



You are welcome to

Persistence of Poverty – Trends and Progress in Turbulent Times

0	0	0	0
days	hours	minutes	Seconds

POVERTY, PROSPERITY,
AND PLANET REPORT
2024



**PATHWAYS
OUT OF THE
POLYCRISIS**

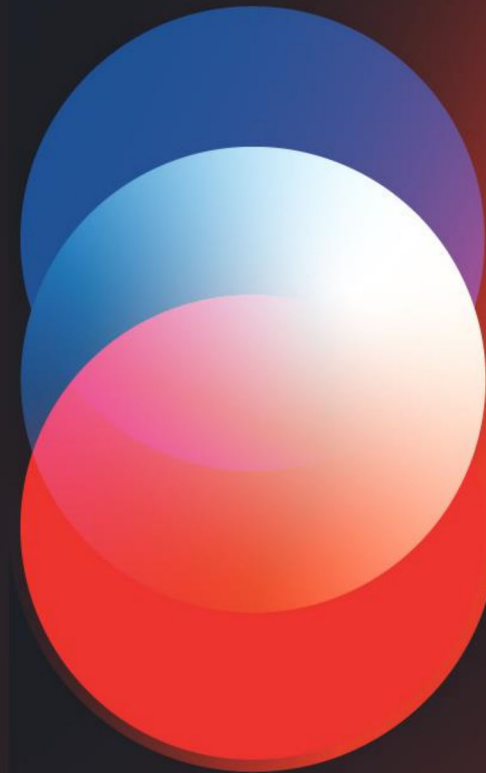
THE WORLD BANK HAS SET A CLEAR MISSION:



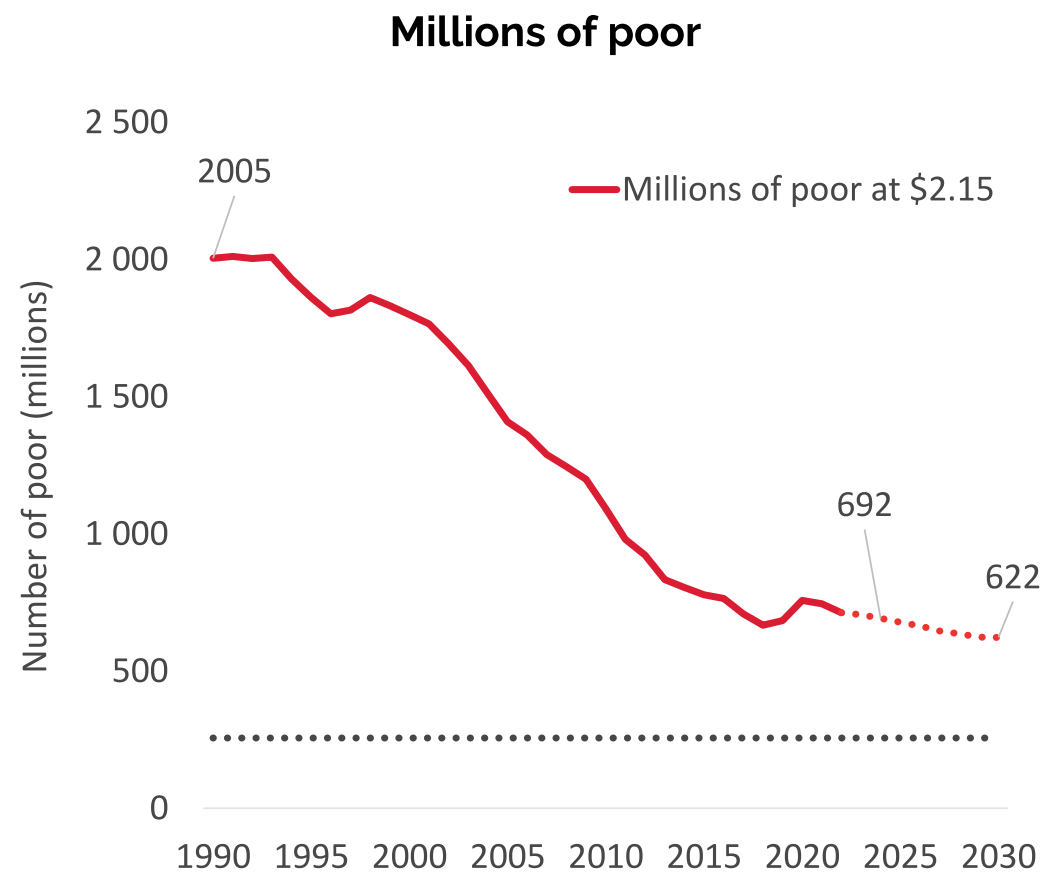
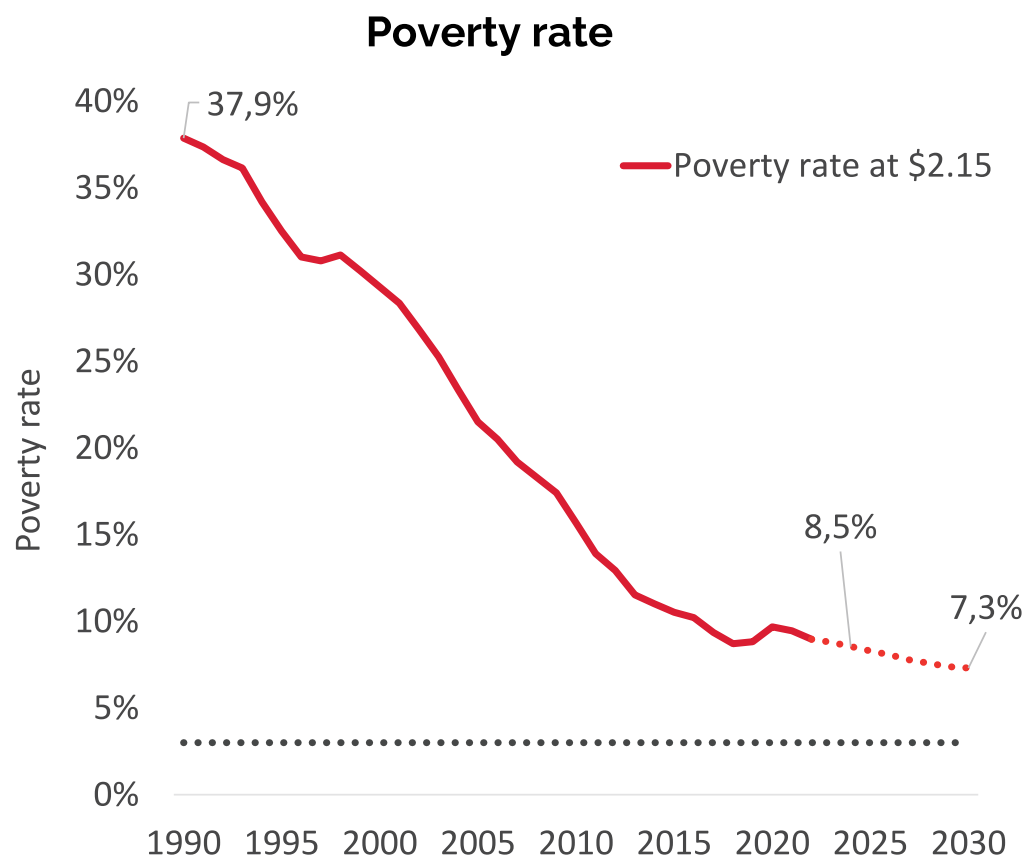


