

Poverty & Equity Brief

Africa Western & Central

Togo

April 2024

Togo saw modest poverty reduction between 2018 and 2021 with notable urban-rural disparities. The national poverty rate dropped slightly from 45.5 percent to 43.8 percent, with urban areas experiencing a more significant decline of 1.9 percentage points (to 24.6 percent in 2021) than rural areas, where poverty declined by just 0.6 percentage points (to 58.2 percent in 2021). Regional disparities in poverty also persist, with the highest rates in the Savanes and Kara regions, while Grand Lomé has the lowest. Importantly, the Central region experienced a reversal in poverty reduction, recording an increase of almost 3 percentage points, reaching 50.3 percent in 2021. Gender-based differences in poverty incidence in terms of household composition are also high. For example, in 2021, the poverty rate in households with a single female adult was more than double that of households with a single male adult (45.5 percent and 21.0 percent, respectively).

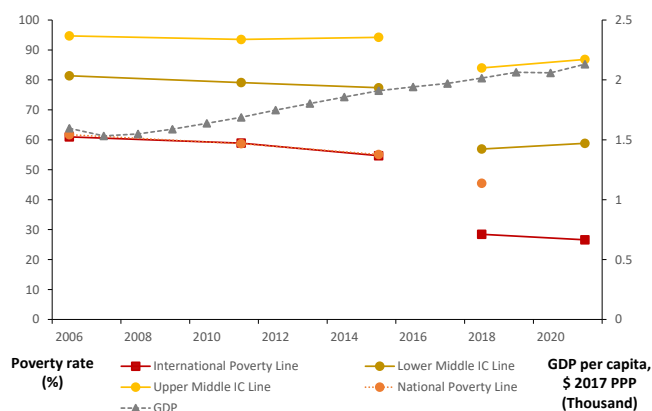
The national Gini index, a measure of inequality, decreased from 38.1 to 34.1, indicating improved consumption equality. Nevertheless, there remains a persistent rural-urban divide, as evidenced by a difference in access to basic services such as electricity. Specifically, while rural access to electricity improved by almost 7 percentage points, reaching 34.1 percent in 2021, this figure remains considerably lower compared to the urban access rate, which rose from 88.7 percent in 2018/19 to 92.8 percent in 2021. This underscores the needs for inclusive investment that favors access to basic services for the rural population.

The COVID-19 pandemic and Russia's invasion of Ukraine have caused setbacks in the progress of extreme poverty reduction. Even though a significant increase in public spending has been effective in stabilizing economic growth following these shocks, vulnerable populations have been negatively affected by these shocks. Specifically, the \$2.15/day international poverty rate remained almost stagnant at around 26.7 percent. Poverty is estimated to have decreased to 25.6 percent in 2023 and is expected to continue on a downward trajectory, reaching 22.5 percent by 2025. Nonetheless, tighter rising borrowing costs and increased spending aimed at tackling the escalating insecurity in the Northern regions since early 2022 could put a strain on social spending, thereby intensifying existing inequalities. Therefore, it is crucial for ongoing reforms aimed at enhancing the agriculture sector and improving the business climate to be inclusive to ensure economic opportunities for the poorest and most vulnerable populations.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	3.6	45.5	2018
International Poverty Line 578.3 in CFA franc (2021) or US\$2.15 (2017 PPP) per day per capita	2.3	26.6	2021
Lower Middle Income Class Poverty Line 981.8 in CFA franc (2021) or US\$3.65 (2017 PPP) per day per capita	5.1	58.8	2021
Upper Middle Income Class Poverty Line 1842.6 in CFA franc (2021) or US\$6.85 (2017 PPP) per day per capita	7.5	86.8	2021
Multidimensional Poverty Measure		48.7	2021
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		37.9	2021
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth		1.88	2018-2021
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, PIP as of October 2023, and Global Monitoring Database for the rest.

