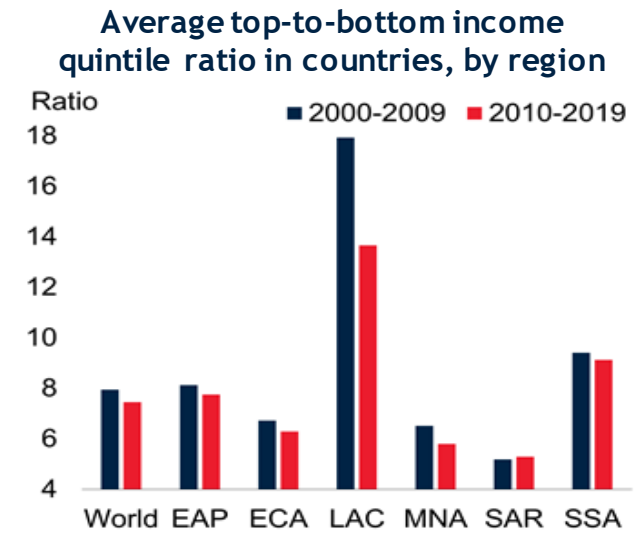
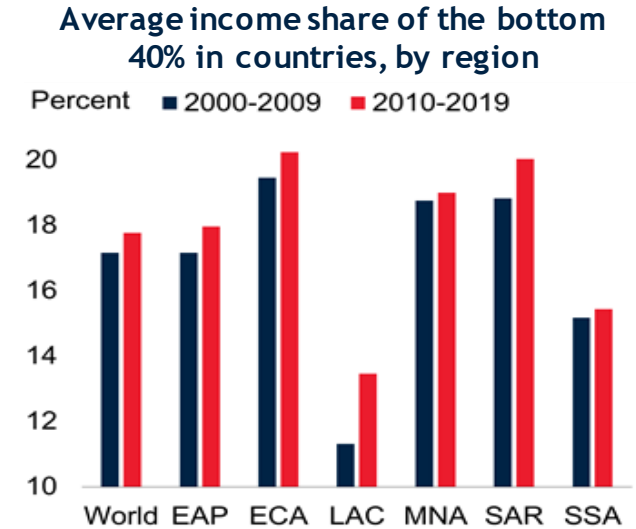
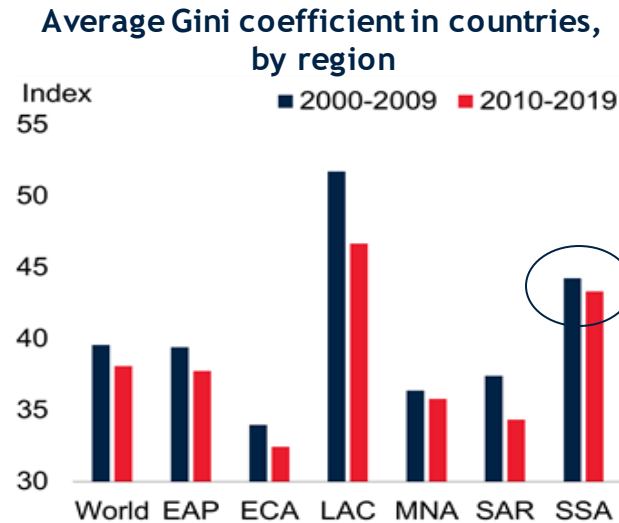
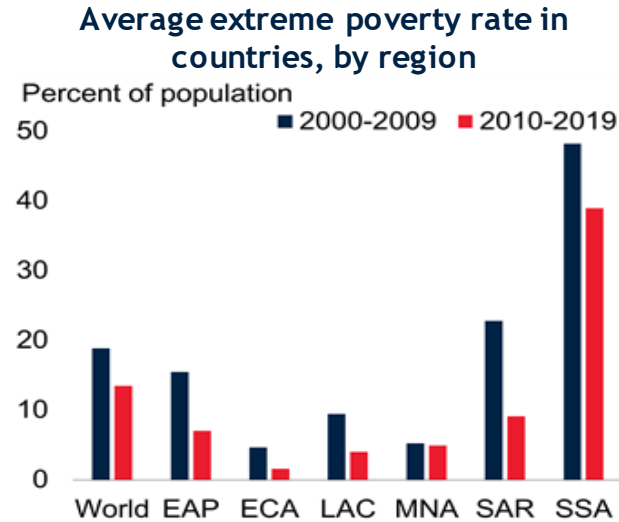


On average, poverty and inequality declined in the decade before Covid19

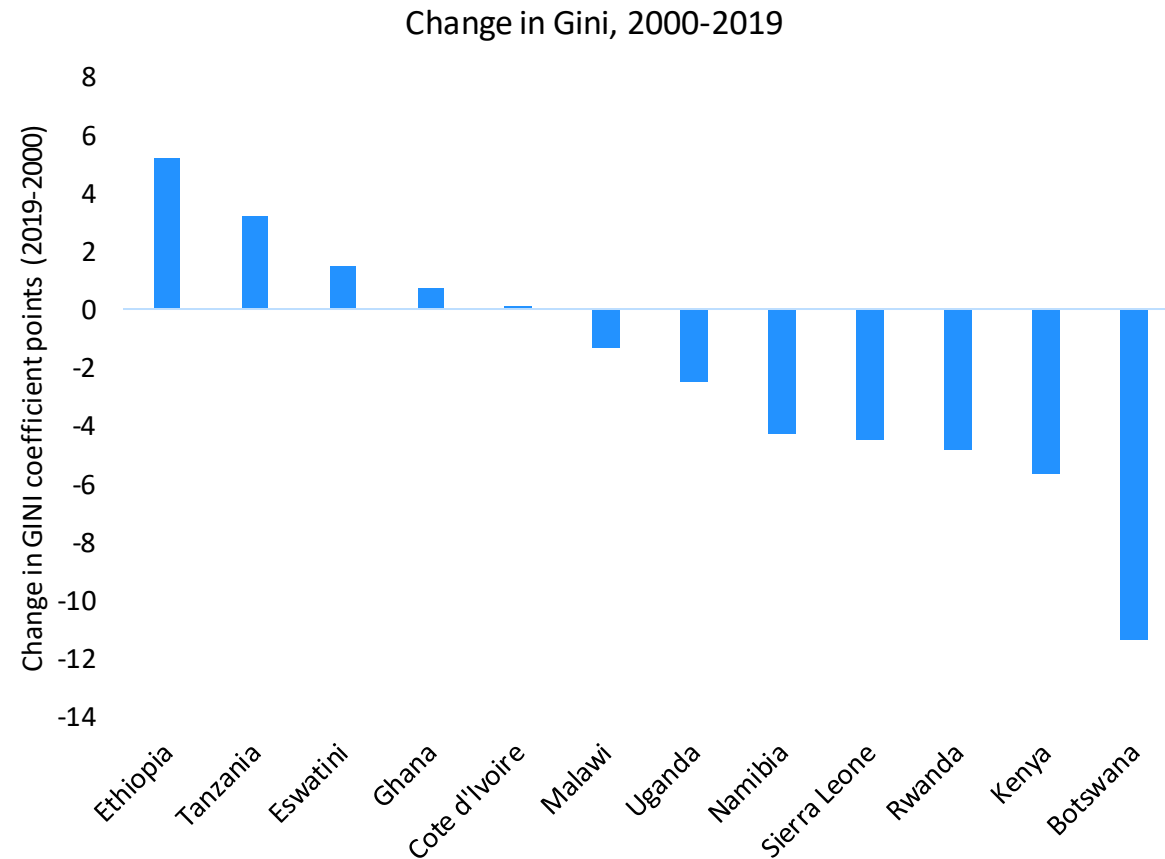
- Extreme poverty fell for all regions
- Inequality by most measures fell for all regions
- Smallest declines in inequality for Sub-Saharan Africa and MNA

