

# Poverty & Equity Brief

Latin America & the Caribbean

## Haiti

April 2024

Haiti's gang violence and political instability continue to hinder economic development and poverty reduction, with the recent deterioration of security triggering a humanitarian crisis. The official poverty rate for Haiti was 58.5 percent in 2012 (the year of the last household living conditions survey), with approximately 6 million people living below the national poverty line. Similarly, international poverty measures show that 58 percent of the population lived on less than \$3.65 per day (at 2017 PPP) in 2012, and 29 percent on less than \$2.15 per day (2017 PPP) – the highest in the Latin America and Caribbean (LAC) region. In 2023, real GDP per capita contracted by 3 percent and was 10.3 percent lower than in 2012. Nowcast estimates indicate poverty rates of 63 percent (at \$3.65 per day) and 34 percent (at \$2.15 per day) in 2023, but the actual poverty situation is likely even more dire.

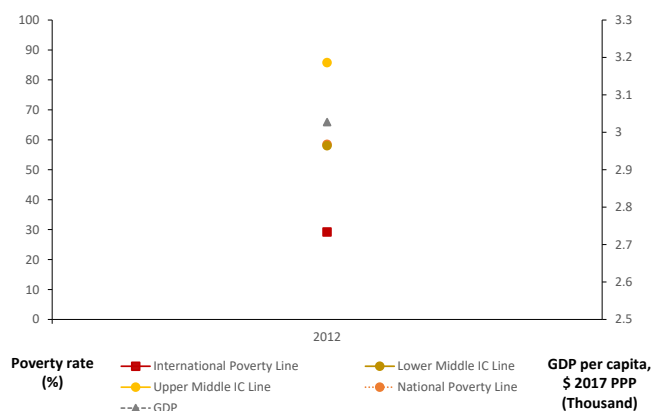
Nearly half of the population is experiencing acute food insecurity, including 1.4 million people in a state of emergency food insecurity, according to the latest Integrated Food Insecurity Phase Classification report in September 2023. The recent escalation of gang violence has aggravated the disruption to the supply and local transport of food and other necessities, undermining availability and access. High food prices also contribute to food insecurity and tend to disproportionately hurt poorer Haitian households due to higher average food budget shares. As of January 2024, food prices increased by 28.3 percent (year-over-year), driving the headline inflation rate of 21.0 percent (year-over-year).

Two-thirds of households experienced a reduction in their incomes according to the latest High-Frequency Phone Survey (HFPS) in March 2023. This can be partly explained by a deterioration in labor market conditions and a drop in remittances reported by households. In March 2023, only 38 percent of HFPS respondents reported working in the past week, 40 percent reported a reduction in remittances, and over 50 percent a decrease in help from family and friends. Low job quality continues to be a problem in Haiti, with only about 12 percent of workers engaged in the formal sector, one of the lowest formality rates in the LAC region. Limited access to quality healthcare and extended school closures compound the difficulty of building human capital. Learning losses over many years of the socioeconomic crisis can have long-term negative impacts for the current generation of students, including a reduction in lifetime earnings potential.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	6.0	58.5	2012
International Poverty Line 47.8 in Haitian gourde (2012) or US\$2.15 (2017 PPP) per day per capita	3.0	29.2	2012
Lower Middle Income Class Poverty Line 81.2 in Haitian gourde (2012) or US\$3.65 (2017 PPP) per day per capita	5.9	58.0	2012
Upper Middle Income Class Poverty Line 152.4 in Haitian gourde (2012) or US\$6.85 (2017 PPP) per day per capita	8.7	85.8	2012
Multidimensional Poverty Measure		46.8	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		0.19	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, PIP as of October 2023, and Global Monitoring Database for the rest.

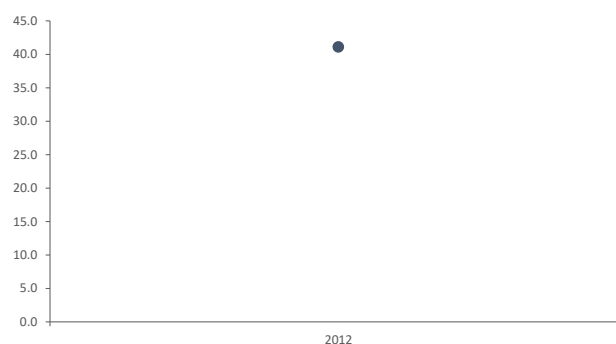
## POVERTY HEADCOUNT RATE, 2012



Source: World Bank using ECVMAS/SED/LAC/GMD

## INEQUALITY TRENDS, 2012

Gini Index



Source: World Bank using ECVMAS/SED/LAC/GMD

## KEY INDICATORS

Distribution among groups: 2012	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures: 2012 (% of population)
	Non-Poor	Poor	Bottom 40	Top 60	
Urban population	88	12	20	80	<b>Monetary poverty (Consumption)</b> Daily consumption less than US\$2.15 per person 29.2
Rural population	55	45	58	42	
Males	70	30	41	59	<b>Education</b> At least one school-aged child is not enrolled in school 9.0 No adult has completed primary education 23.2
Females	72	28	39	61	
0 to 14 years old	64	36	48	52	<b>Access to basic infrastructure</b> No access to limited-standard drinking water 33.5 No access to limited-standard sanitation 68.8 No access to electricity 64.3
15 to 64 years old	74	26	35	65	
65 and older	73	27	39	61	
Without education (16+)	59	41	53	47	
Primary education (16+)	70	30	41	59	
Secondary education (16+)	83	17	26	74	
Tertiary/post-secondary education (16+)	98	N/A*	N/A*	94	

Source: World Bank using ECVMAS/SED/LAC/GMD

Source: World Bank using ECVMAS/SED/LAC/GMD

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

## POVERTY DATA AND METHODOLOGY

The last national household living conditions survey, Enquête sur les Conditions de Vie des Ménages Après le Séisme, to measure poverty was conducted in 2012. More recent data to directly monitor trends in consumption poverty, inequality, and shared prosperity indicators in the Haiti are not available.

Poverty in Haiti is measured using the cost-of-basic needs methodology. Per capita household expenditure is used as the welfare aggregate and includes both food and non-food expenditures. The poverty line reflects a minimum threshold of 2,300 calories per person per day and is based on a food basket of 26 food items. The official poverty line is 1 percent higher than the \$3.65 international poverty line (2017 PPP) while the national extreme poverty line is 12 percent lower than the \$2.15 international poverty line (2017 PPP).

**Note on new global poverty lines:** Poverty data are now expressed in 2017 Purchasing Power Parity (PPP) prices, versus 2011 PPP in previous editions. As price levels across the world evolve, global poverty lines have to be periodically updated to reflect the increase of the value of the lines in nominal terms. The new global poverty lines of \$2.15, \$3.65, and \$6.85 reflect the typical national poverty lines of low-income, lower-middle-income, and upper-middle-income countries in 2017 prices. In addition to reflecting updates in nominal terms, upper-middle-income countries raised the standards by which they determine people to be poor from 2011 to 2017. Hence, the increase in the upper line is larger, and the population that does not meet the new standard is higher in most countries than it was with 2011 PPPs. See [pip.worldbank.org](http://pip.worldbank.org).

## 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 (SED/LAC) - a joint effort of the World Bank and CEDLAS from the National University of La Plata (Argentina). SED/LAC includes 18 countries and more than 300 household surveys since the 80s. Several Caribbean countries have not been included in the SED/LAC 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. SED/LAC covers demographics, income, employment, and education. Terms of use of the data adhere to agreements with the original data producers.