Progress

**GLOBAL POVERTY
REDUCTION AND
IMPROVEMENTS IN
SHARED PROSPERITY
HAVE STALLED**

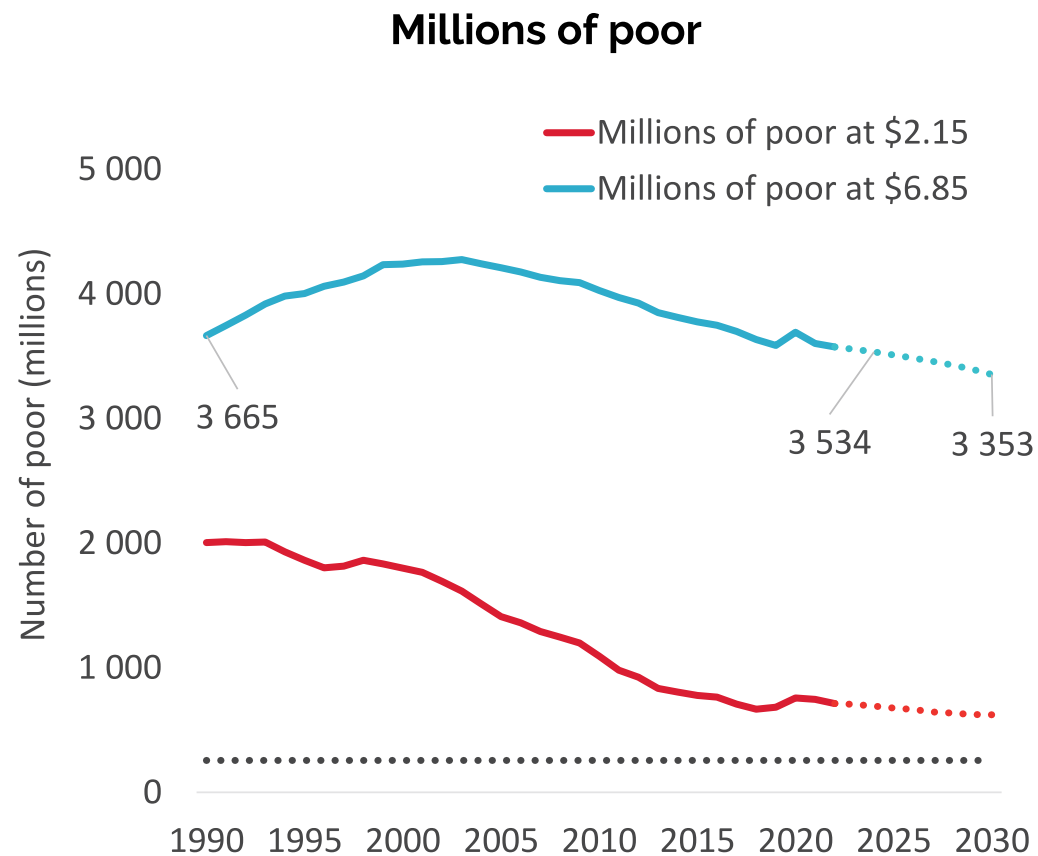
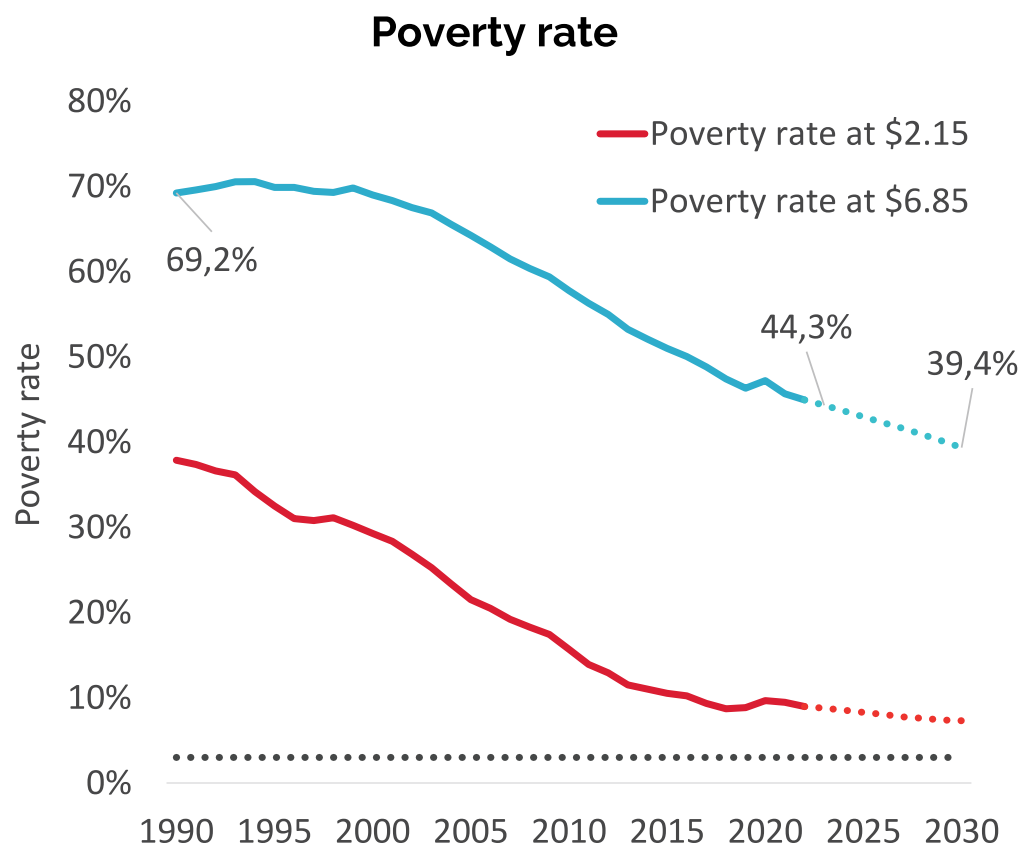


EXTREME POVERTY REDUCTION HAS BEEN SIGNIFICANT, BUT RECENTLY THE PACE HAS SLOWED TO A NEAR HALT



Source: pip.worldbank.org; horizontal dotted line shows 3% or 3% of global population in 2030.

AT A HIGHER POVERTY LINE (\$6.85), ALMOST HALF OF THE GLOBAL POPULATION IS POOR AND THE NUMBER OF PEOPLE LIVING IN POVERTY REMAINS UNCHANGED SINCE 1990



Source: pip.worldbank.org; horizontal dotted line shows 3% or 3% of global population in 2030.

THE STAGNATION IN POVERTY REDUCTION REFLECTS VARIOUS FACTORS



Slowdown in economic growth (even before the pandemic)



A concentration of the poor in slow-growth settings



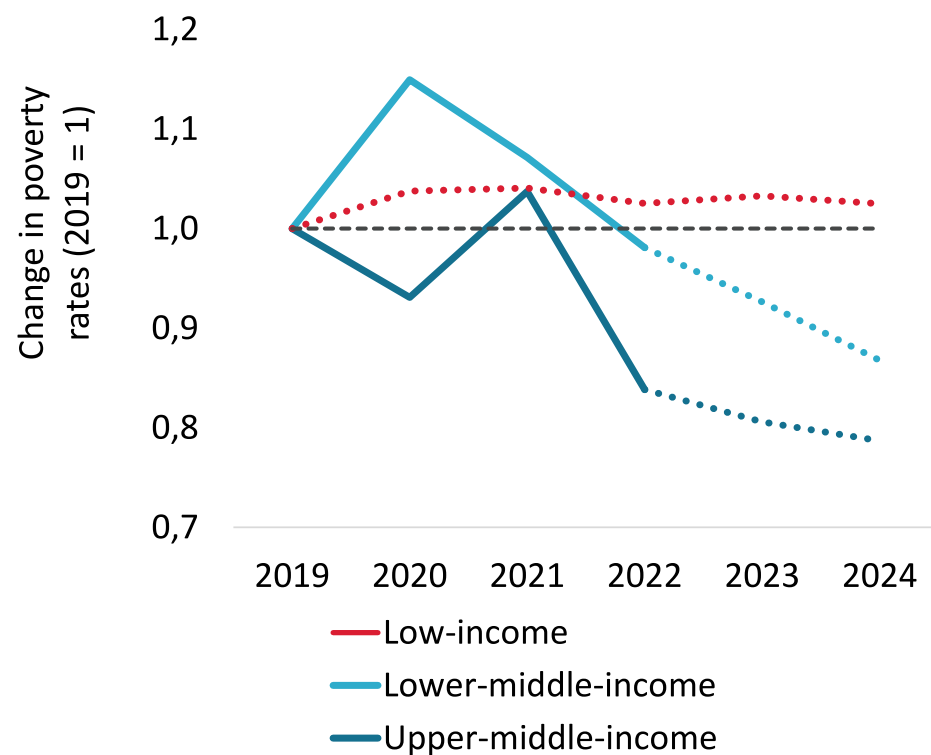
The scarring impacts of the pandemic and high inflation