Interesting aside: inequality fell more for commodity importers even though average initial inequality was much higher among the commodity exporters



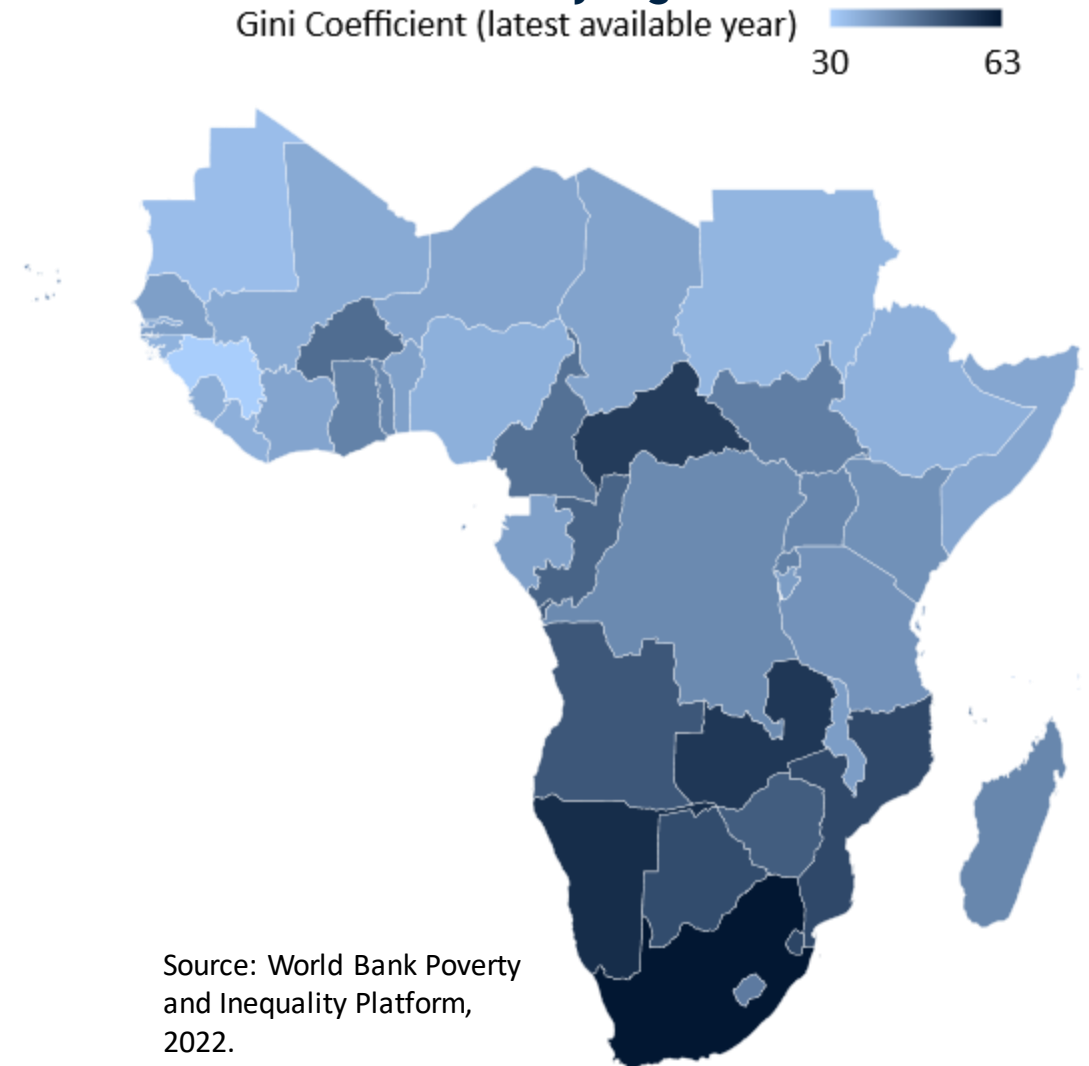
Inequality trends varied across countries in SSA, with inequality still very high in some cases.

The change in inequality prior to Covid varies across countries...



Source: Poverty & Inequality Platform (PIP)
Note: GINI coefficient is based on household survey data. All countries for which comparable GINI estimates within five years of each reference year available are shown.

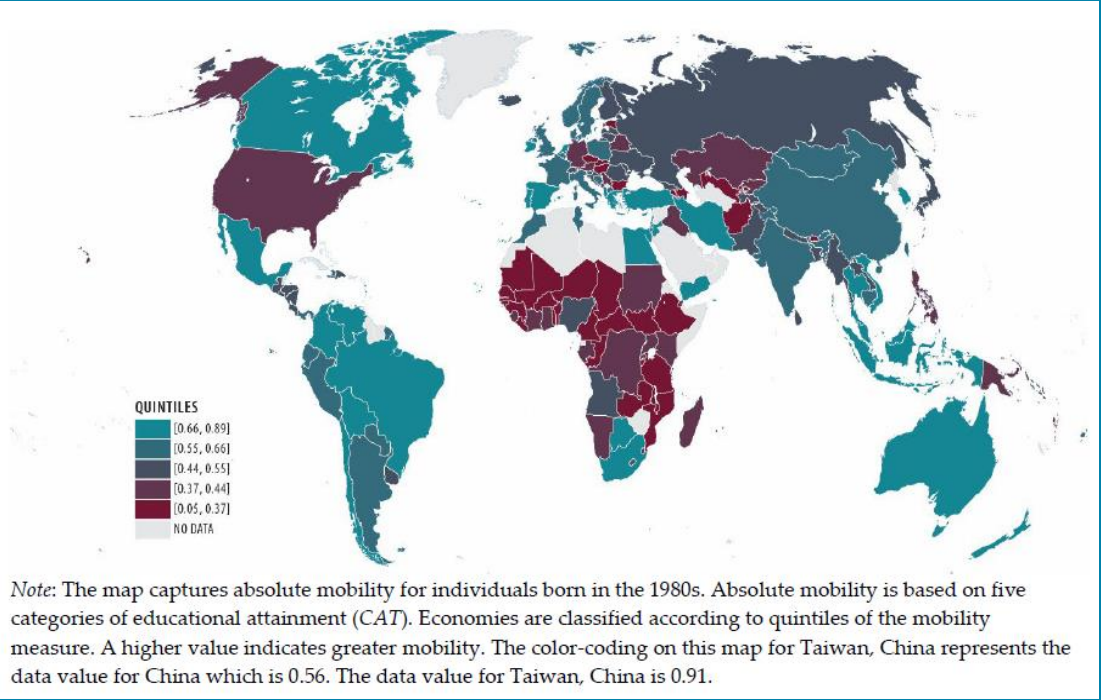
...and remained extremely high in some cases.



