

# Poverty & Equity Brief

October 2024

## KIRIBATI

The latest Household Income and Expenditure Survey (HIES) used to estimate poverty in Kiribati was conducted from April 2019 to March 2020. By World Bank definitions of data deprivation, Kiribati is classified as moderately deprived, as it has only completed one HIES in the last 10 years, with the previous round conducted in 2006. Collection of the 2023/24 HIES was completed in June 2024, with new poverty estimates expected to be available by March 2025.

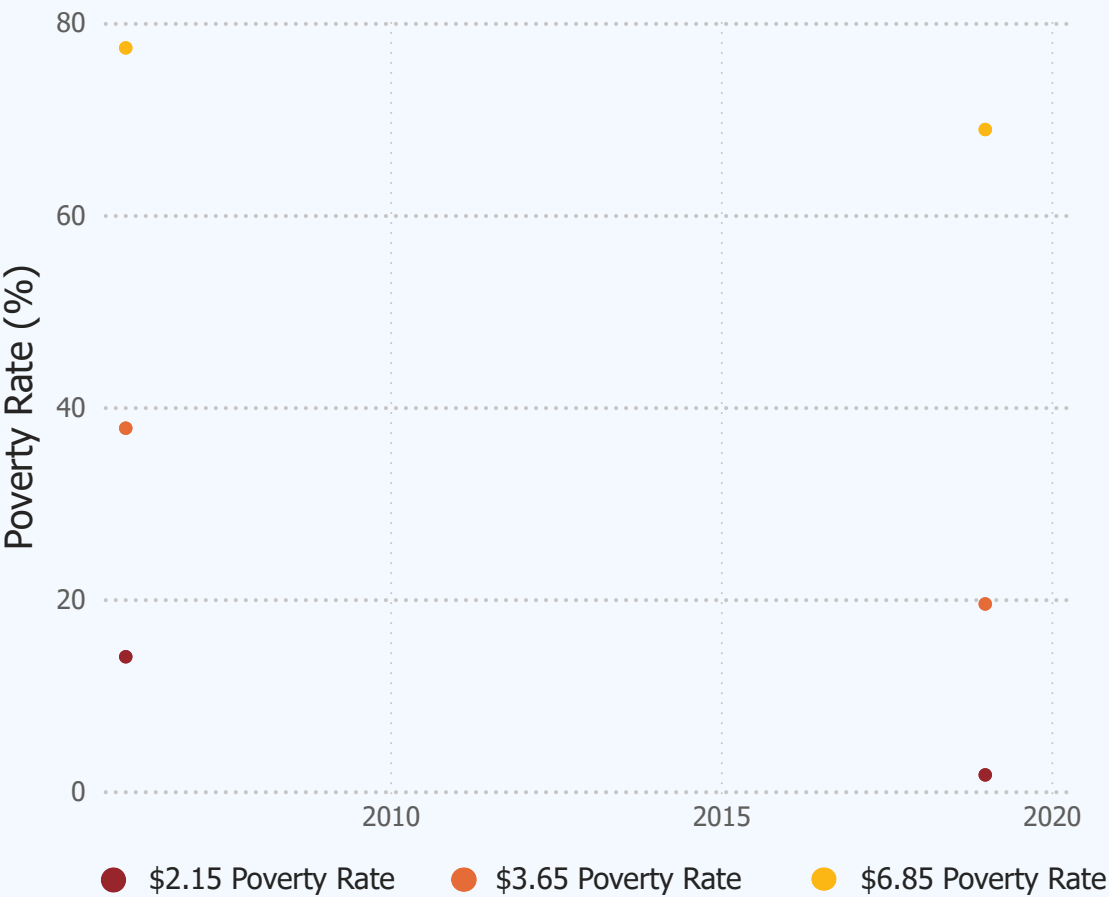
Using the national measures (see "Poverty Data and Methodology" section for details), 21.9 percent of the population lived below the basic-needs poverty line in 2019/20. Poverty rates were lowest in the Central division (9.6 percent), followed by the main island of South Tarawa (19.5 percent), the Line Islands (24.6 percent), and Northern division (25.8 percent), with poverty highest in the Southern division (31.5 percent). However, South Tarawa accounts for nearly half of the poor in Kiribati.