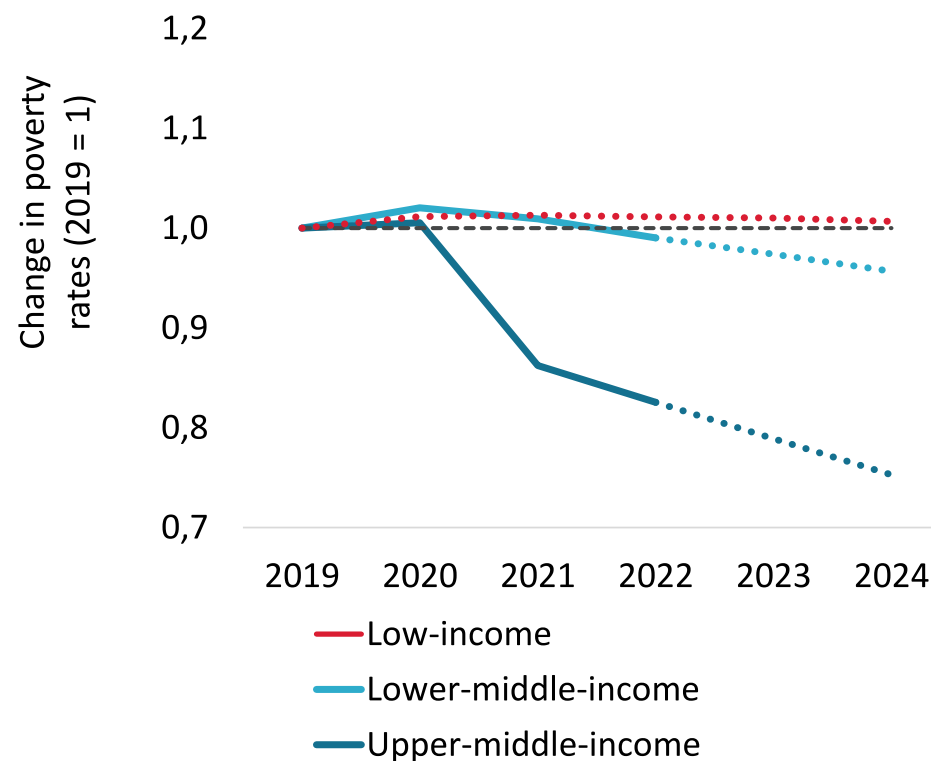
The increase in conflict and fragility

POVERTY RATES ARE STILL ABOVE PRE-PANDEMIC LEVELS IN LOW-INCOME COUNTRIES

Poverty at \$2.15

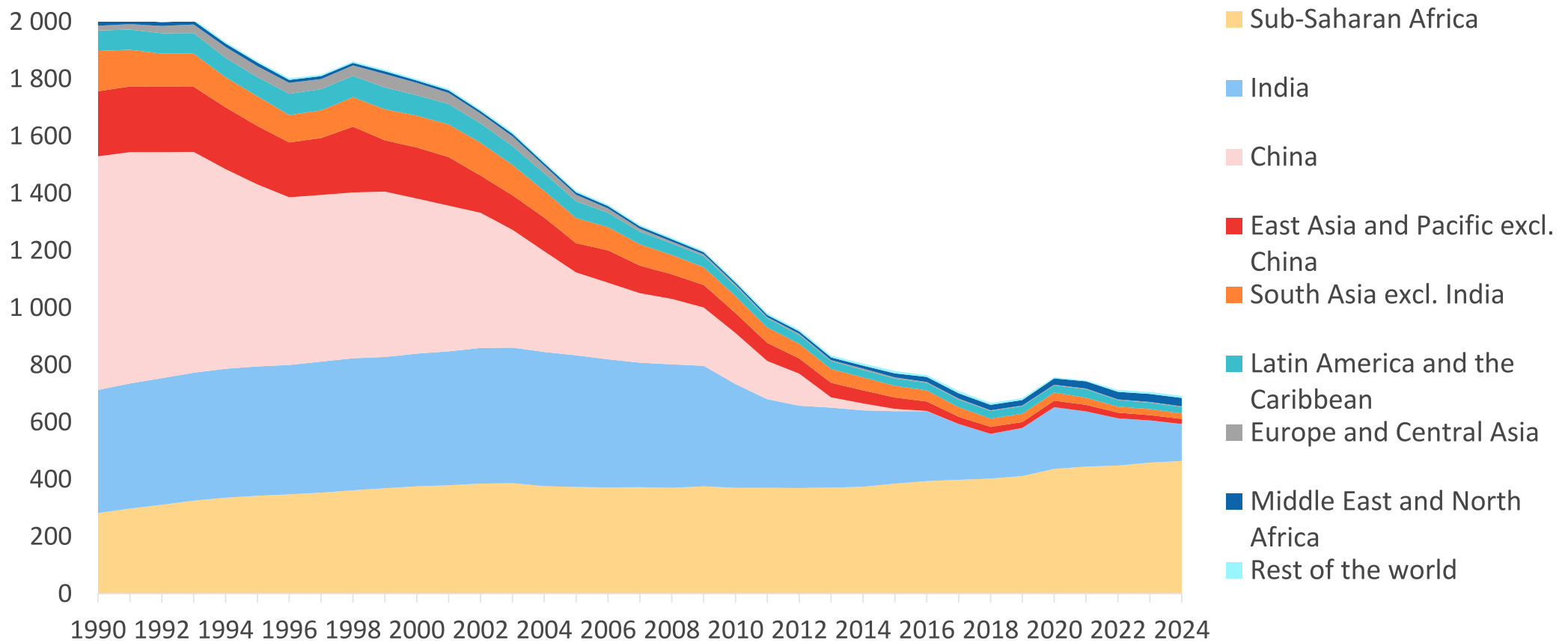


Poverty at \$6.85



THE REGIONAL COMPOSITION OF POVERTY HAS CHANGED OVER TIME

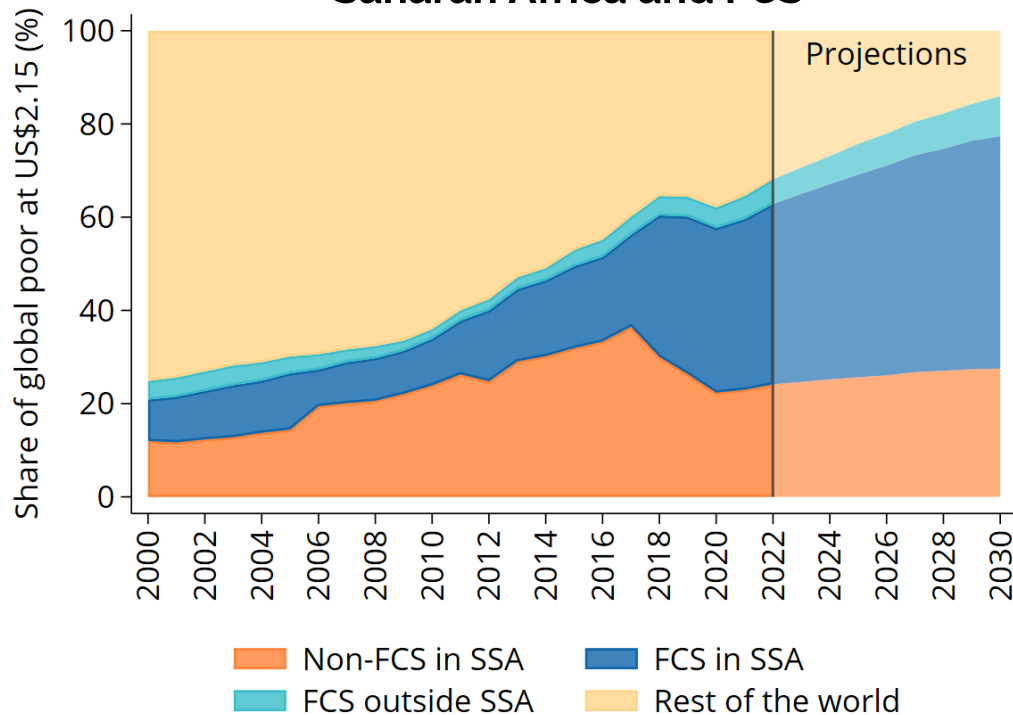
Millions of poor (less than \$2.15 per day)



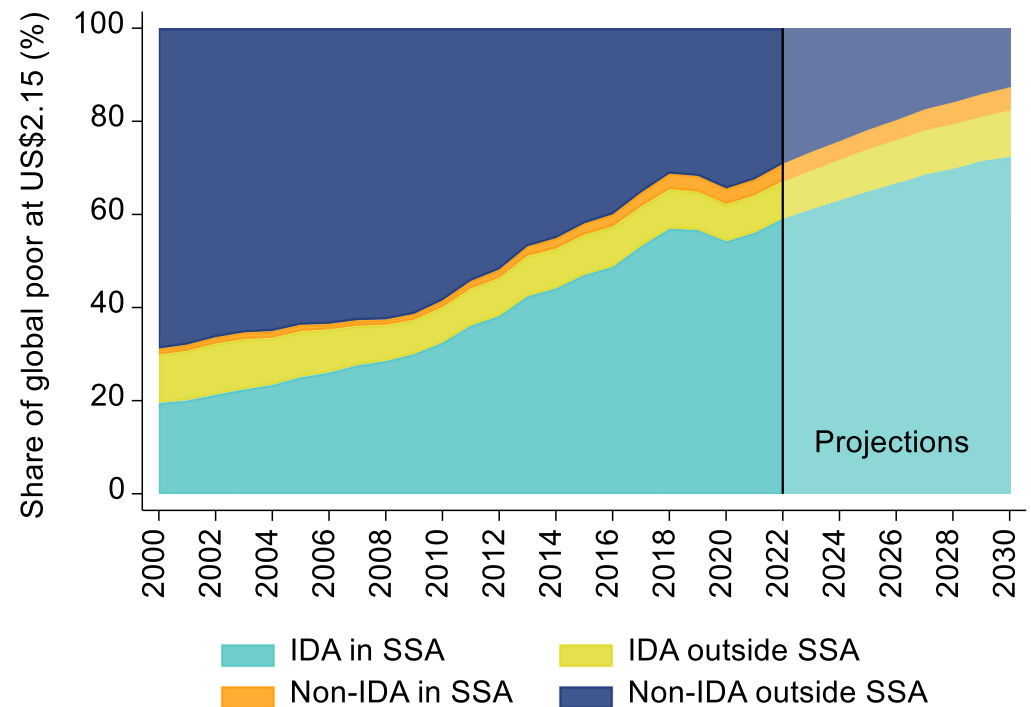
Source: pip.worldbank.org.