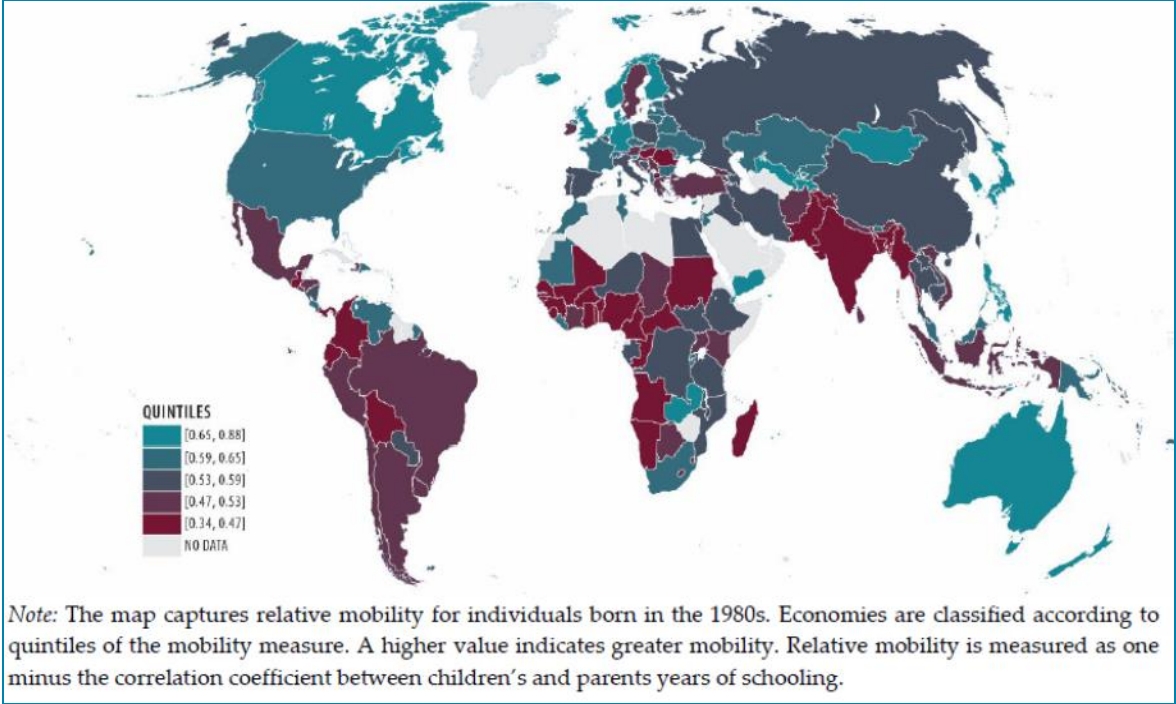
Source: World Bank Poverty and Inequality Platform, 2022.

Prior to Covid: intergenerational mobility in Sub-Saharan Africa was among the lowest in the world

Absolute mobility in education: % of population born in 1980s with more yrs of education than their parents



Relative mobility in education: extent to which education attainments of parents and children are independent

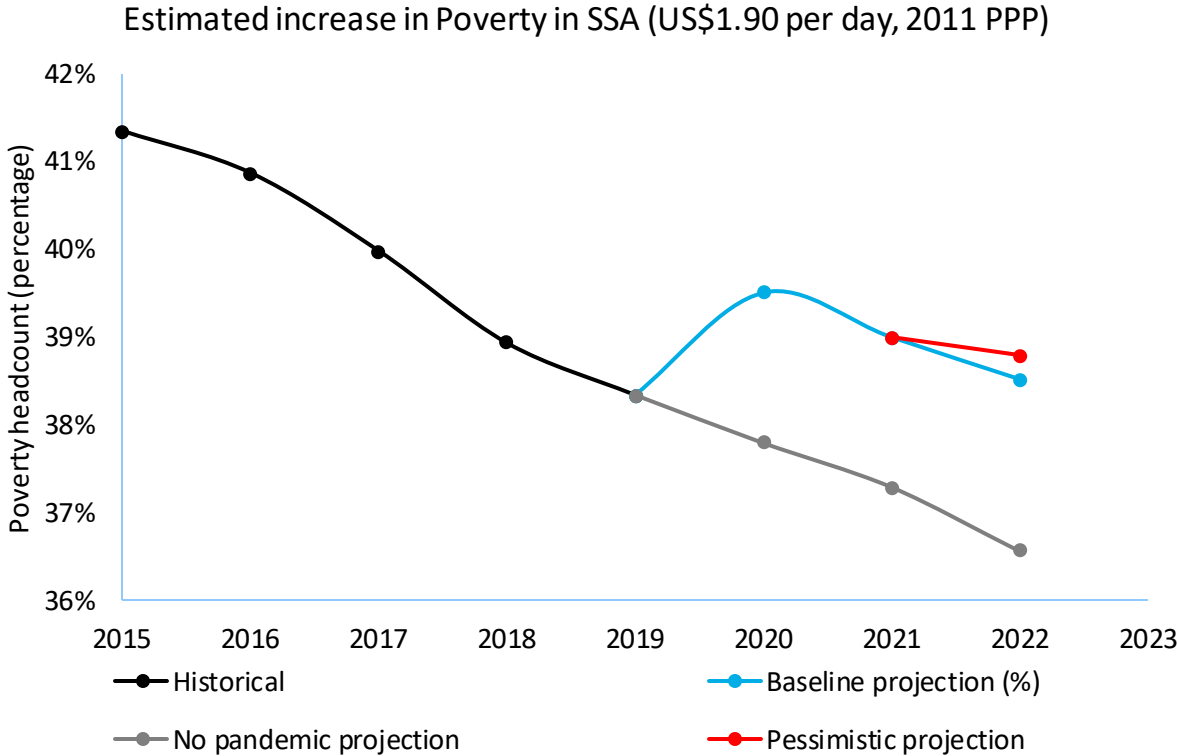


Source: Van Der Weide et al (2021). "Intergenerational Mobility around the World" WB Policy Research Working Paper