In 2019, using the \$3.65 poverty line (2017 PPP USD per person per day), which reflects living standards across all lower middle-income countries, the headcount poverty rate was estimated at 19.5 percent. It is not possible to calculate changes in poverty from the previous survey in 2006, due to the lack of comparability between them. Inequality, as measured by the Gini index, was estimated at 27.8. The Prosperity Gap, a new measure of shared prosperity introduced by the World Bank, shows that in 2019, average incomes in Kiribati needed to grow by 5.1 times in order to bring everyone in the country to an income of at least \$25 per day. The incidence of non-monetary poverty in Kiribati remains high. Sanitation is the largest gap, with 59.8 percent of households lacking access to limited-standard sanitation, but limited-standard drinking water and electricity are also problematic, with 17.1 percent and 16.8 percent of households respectively lacking access to them.

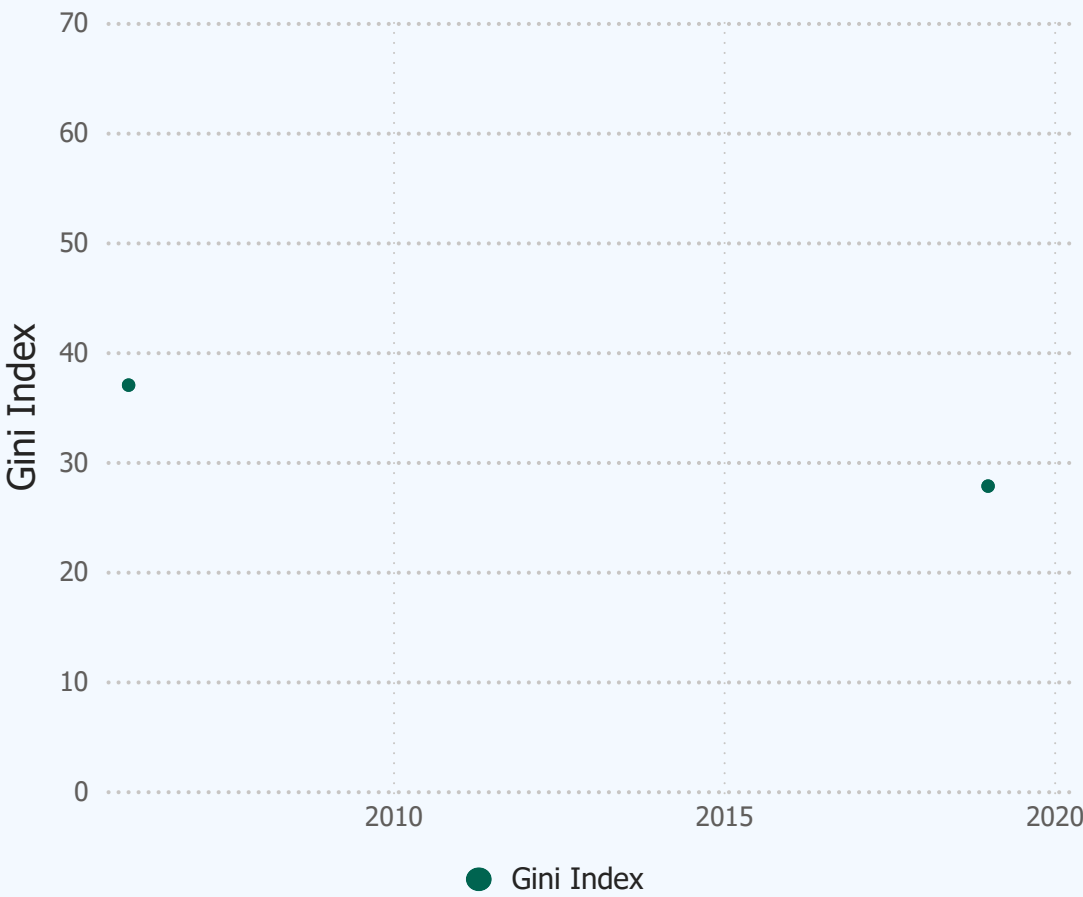
The COVID-19 pandemic did not have a large impact on economic growth and poverty in Kiribati, with poverty under the \$3.65 line only increasing from 19.5 percent in 2019 to 20.9 percent in 2020. Strong economic growth forecasts will also drive poverty reduction, with poverty projected to drop to 10.6 percent by 2026.