LOOKING AHEAD, POVERTY WILL BE INCREASINGLY CONCENTRATED IN SSA AND FCS COUNTRIES

Share of extreme poor in Sub-Saharan Africa and FCS



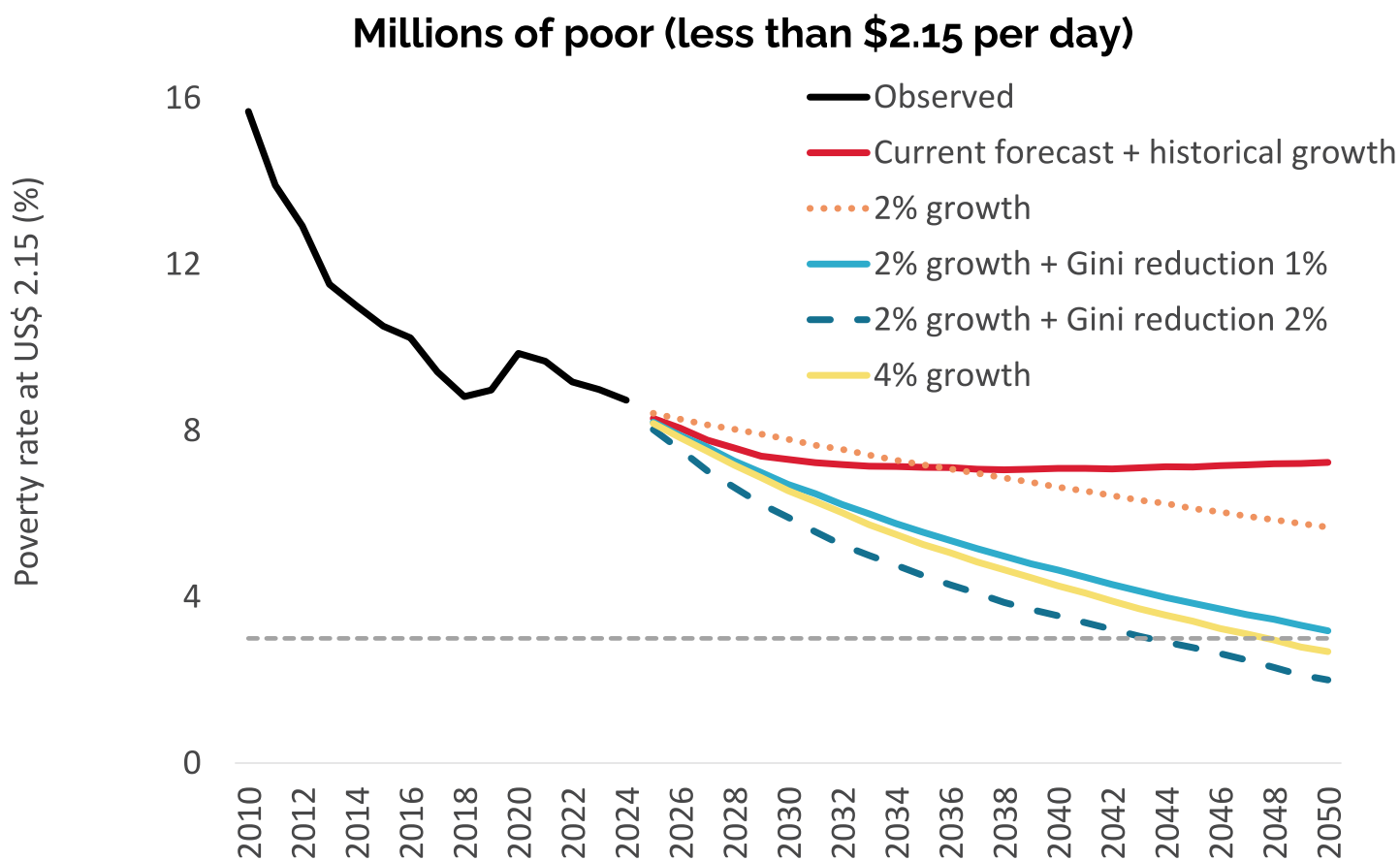
Share of extreme poor in Sub-Saharan Africa and IDA



Source: pip.worldbank.org.

Notes: FCS = Fragile and conflict affected situations; IDA = International Development Association; SSA = Sub-Saharan Africa. Countries in FCS and IDA are defined following the World Bank classifications for each year until 2022, and keeping the definition fixed in 2022 for the years after.

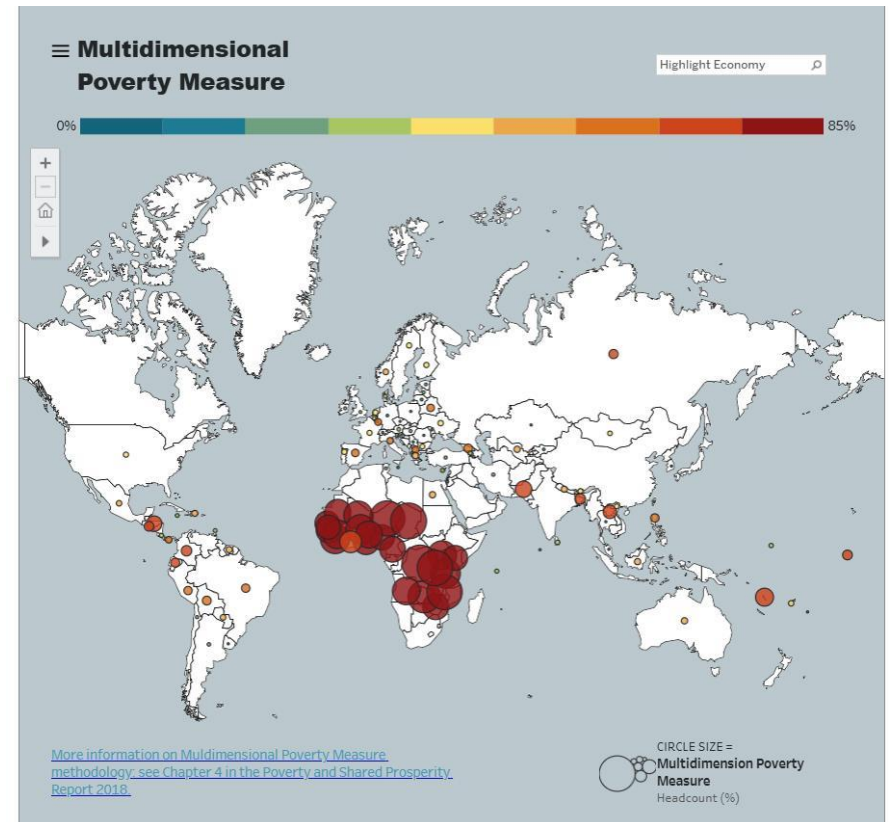
AT CURRENT LEVELS OF ECONOMIC GROWTH, POVERTY WILL NOT BE ERADICATED FOR DECADES



Source: World Bank calculations, pip.worldbank.org; horizontal dotted line shows 3% or 3% of global population in 2030.