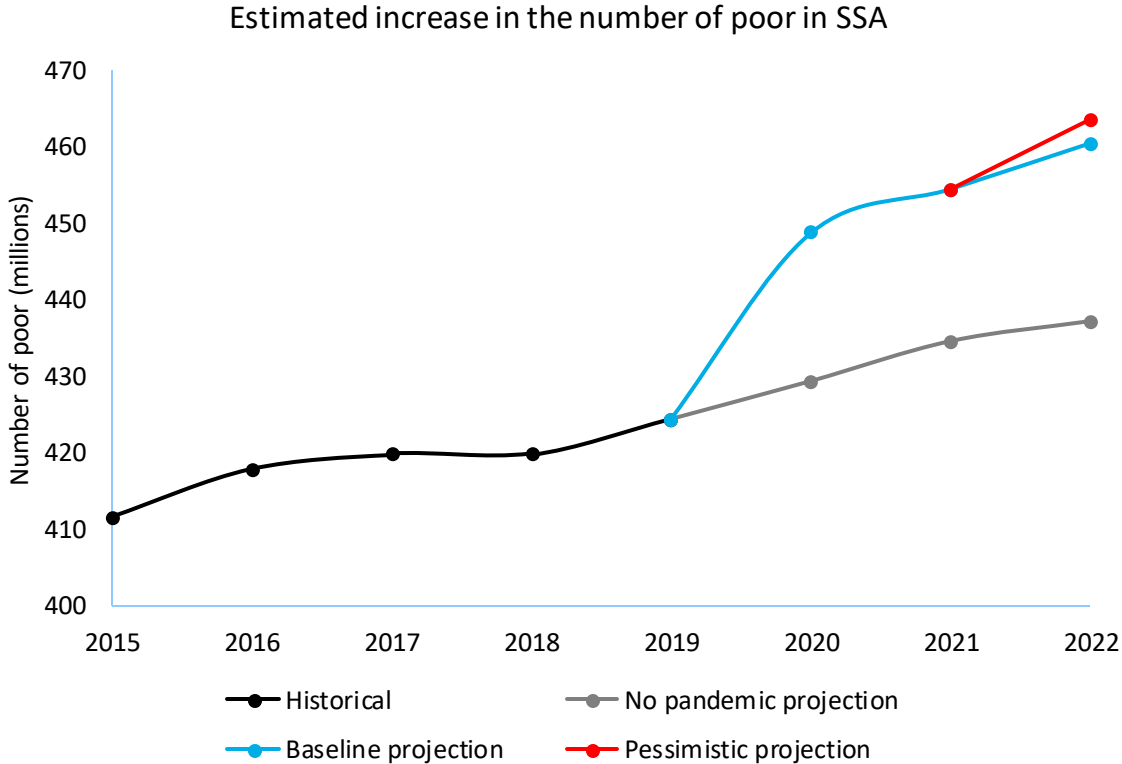
Most of the SSA countries are in the lowest quintile of absolute and relative mobility in education for those born in the 1980s
Relative mobility has not improved in developing countries, including SSA, since the 1960s generation
Lower relative mobility is associated with higher income inequality (Great Gatsby curve), which raises concern about "inequality traps" and long-term costs to economic growth for SSA

Covid reversed many of these hard-won gains: Poverty increased

Covid reversed progress in the Poverty headcount rate for SSA...



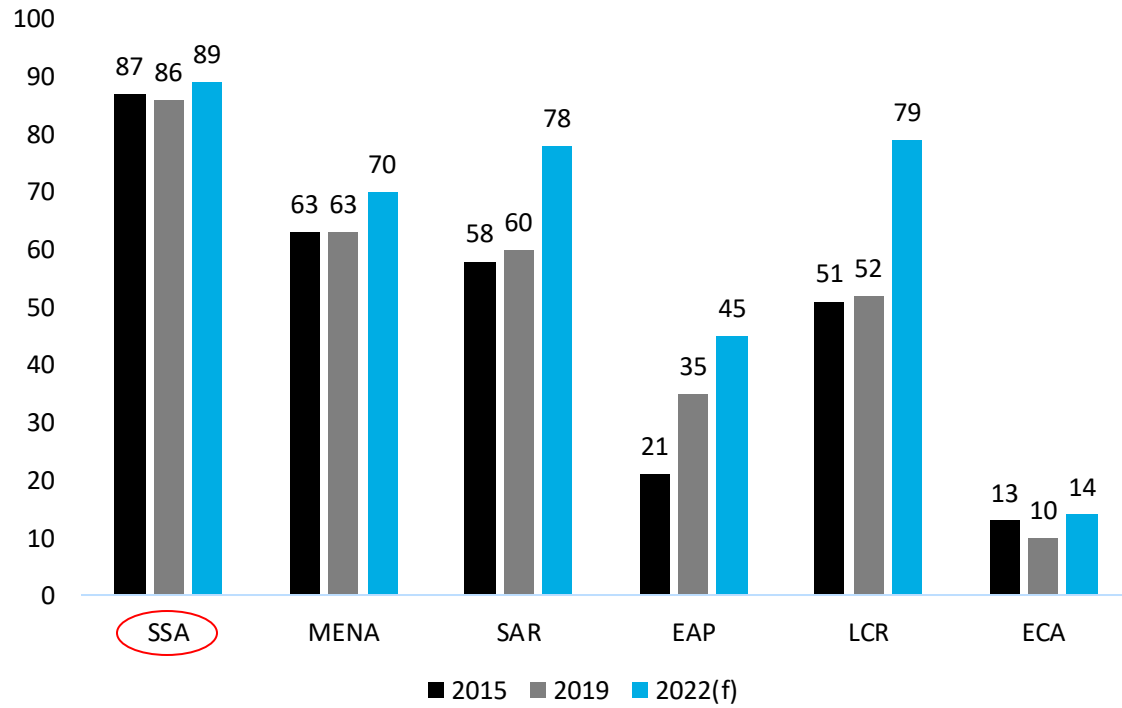
...which translated to a large increase in the number of poor.



Education losses were large, with children at the bottom of the distribution at higher risk.

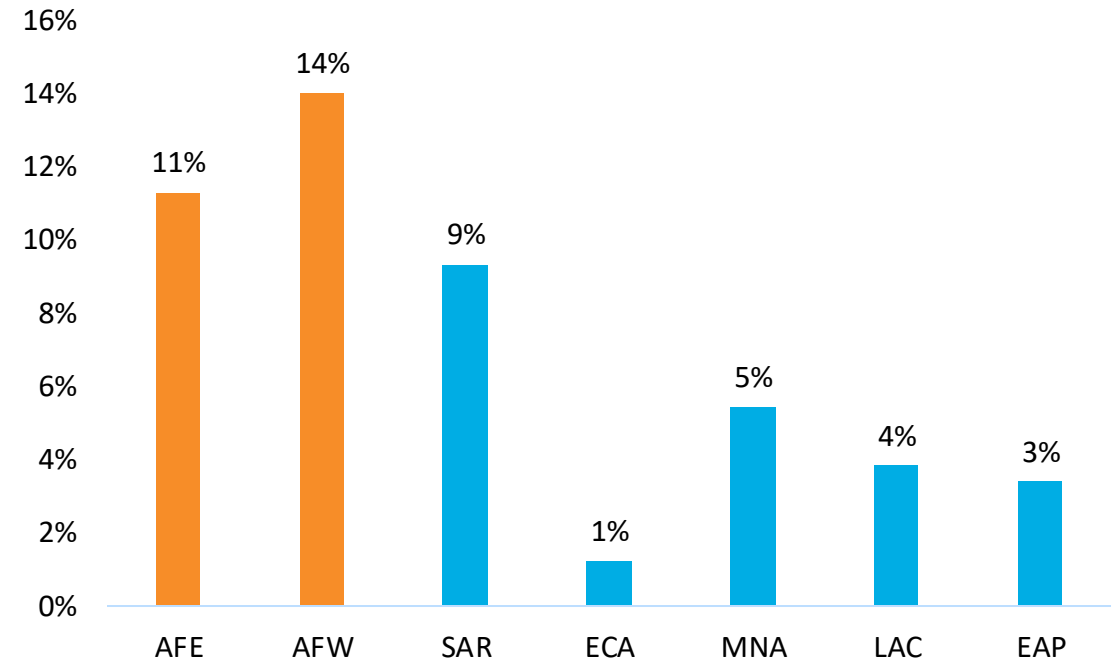
Learning poverty increased...

