSAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

Data collection is not regular in Guinea, and there is generally a lag of five years or more between two surveys. Moreover, there is a comparability issue. Except for the two ELEP – Enquête Légère pour l'Evaluation de la Pauvreté (2007 and 2012) – which are designed to be comparable, the comparison with the new household survey conducted from July 2018 to June 2019 – Enquête Harmonisé sur les Conditions de Vie des Ménages – is not possible due to differences in survey design.

The GINI estimates in the PEB are computed from consumption that considers spatial price differences and would be different from those using nominal consumption.

The Economic Governance Technical Assistance and Capacity Building project (P125890) which is providing statistical capacity building to the National Statistical Office and the Guinea Integrated Agricultural Development Project (P164326) which aims to perform an agricultural census will help improve the public financial and human resource management and enhance statistical capacity in the country. Guinea needs a longer term financing of statistical capacity building to modernize its statistical system.

HARMONIZATION

The numbers presented in this brief are based on the SSAPOV database. SSAPOV is a database of harmonized nationally representative household surveys managed by Sub-Saharan Team for Statistical Development. It contains more than 100 surveys covering 45 out of the 48 countries in the SSA region. The four countries not covered in the database are Eritrea, Equatorial Guinea, and Somalia. Terms of use of the data adhere to agreements with the original data producers.