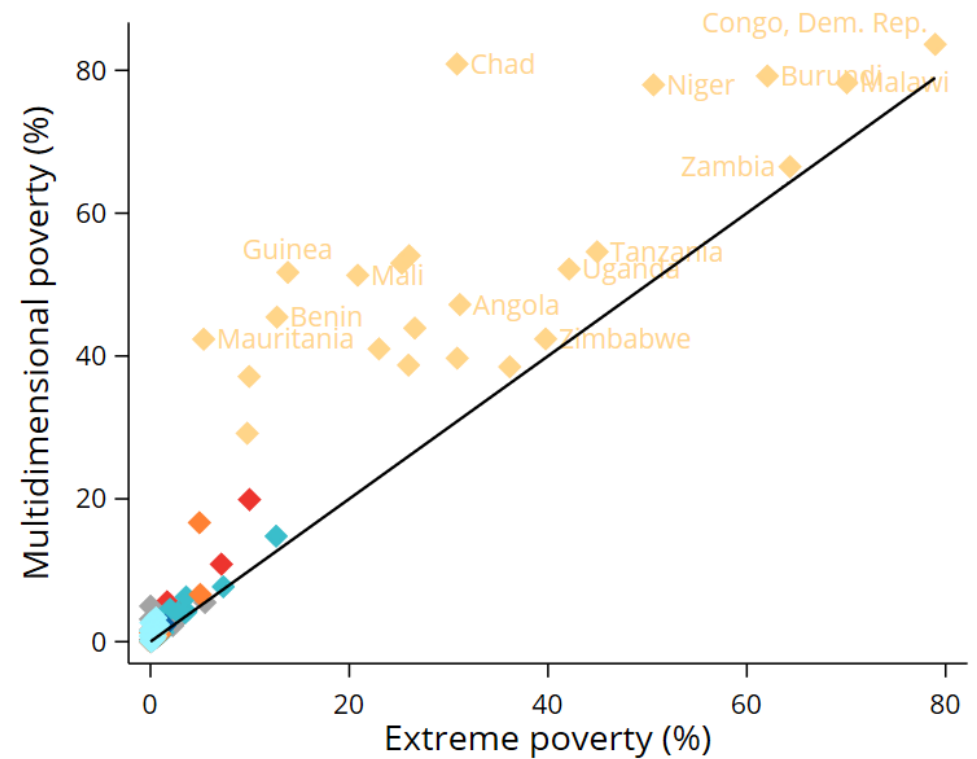
POVERTY IS MULTIDIMENSIONAL AND GOES BEYOND INCOME

Data from the World Bank's multidimensional poverty measure (MPM) suggests a **modest decrease in the multidimensional poverty rate** from 14.4% from circa 2018 to 13.4% in 2021



**MULTIDIMENSIONAL
POVERTY RATES ARE
OFTEN
CONSIDERABLY
HIGHER THAN
MONETARY POVERTY
RATES, ESPECIALLY IN
SUB-SAHARAN
AFRICA**

Multidimensional poverty (MPM) vs monetary poverty (\$2.15)



- ◆ East Asia & Pacific
- ◆ Latin America & Caribbean
- ◆ South Asia
- ◆ Rest of the World
- ◆ Europe & Central Asia
- ◆ Middle East & North Africa
- ◆ Sub-Saharan Africa

COUNTRY INNOVATIONS: A COMPLEXITY APPROACH TO UNDERSTANDING MULTIDIMENSIONAL POVERTY

Two new measures
based on network
science to analyze
multidimensional
poverty:

Poverty Space

- A visual representation that maps out the structural relationships between various dimensions of poverty. It helps us see how different aspects of deprivation are interconnected.

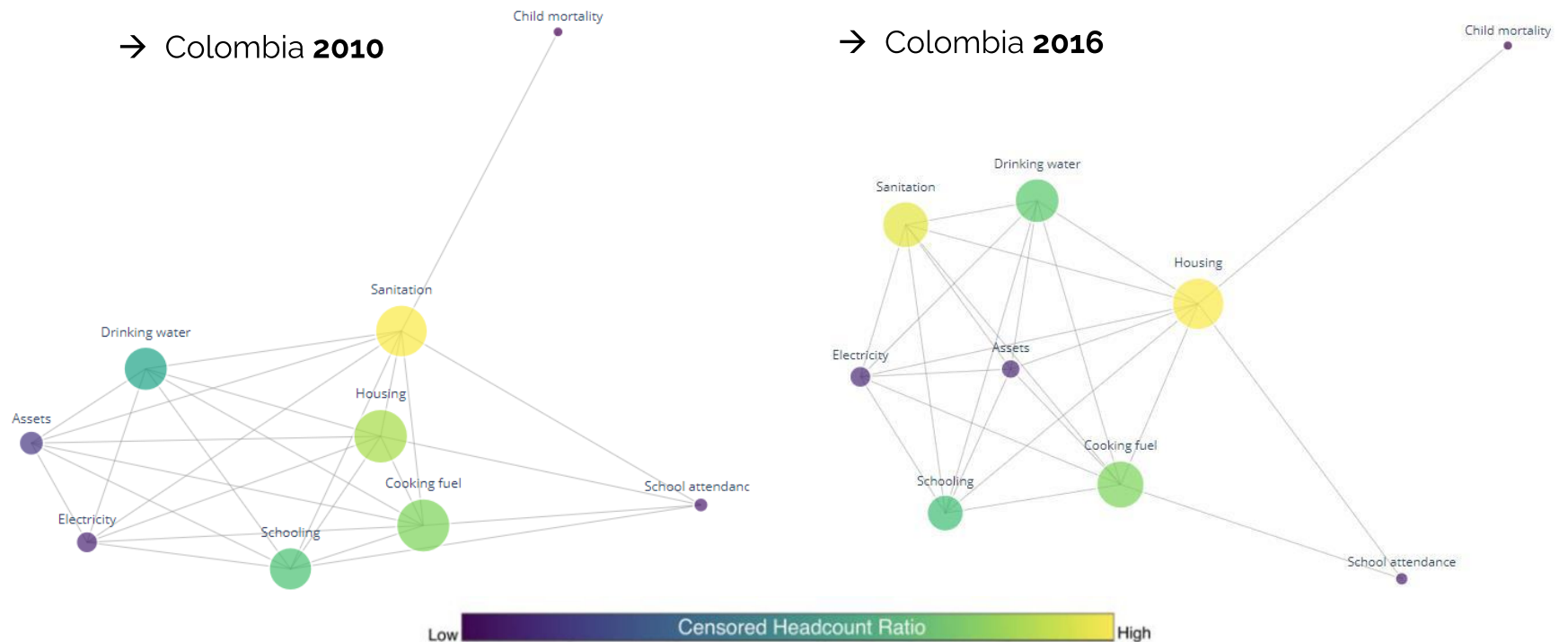
Poverty Centrality

- A measure that assigns an importance score to each dimension within the network. This score reflects the prominence of each indicator and its potential as a strategic intervention point.

Source: Stojkoski, Viktor; Lopez-Calva, Luis F.; Bolch, Kimberly; Fernandez, Almudena. 2024. Development Acupuncture: The Network Structure of Multidimensional Poverty and Its Implications. Policy Research Working Paper; 10882. World Bank..

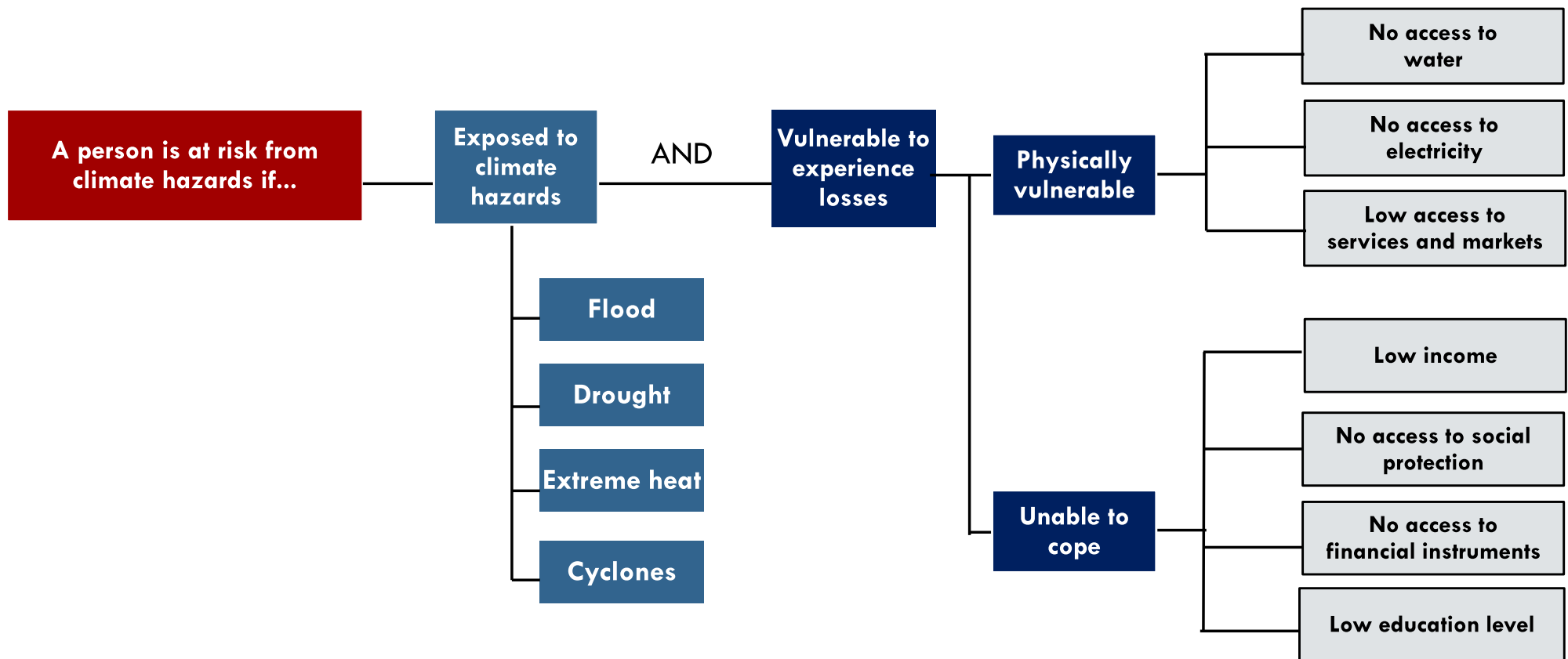
DEVELOPMENT AS ACUPUNCTURE: HOW ARE DIFFERENT DIMENSIONS OF WELL-BEING INTERLINKED & HOW DO THEY CO-EVOLVE OVER TIME?