Share of children unable to read and understand a simple passage by age 10



...potentially exacerbating education inequality and future income mobility.

Gap in Primary School Completion between average and the Bottom 40%, age 15 - 19



Source: Learning Poverty Report, 2022.

See: <https://www.worldbank.org/en/topic/education/publication/state-of-global-learning-poverty>

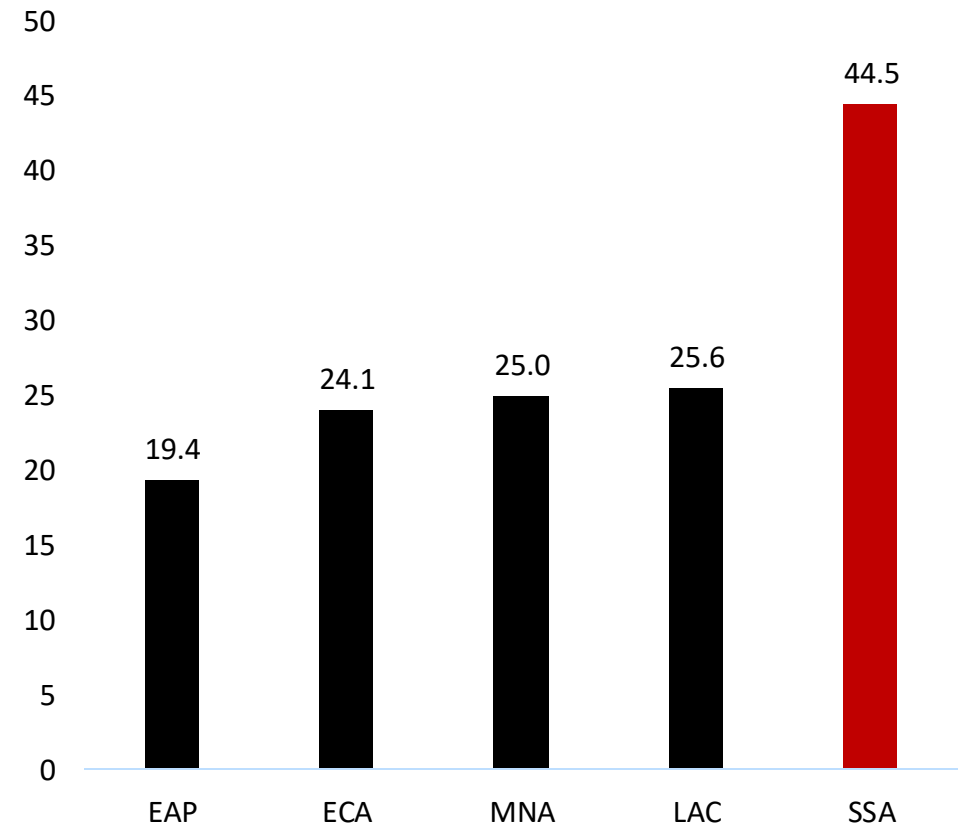
Source: Global Monitoring Database, Spring 2022

Food systems were disrupted during the pandemic and food insecurity increased.

- **Covid-19 containment measures led to disruptions** in the upstream and downstream food market and supply chains across Africa.
 - Border closures and checkpoints increased transport costs and reduced food availability
- **Seasonal price increases were exacerbated** due to panic buying at the beginning of the pandemic
- **Dampened demand for perishable foods** caused substantial post-harvest losses and reduced producer prices
- **Agroprocessing SMEs** were adversely affected by decreased domestic and international sales, difficulties accessing raw materials, and increased input prices, all leading to a reduction in capacity, employment and output.

Source: FAO, 2022. "Assessing the impact of Covid-19 pandemic on agriculture, food security and nutrition in Africa". <https://www.fao.org/publications/card/en/c/CB5911EN>

Skip a meal in the last 30 days during the Pandemic



Source: COVID-19 Household Monitoring Dashboard, June 2022.
(<https://www.worldbank.org/en/data/interactive/2020/11/11/covid-19-high-frequency-monitoring-dashboard>)

Despite a large effort to scale up social assistance during the pandemic, the coverage of programs was limited.

The pandemic accelerated the expansion of social protection programs

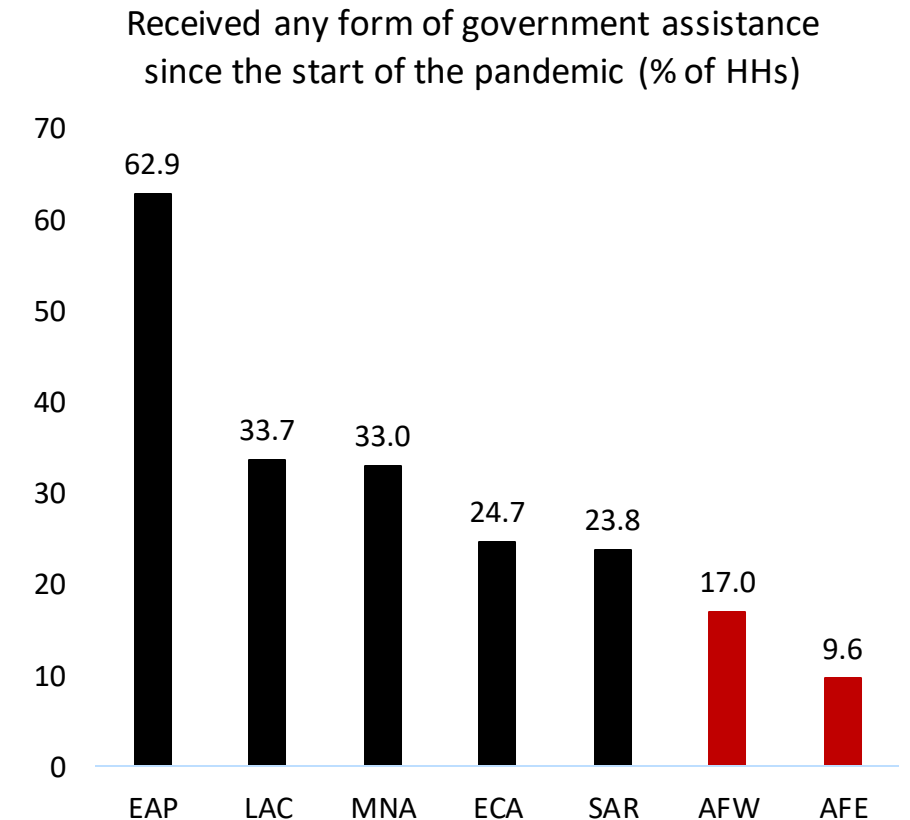
- Horizontal expansions and new SSN: 28 countries in AFR

Preexisting social protection delivery systems helped responses significantly, but they were not a necessary nor sufficient condition for scale-up

- Togo - tapped the voter registry and an ad-hoc payment platform created during the pandemic (Aiken et al 2022; Lawson et al forthcoming).
- Kinshasa a registry was built in real-time based on anonymized data from private mobile phone companies (Bance et al 2021).