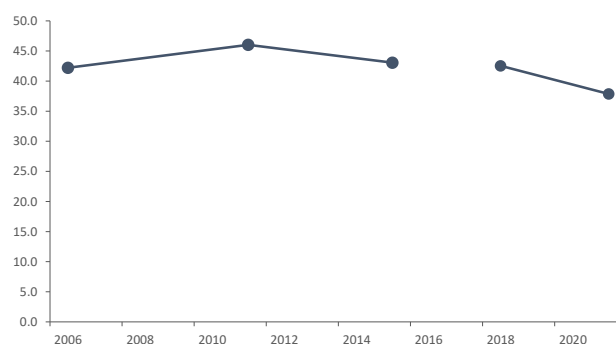
POVERTY HEADCOUNT RATE, 2006-2021



Source: World Bank using EHCVM/SSAPOV/GMD

INEQUALITY TRENDS, 2006-2021

Gini Index



Source: World Bank using EHCVM/SSAPOV/GMD

KEY INDICATORS

Distribution among groups: 2021	International Poverty Line(%)		Relative group (%)		Multidimensional Poverty Measures: 2021 (% of population)
	Non-Poor	Poor	Bottom 40	Top 60	
Urban population	93	7	15	85	Monetary poverty (Consumption) Daily consumption less than US\$2.15 per person 26.6
Rural population	59	41	59	41	
Males	73	27	40	60	Education At least one school-aged child is not enrolled in school 45.4 No adult has completed primary education 37.2
Females	73	27	40	60	
0 to 14 years old	67	33	49	51	Access to basic infrastructure No access to limited-standard drinking water 23.7 No access to limited-standard sanitation 77.6 No access to electricity 32.1
15 to 64 years old	78	22	34	66	
65 and older	75	25	37	63	
Without education (16+)	66	34	48	52	
Primary education (16+)	75	25	40	60	
Secondary education (16+)	88	12	21	79	
Tertiary/post-secondary education (16+)	99	N/A*	3	97	

Source: World Bank using EHCVM/SSAPOV/GMD

Source: World Bank using EHCVM/SSAPOV/GMD

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

POVERTY DATA AND METHODOLOGY

Togo has regularly implemented national household surveys to generate official poverty numbers. The country completed three Core Welfare Indicators Questionnaire (CWIQ) surveys in 2006, 2011, and 2015. Togo also implemented the 2018/19 "Enquête Harmonisée sur les Conditions de Vie des Ménages" (EHCVM) – through the World Bank Regional Program to Harmonize and Modernize Living Conditions – from which an official poverty incidence was released in June 2020.

The second EHCVM data collection was completed in July 2022 and the new welfare aggregates were validated and published in Fall 2023. These welfare aggregates are comparable to the ones from EHCVM 2018/19, which allowed to establish poverty trends between 2018/19 and 2021/22.

The official poverty measurement methodology follows the Cost of Basic Needs approach, while the welfare measure is the annual consumption per capita. To adjust for cost-of-living differences, the consumption aggregate is deflated by spatial deflators computed for each agroecological zone and area of residence. A new national poverty line was constructed in 2021/22 instead of using inflation to update the 2018/19 line because the fixed CPI basket does not allow for substitution effects, which could overstate poverty rates given the price shocks experienced between 2018 and 2021. The poverty line is constructed in two stages. A basket of goods of the country's food consumption that allows an individual to satisfy his daily nutritional needs of 2,300 kilocalories is retained and valued to provide a food poverty line. The non-food-poverty line is a portion of the non-food consumption expenditure of households located around the food poverty line. The sum of the two poverty lines gives the national poverty line. The timing of the implementation of the 2018/19 and 2021/22 surveys was not identical. In addition, the 2021/22 welfare aggregate excludes hospitalization expenditures. With the open data initiative and National Data Archiving (NADA) financed by the World Bank, access to microdata and data sharing has recently improved in Togo.

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.

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 three 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.