The nodes represent poverty indicators, whereas the edges between two poverty indicators highlight a significant structural dependency. The size of the nodes is proportional to its poverty centrality.

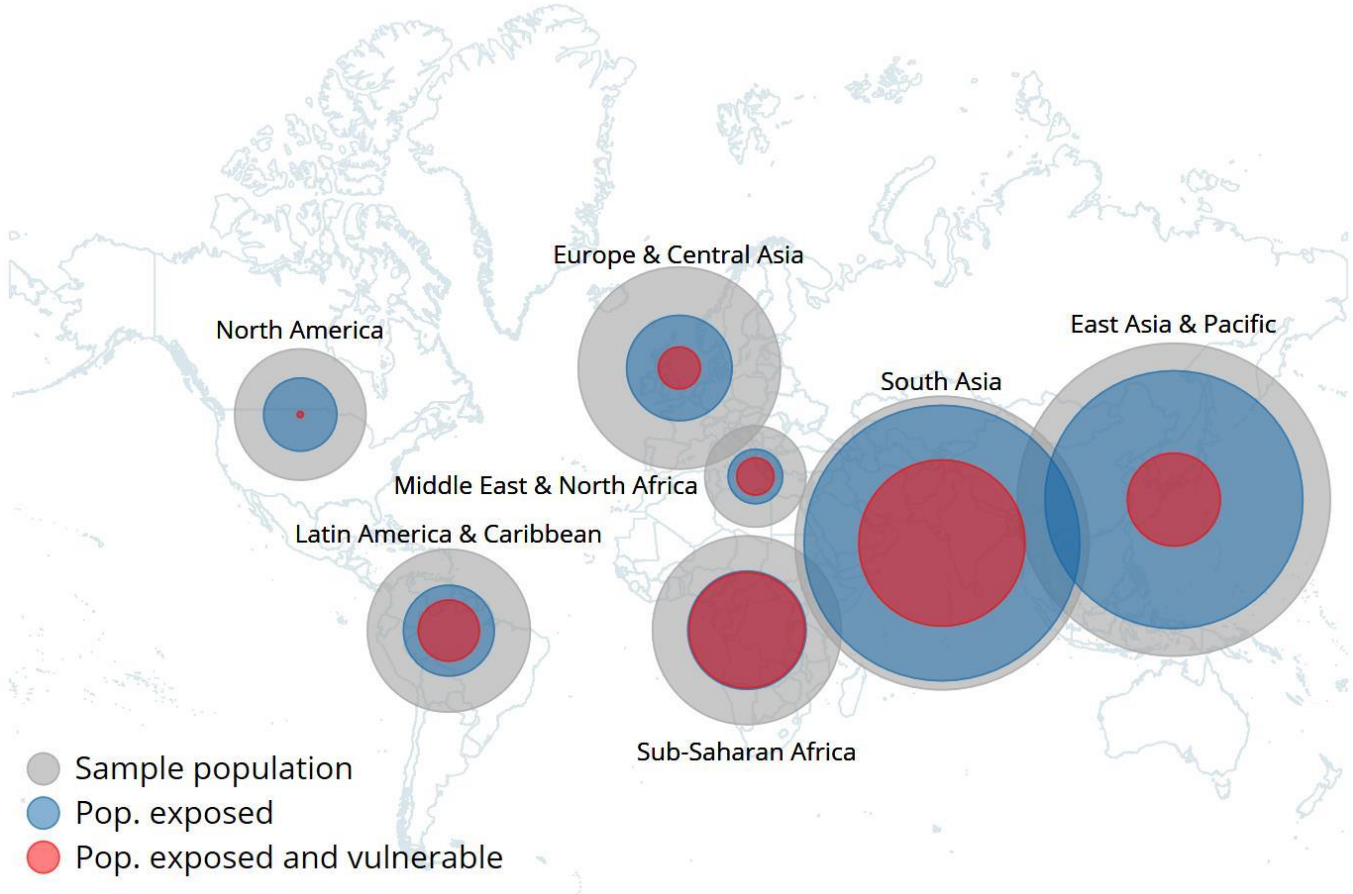


Source: Stojkoski, Viktor; Lopez-Calva, Luis F.; Bolch, Kimberly; Fernandez, Almudena. 2024. Development Acupuncture: The Network Structure of Multidimensional Poverty and Its Implications. Policy Research Working Paper; 10882. World Bank.

A NEW INDICATOR: UNDERSTANDING VULNERABILITY FROM A MULTIDIMENSIONAL PERSPECTIVE

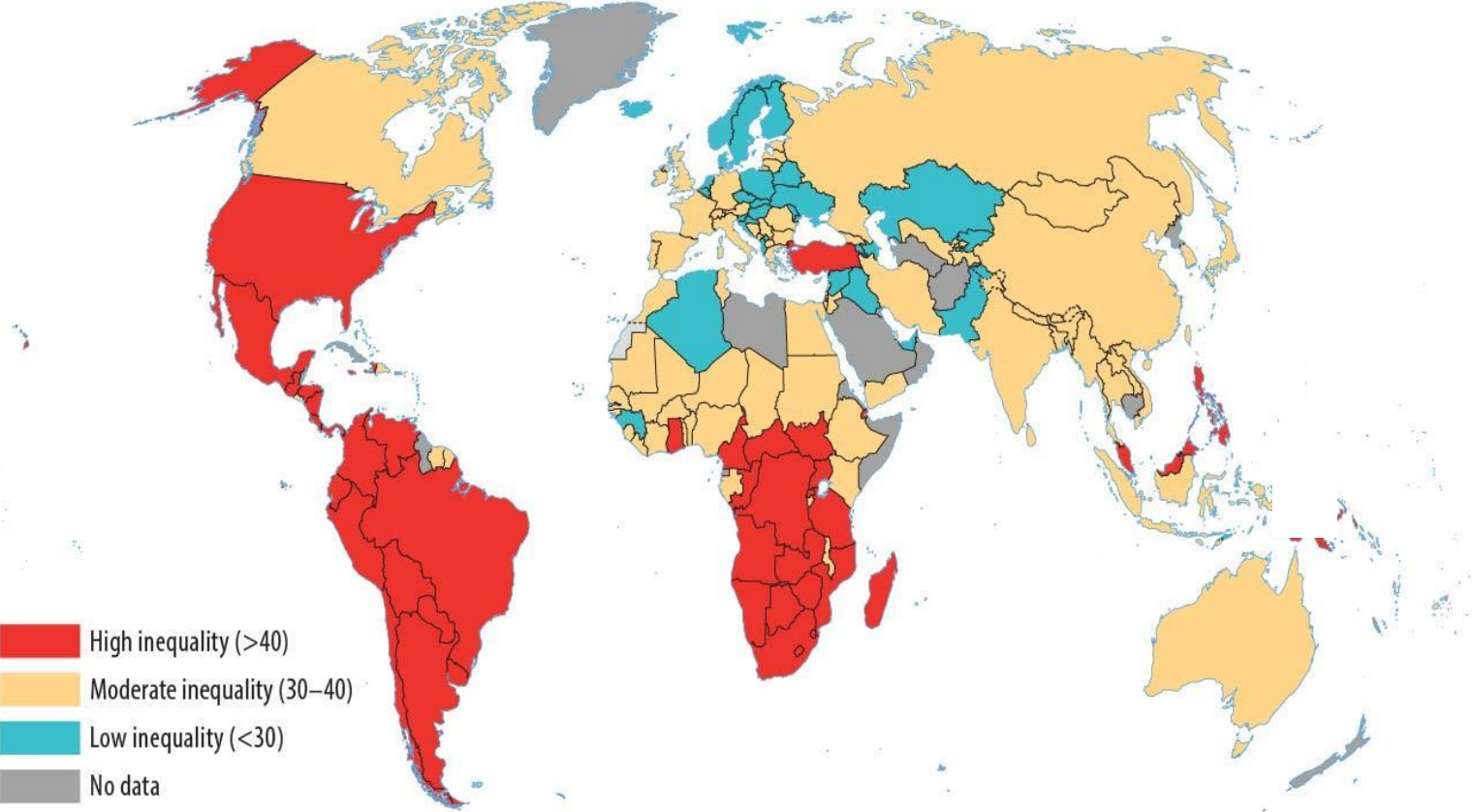


ONE IN FIVE PEOPLE ARE AT RISK OF EXPERIENCING WELFARE LOSSES DUE TO AN EXTREME WEATHER EVENT FROM WHICH THEY WILL STRUGGLE TO RECOVER



Source: World Bank Scorecard indicator: the percentage of people at high risk of climate-related hazards globally, <https://scorecard.worldbank.org/en/scorecard/home>.