Source: Gentilini, Ugo. 2022. "Cash Transfers in Pandemic Times: Evidence, Practices, and Implications from the Largest Scale Up in History." Washington, DC: World Bank. © World Bank.

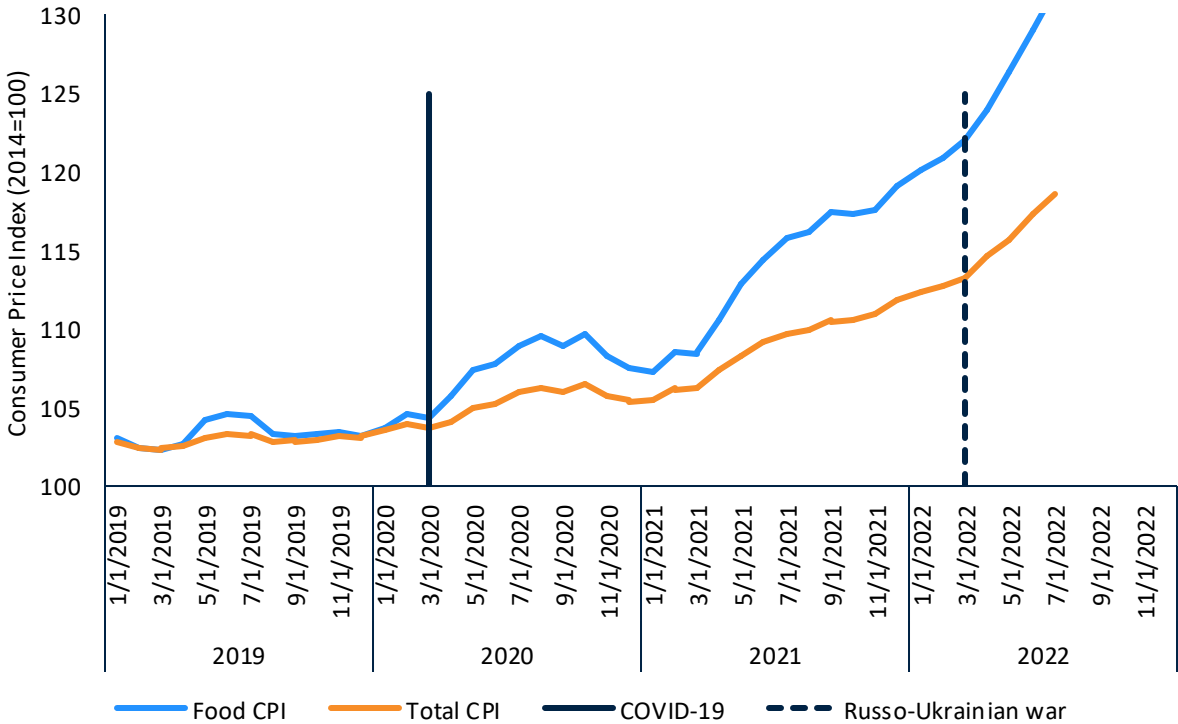
A relatively small share of households received assistance throughout the pandemic.



Source: COVID-19 Household Monitoring Dashboard, June 2022.
(<https://www.worldbank.org/en/data/interactive/2020/11/11/covid-19-high-frequency-monitoring-dashboard>)

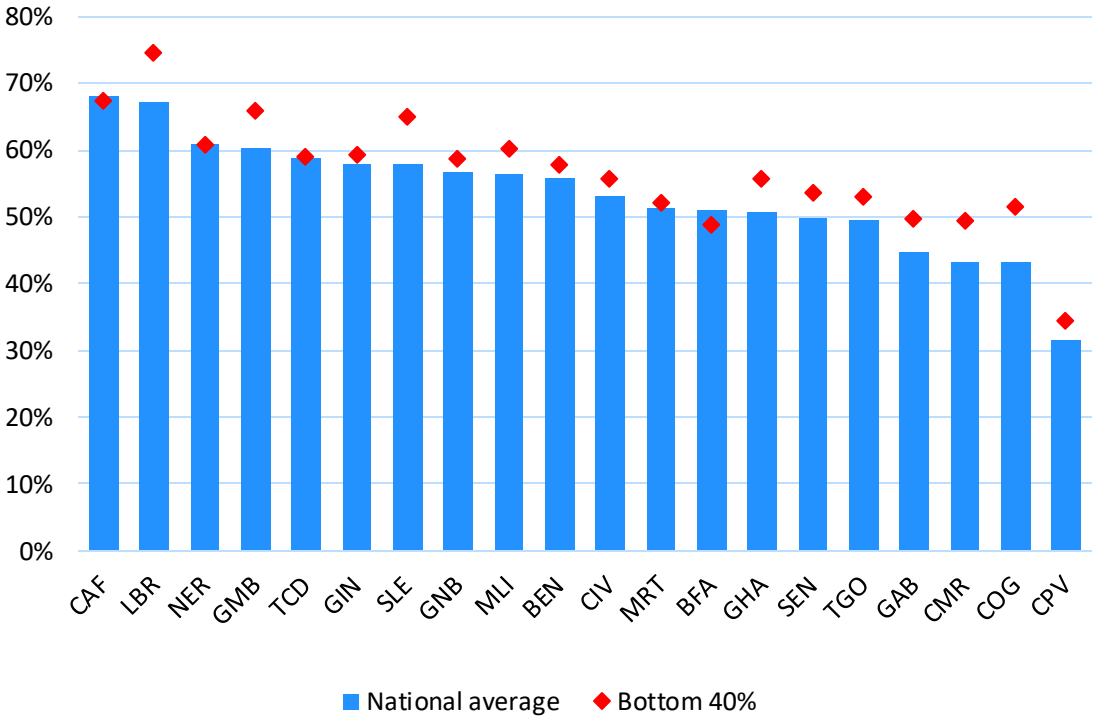
The recent rise in prices has put the poor and vulnerable at further risk...

Food prices are increasing faster than average prices,....



...which is especially worrisome for poor households who dedicate nearly 60% of their budgets on food.