Poverty Rate



Inequality



# Poverty at Different Lines

Poverty Line	Number of Poor (Thousands)	Rate (%)	Year
National Poverty Line	26.0	21.9	2019
International Poverty Line (\$2.15/day)	2.1	1.7	2019
Lower Middle Income Class Poverty Line (\$3.65/day)	24.2	19.5	2019
Upper Middle Income Class Poverty Line (\$6.85/day)	85.6	68.9	2019
Multidimensional Poverty Measure		5.6	2019

## Group and Multidimensional Poverty

Poverty by Group	Poverty Rate (%)	Multidimensional Poverty Components	(% of Pop.)
Urban population	16.9	Daily income less than US\$2.15 per person	1.7
Rural population	22.3	At least one school-aged child is not enrolled in school	6.0
Males	19.5	No adult has completed primary education	0.6
Females	19.5	No access to limited-standard drinking water	17.1
0 to 14 years old	22.5	No access to limited-standard sanitation	59.8
15 to 64 years old	17.6	No access to electricity	16.8
65 and older	21.8		
Without education (16+)	31.9		
Primary education (16+)	20.9		
Secondary education (16+)	16.9		
Tertiary/post-secondary education (16+)	N/A*		

**Note:**  
Data for the "Poverty by Group" table is derived from a 2019 survey and data for the "Multidimensional Poverty Components" table is derived from a 2019 survey. The rates in the "Poverty by Group" table above are shown at the \$3.65 lower-middle income line. "N/A" denotes a missing/removed value, while "N/A\*" refers to a value which was removed due to having fewer than 30 observations.

### Poverty Data & Methodology

The Kiribati National Statistics Office used a "cost of basic needs" approach to establish a welfare benchmark for the poverty line in 2019/20. The methods followed the guidance of the Pacific Statistics Methods Board on poverty measurement. A Food Poverty Line (FPL) estimated the required expenditure to achieve 2500 calories of consumption per adult-equivalent (with children aged 0-14 counting as half of an adult), using a reference population of percentiles 11-35, as determined through an iterative calculation. The Non-Food Poverty Line (NFPL) was estimated using the Ravallion Lower method. A single national poverty line was calculated, with consumption aggregates deflated to account for price differences by season and geography. To facilitate meaningful comparisons across countries, the World Bank publishes consumption-based estimates using three different poverty lines (2017 PPP): the International Poverty Line (\$2.15), and two other poverty lines at \$3.65 and \$6.85. In Kiribati, per-capita consumption aggregates were spatially deflated by survey strata and temporally deflated by survey quarter.

### Harmonization

The numbers presented in this brief are based on the EAPPOV database. EAPPOV is a database of socio-economic statistics constructed using microdata from household surveys in the East Asia and the Pacific (EAP) region and is managed by the East Asia & Pacific Team for Statistical Development (EAPTS). As of September 2024, the collection includes 21 countries and 127 surveys. Harmonized surveys in the EAPPOV database are compiled into 4 modules following Global Monitoring Database (GMD) Harmonization guidelines. A subset of the harmonized variables forms the basis of the GMD collection, 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.