THE NUMBER OF ECONOMIES WITH HIGH INEQUALITY HAS FALLEN, BUT REMAINS HIGH IN LATIN AMERICA AND SUB-SAHARAN AFRICA



Source: pip.worldbank.org.



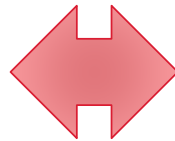
Pathways

**ERADICATING POVERTY AND
BOOSTING SHARED
PROSPERITY ON A LIVABLE
PLANET REQUIRES MANAGING
TRADE-OFFS**

PROGRESS ON THE THREE INTERLINKED GOALS REQUIRES FASTER AND INCLUSIVE GROWTH AND PROTECTING PEOPLE FROM EXTREME WEATHER EVENTS

Growing incomes for the poor

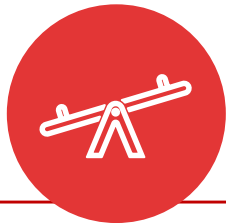
- Better-functioning labor markets
- Investments in the productive capacity of people
- Structural conditions that enable socioeconomic mobility



Protecting people from extreme weather events (and other shocks)

- Lowering vulnerability by enhancing risk management
- Preventing the escalation of future climate hazards by accelerating transformations to reduce the emissions intensiveness of growth

POLICY MAKERS MUST PRIORITIZE AND MAKE DIFFICULT CHOICES



TRADE-OFFS

between growing incomes and lowering emissions



CONSTRAINTS

to scale up synergistic policies (e.g., cut air pollution)

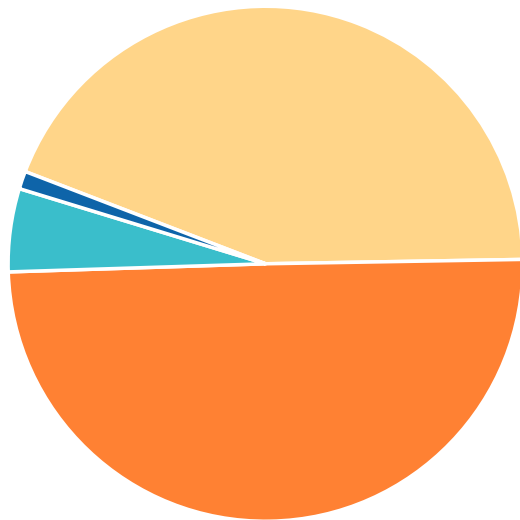


TRANSITION COSTS

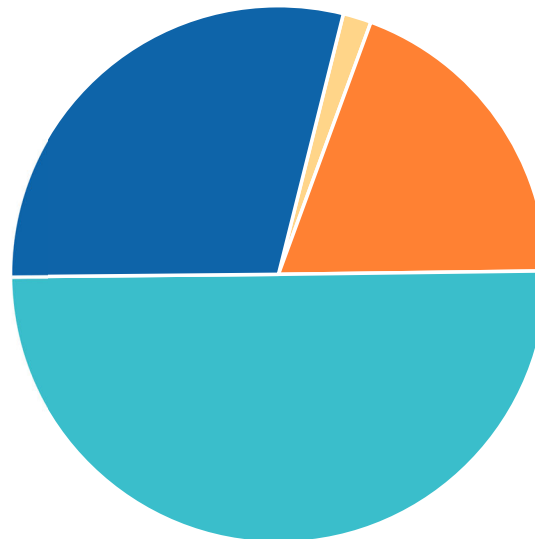
and how to manage them varies by context

ACTIONS NEED TO CONSIDER WHERE THE POOR LIVE AND WHERE EMISSIONS COME FROM

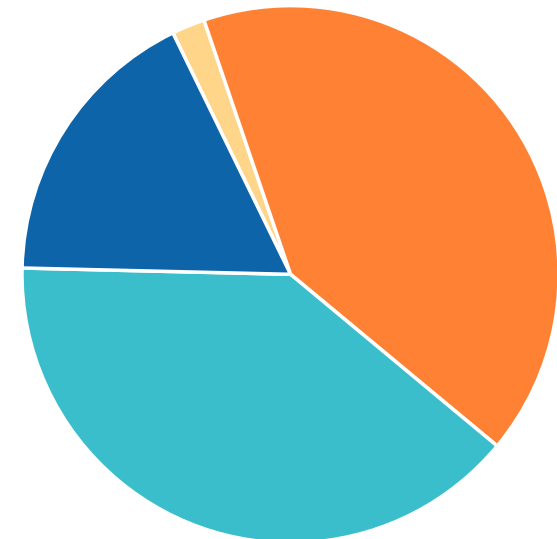
Extreme poor in 2024



GHG emissions in 2022



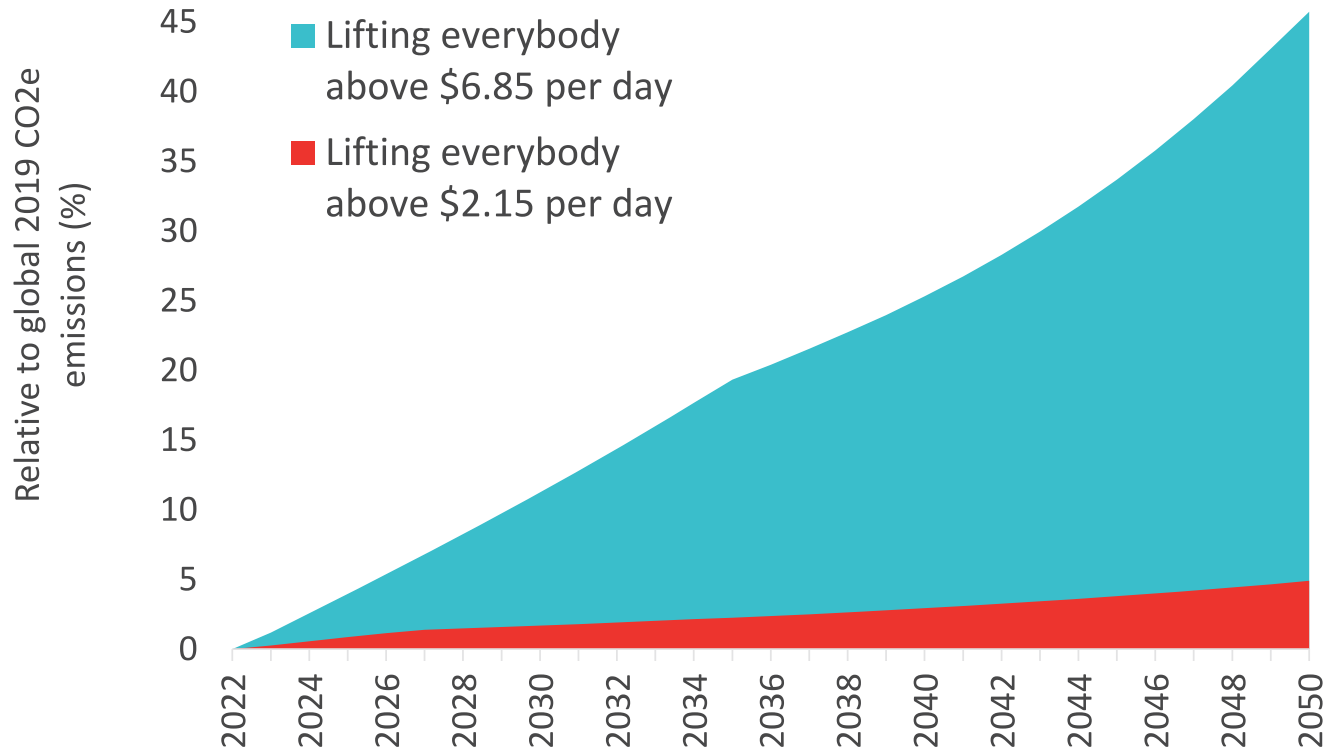
GHG emissions in 2050
(current policies)