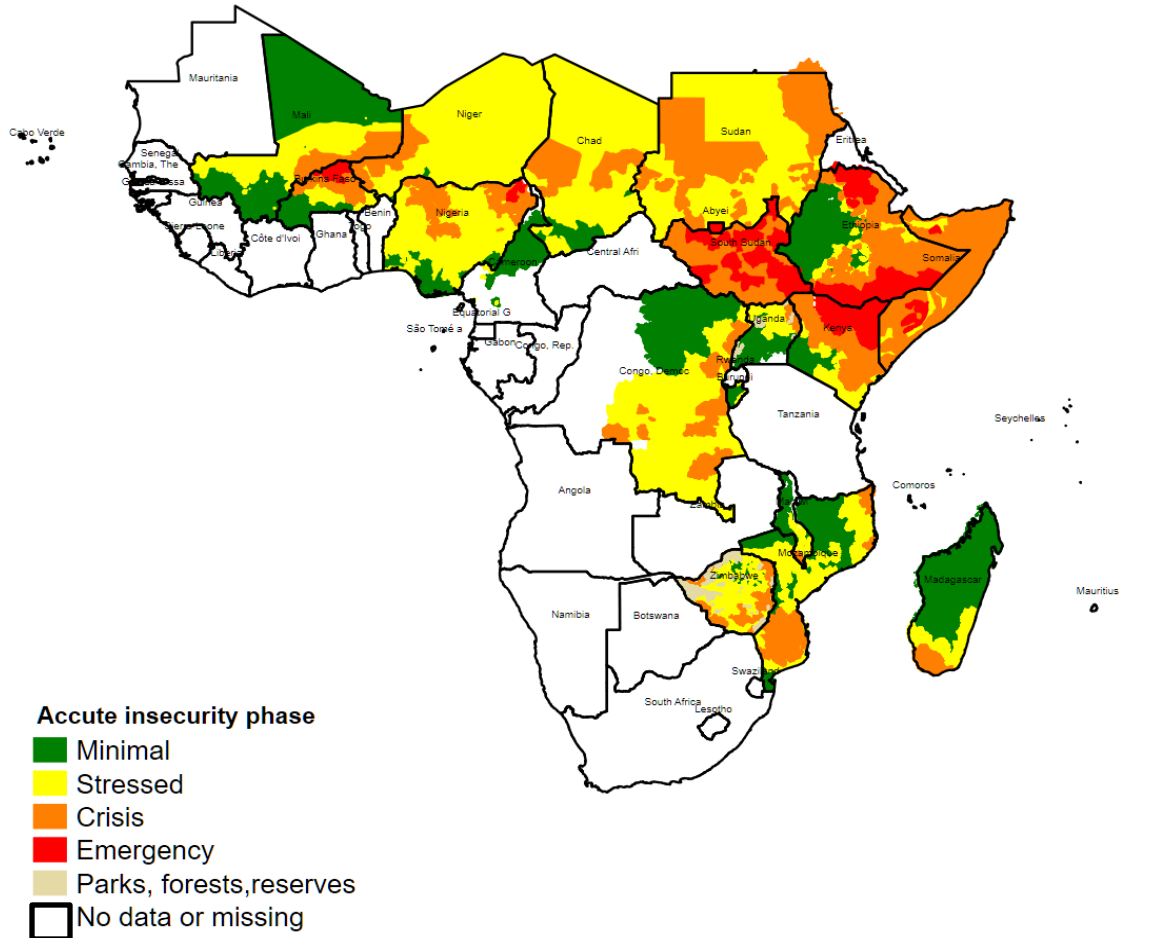
Share of food in total household budget in AFW countries



Source: Banque Centrale des États de l'Afrique de l'Ouest (BCEAO)
 Notes: WAEMU is composed of Benin, Burkina Faso, Cote d'Ivoire, Guinea-Bissau, Mali, Niger, Togo and Senegal

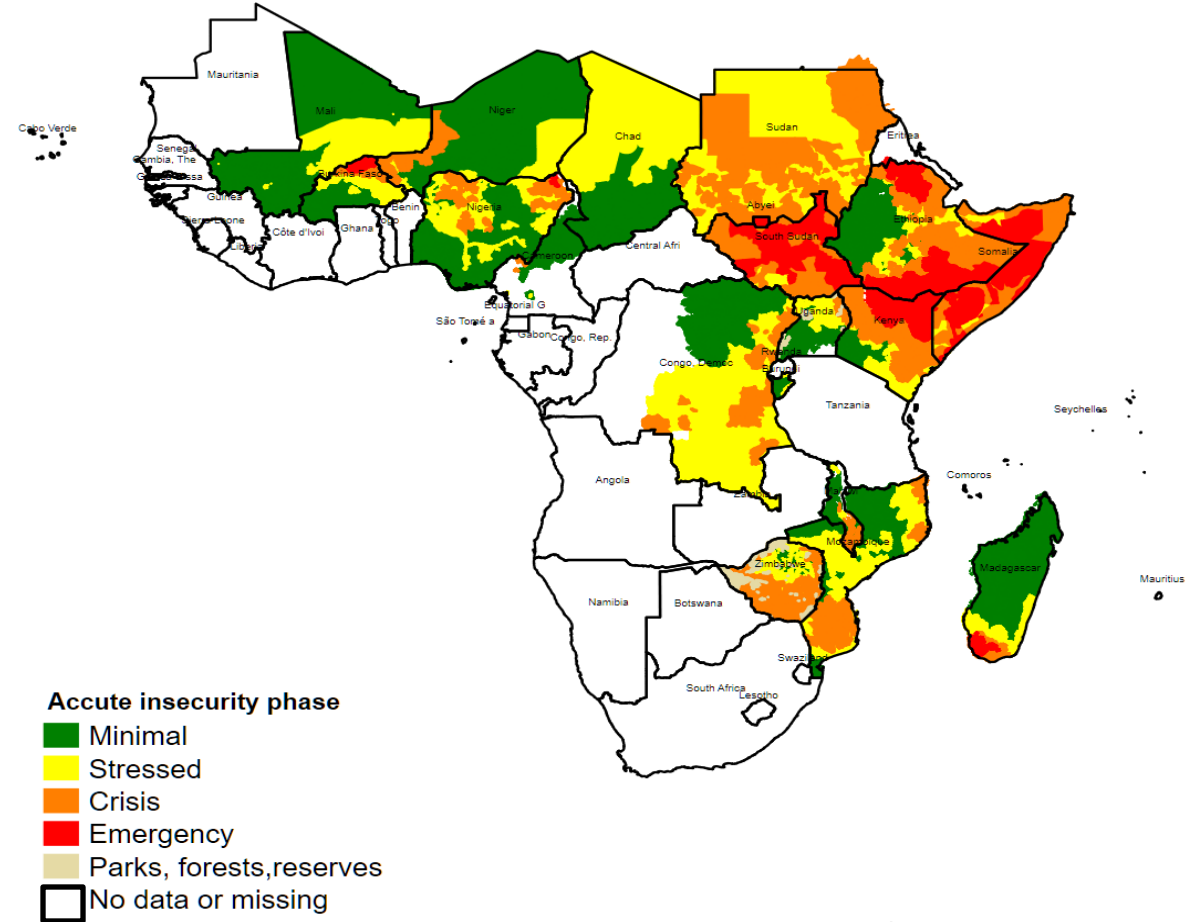
... aggravating already high levels of food insecurity in the region.

Expected Food Security Outcomes, July-Sept 2022



Source: Famine Early Warning Systems Network (2022)
Notes: Data for East Africa is from May 2022.

