Based on the most recent official household survey data from Nigeria's National Bureau of Statistics, 30.9 percent of Nigerians lived below the international extreme poverty line of $2.15 per person per day (2017 PPP) in 2018/19 before the COVID-19 pandemic. Nigeria remains spatially unequal. The poverty rate in northern geopolitical zones was 46.5 percent in 2018/19, compared with 13.5 percent for southern ones.

Pre-COVID-19, extreme poverty reduction had almost stagnated, dropping by only half a percentage point annually since 2010. Living standards of the urban poor are hardly improving, and jobs that would allow households to escape poverty are lacking. The limited availability of jobs is symptomatic of an economy beset by structural transformation constraints and the continued dependence on oil. Policy reforms are necessary to enable private sector driven growth that creates more and better jobs. In rural areas, livelihoods heavily rely on agricultural activities often for subsistence with limited productivity gains and ill-adapted to mitigate mounting climatic challenges.
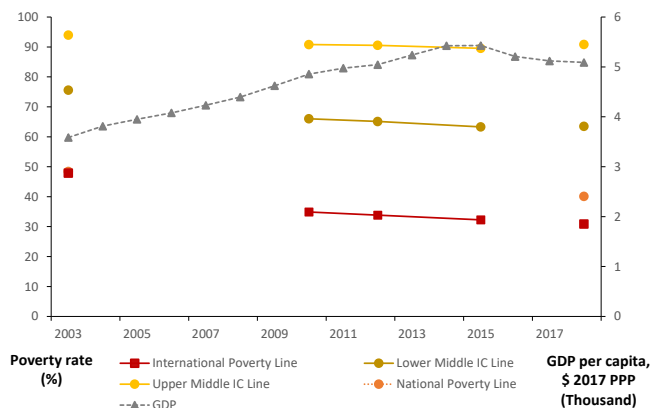
Nigeria's chronically high inflation reached an all-time high of 24.7 percent annually in 2023, driven by rising food and energy prices, the removal of the petrol subsidy, loose monetary policy, and naira depreciation. Nominal earnings have not kept up with inflation, pushing another 10 million Nigerians into poverty in 2023. Based on World Bank projections, about 40.7 percent of Nigerians are estimated to live below the international poverty line by the end of 2024.

To alleviate the inflationary effects of recent reforms on the most vulnerable, the government has launched temporary cash transfers with the goal of reaching 15 million households. However, coverage and benefits remain inadequate. The further expansion and strengthening of the social protection system will be key to help mitigate the impact of future shocks, allowing poor households to make necessary investments into human capital to avoid inter-generational transmission of poverty. This short-term intervention needs to be complemented by economic diversification that grows the non-oil sector and creates private sector jobs and the diversification of investments into public services, especially in health, education, and infrastructure. Improving the choice of and returns on public investments is especially important in the context of limited fiscal space.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	82.9	40.1	2018
International Poverty Line 321.5 in Nigerian naira (2018) or US$2.15 (2017 PPP) per day per capita	N/A	30.9	2018
Lower Middle Income Class Poverty Line 545.8 in Nigerian naira (2018) or US$3.65 (2017 PPP) per day per capita	N/A	63.5	2018
Upper Middle Income Class Poverty Line 1024.3 in Nigerian naira (2018) or US$6.85 (2017 PPP) per day per capita	N/A	90.8	2018
Multidimensional Poverty Measure		N/A	N/A
SHARED PROSPERITY			
Annualized Income or Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		35.1	2018
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth		-0.58	2013-2018
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.
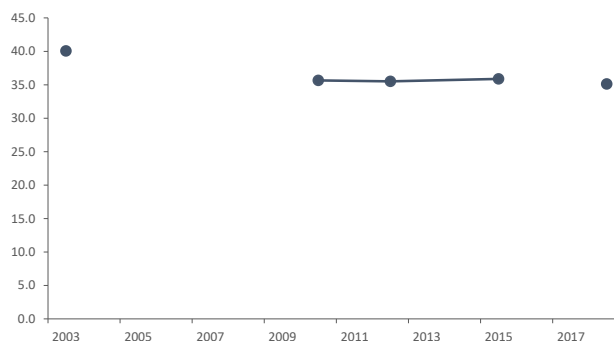
POVERTY HEADCOUNT RATE, 2003-2018

Poverty rate (%)		GDP per capita, $ 2017 PPP (Thousand)
■ International Poverty Line	● Lower Middle IC Line	
● Upper Middle IC Line	○ National Poverty Line	
▲ GDP		

INEQUALITY TRENDS, 2003-2018

Gini Index

KEY INDICATORS

Distribution among groups: 2018	International Poverty Line(%)		Relative group (%)	
	Non-Poor	Poor	Bottom 40	Top 60
Urban population	88	12	18	82
Rural population	59	41	52	48
Males	69	31	40	60
Females	69	31	40	60
0 to 14 years old	62	38	48	52
15 to 64 years old	74	26	35	65
65 and older	81	19	27	73
Without education (16+)	53	47	58	42
Primary education (16+)	73	27	37	63
Secondary education (16+)	83	17	25	75
Tertiary/post-secondary education (16+)	94	6	10	90

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

Multidimensional Poverty Measures: 2018	(% of population)
Monetary poverty (Consumption)	
Daily consumption less than US$2.15 per person	30.9
Education	
At least one school-aged child is not enrolled in school	N/A
No adult has completed primary education	N/A
Access to basic infrastructure	
No access to limited-standard drinking water	N/A
No access to limited-standard sanitation	N/A
No access to electricity	N/A

POVERTY DATA AND METHODOLOGY

In May 2020, Nigeria's National Bureau of Statistics (NBS) released the 2018/19 Nigerian Living Standards Survey (NLSS) providing the first official estimates of poverty and welfare in Nigeria in almost a decade. The 2018/19 NLSS collected data on consumption, education, health, employment, housing, and many other non-monetary indicators of welfare. Following a two-stage sampling approach, the data are representative at the national, urban-rural, and state levels.

Two key caveats must be borne in mind when interpreting the 2018/19 NLSS data. First, official welfare estimates (including those presented above) do not include Borno state, which accounts for around 2.5 percent of the population. Due to violent conflict, some parts of Borno were not accessible at the time of the survey. Second, the poverty and welfare estimates from the 2018/19 NLSS are not comparable with those from the 2009/10 Harmonized Nigerian Living Standards Survey (HNLSS), given substantial improvements made to the questionnaire, sampling, and survey implementation. For example, the questionnaire module used to measure food consumption was changed from a daily diary – handed to enumerators during four visits over the course of one month – to a seven-day recall.

Since the 2018/19 NLSS and the 2009/10 HNLSS cannot technically be compared, poverty and inequality trends for Nigeria for the 2010s are constructed using survey-to-survey imputations. A model linking monetary consumption and a set of non-monetary indicators was created using the 2018/19 NLSS. This model was then used to impute into the General Household Survey (GHS) in 2010/11, 2012/13, and 2015/16 using a common set of consistently measured non-monetary variables.

NBS completed data collection for the new 2022/23 NLSS in December 2023. Analysis of the data will make it possible to assess directly how the welfare of Nigerian households has fared during the COVID-19 crisis and subsequent price shocks that have affected the country once the data is fully cleaned and analyzed.

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.