■ Low-income ■ Lower-middle-income ■ Upper-middle-income ■ High-income

ADVANCING ON ERADICATION OF EXTREME POVERTY DOES NOT COME AT A BIG COST FOR THE PLANET

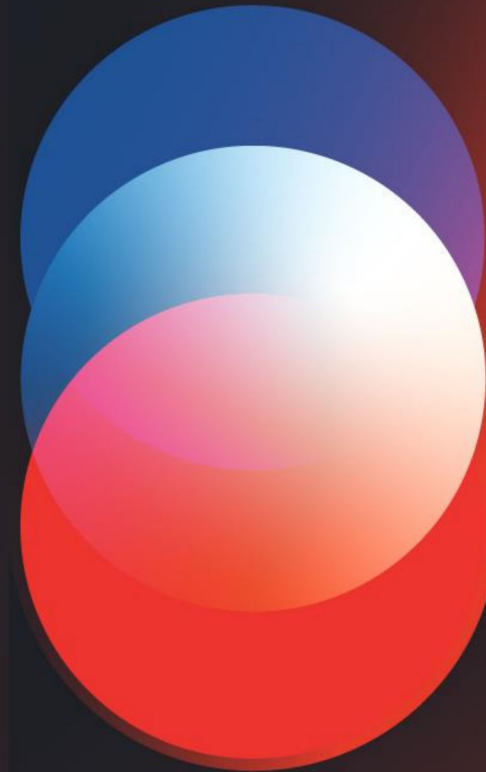
Additional emissions from poverty reduction



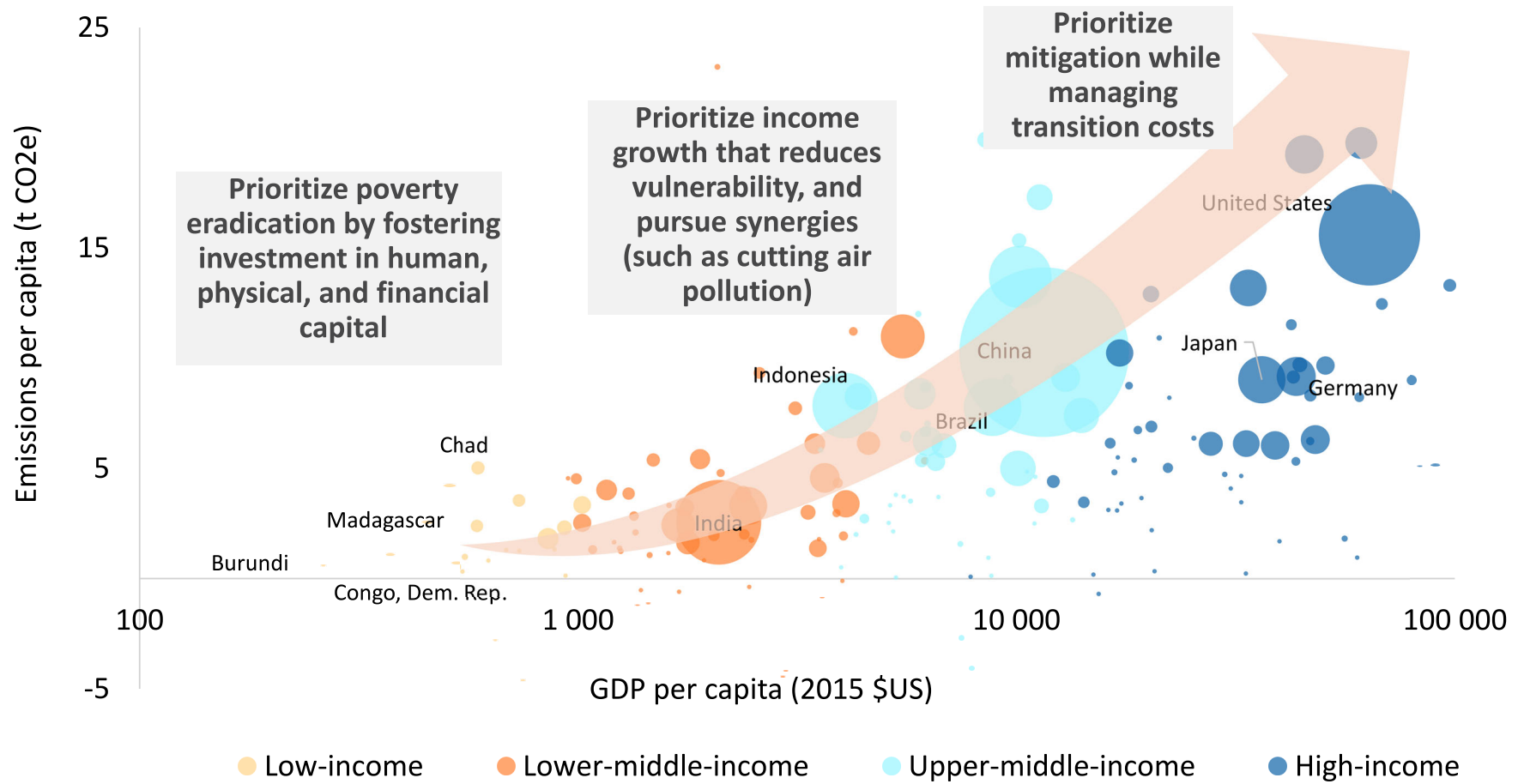


Priorities

**DOING WHAT MATTERS
WHERE IT MATTERS THE
MOST**

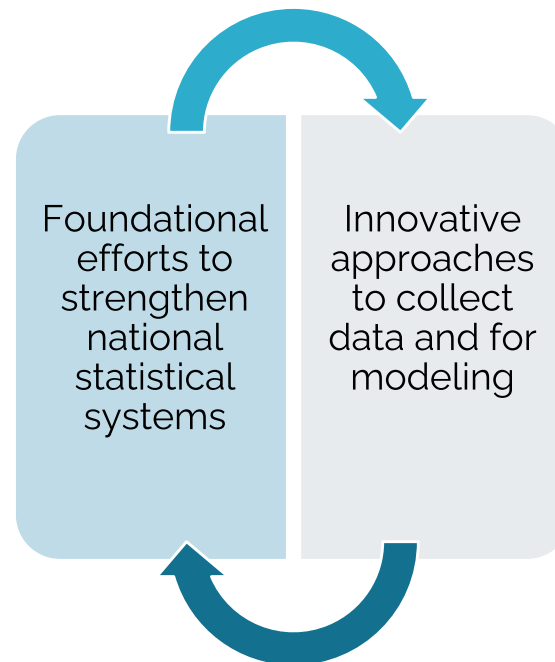


PRIORITIES TO ADVANCE ON THE INTERLINKED GOALS



ADVANCING ON THESE INTERLINKED GLOBAL CHALLENGES REQUIRES A SOLID FOUNDATION OF EVIDENCE

- More investment is needed to produce **reliable, granular, and timely data**.
- Bringing a **multidimensional lens** to poverty, shared prosperity, and the livable planet.



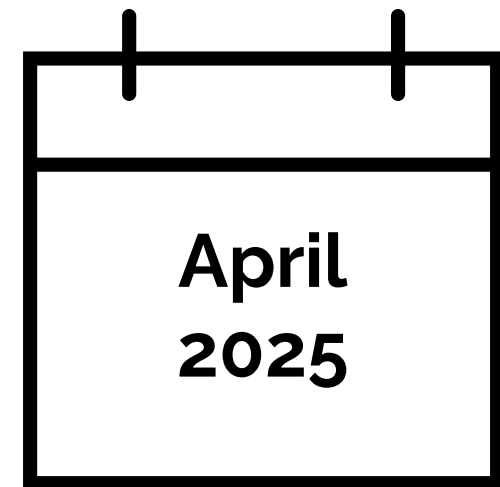
URGENT AND COORDINATED GLOBAL ACTION IS ESSENTIAL TO MEET THESE INTERLINKED GOALS

- The **financing gap for sustainable development is growing**, which hinders lower-income countries' ability to invest across multiple objectives.
- This constrained environment creates an urgent need to focus and **prioritize the actions that will have the highest return for development** and that can allow the world to make significant progress.
- It calls for **fundamental changes in how countries approach their national development strategies** and their contribution to global public goods.

COMING SOON!

April 2025: Next bi-annual update on global poverty

In addition to updating global estimates with the latest household surveys (**twice per year**), this special update will feature updated international poverty lines (**new!**)



POVERTY, PROSPERITY,
AND PLANET REPORT
2024

Thank you!



www.worldbank.org/3pr



Persistence of Poverty – Trends and Progress in Turbulent Times