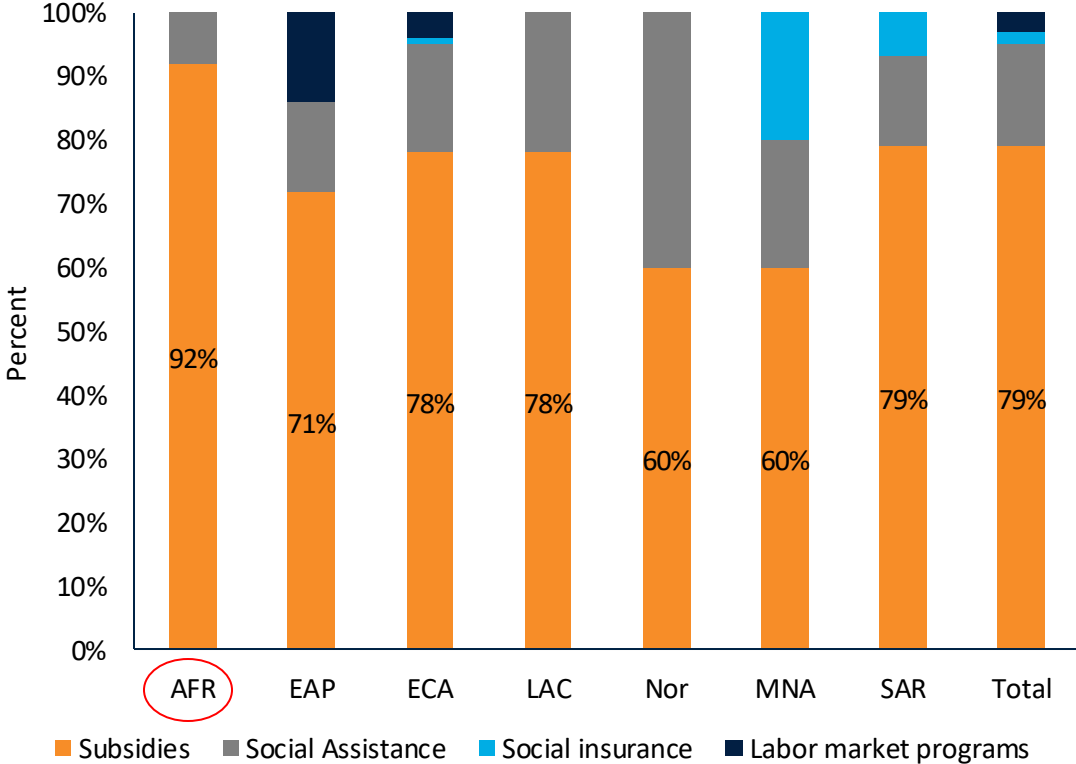
Projected Food Security Outcomes, Oct 2022 - Jan 2023



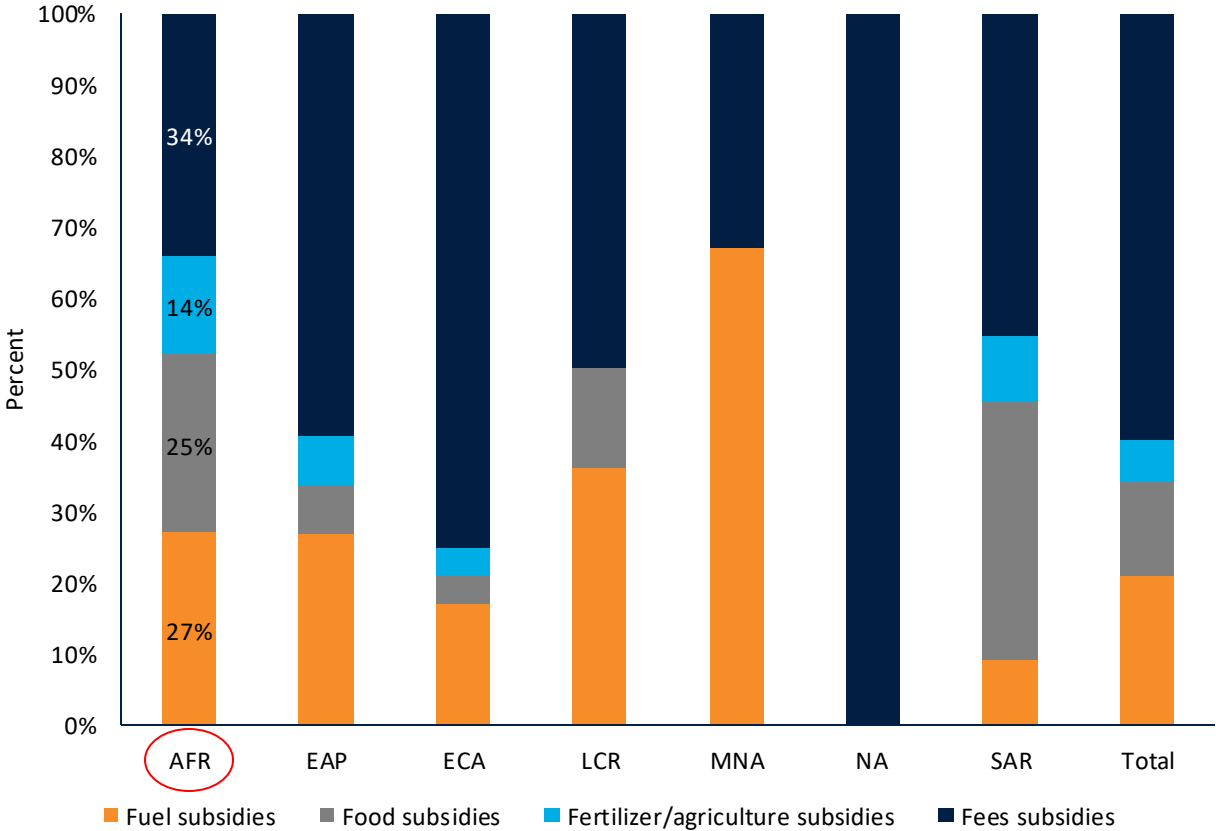
Source: Famine Early Warning Systems Network (2022)
Notes: Data for East Africa is from June 2022 to September 2022.

The policy response to rising inflation in the region has so far focused on subsidies...

Over 90% of policies enacted in 2022 are focused on subsidies in SSA...



...of which over half are on food and fuel subsidies.



Source: Gentilini et al, April 2022. "Tracking Global Social Protection responses to Price Shocks – April 2022". Available at: <https://documents1.worldbank.org/curated/en/099314105052232192/pdf/IDU095bf4f1a037f1045320984d0f15bdc8ef0de.pdf>

Policies going forward

- Subsidy measures to keep fuels, electricity, or gas affordable in response to a crisis should be time-bound, transparent, and fully budgeted.
- Adaptive social assistance systems can replace subsidies to provide immediate support.
- These efforts must advance in parallel with reforms that improve food networks and build resilience
 - Policies that promote the development of competitive food and agricultural value chains
 - Address bottlenecks in logistics and supply chain disruptions
 - Remove policy incentives that limit crop diversification
- Over the medium term, these efforts need to be accompanied with “climate-smart” investments to develop more resilient and productive agriculture (e.g., irrigation, insurance, improved inputs and the challenging issue of land/property rights).
- Learning recovery and acceleration programs can help get students back on their pre-pandemic learning trajectories
 - Reach every child and keep them in school
 - Assess learning levels regularly
 - Prioritize teaching the fundamentals
 - Increase the efficiency of instruction including through catch-up learning
 - Develop psychosocial health and wellbeing

Thank you!
