Poverty in Sub-Saharan Africa: The Situation in the OIC Member Countries

A Preliminary Report

Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRTCIC)

Organization of the Islamic Conference

STATISTICAL ECONOMIC AND SOCIAL RESEARCH AND TRAINING CENTRE FOR ISLAMIC COUNTRIES

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Foreword

Sub-Saharan Africa (SSA) is the only region in the world where poverty, in terms of proportion of the poor, has been rising over time and where the poor are relatively worse off than their counterparts in other parts of the world. With extremely low per capita GDP and savings rates, most countries of the region are in dire need of substantial public investment through external assistance to reverse the current poverty trends. The report analyzes the incidence of poverty in Sub-Saharan Africa with a special focus on the OIC member countries in the region.

The distribution of both the population and land area of the member countries in the region is extremely diverse. The five land-locked OIC members, together with Sudan and Nigeria, account for over 70 per cent of the total population and land area of the Sub-Saharan OIC members. Furthermore, the comparative analysis of poverty indicators shows that most of those land-locked economies have also registered appalling records of poverty indicators. Given their size and population, it is recommended that those countries be granted additional importance in the OIC poverty alleviation efforts. A survey-based study to determine the special needs of those economies has become a high priority for the success of those efforts.

The report also demonstrates a strong link between poverty and rural population. The countries with a higher proportion of rural population experience a higher incidence of poverty. It also shows that higher growth in agricultural value-added and productivity are of prime importance in alleviating poverty. Growth in real GDP per se does not seem to reduce poverty incidence, considering the high income disparities and strong rural-urban divide in the region.

The average agricultural productivity, in terms of cereal output per hectare, in SSA is far below the averages achieved in other regions of the world. Some OIC member countries have recorded better yield per hectare than the regional average. In this connection, the report strongly recommends conducting a research to identify the determinants of productivity differential among the member countries. The findings of such a research would serve to introduce coherent short and long-term policies for increasing the productivity performance of those countries, including the improvement of land fertility and the development of an adequate infrastructure to improve market access.

The incidence of communicable diseases such as malaria and tuberculosis is also very high in many OIC member countries in the region. The programme to combat "malaria" is already in place with the help of the UNICEF and other international agencies. It has been shown that mosquito nets treated with insecticide are very effective in protecting children from the disease. An efficient distribution arrangement of these nets with financial support is a top priority to reduce mortality rates.

This preliminary report will be complemented with a series of publications by the SESRTCIC on the same subject. Together, they will constitute a significant contribution in attaining the targets of poverty alleviation in the African OIC member countries set by the OIC Ten-Year Programme of Action, which was adopted by the 3rd Extraordinary Session of the Islamic Conference Summit in Makkah Al-Mukarramah on 7-8 December 2005.

Dr. Savaş Alpay
Director General

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1 Introduction

In the year 2000, at the Millennium Summit, the world community agreed on a common platform and agenda to work in harmony in the efforts to alleviate extreme poverty in the world. The Summit adopted the UN Millennium Declaration in which all the nations of the world made commitments to a new global partnership to reduce poverty. The Millennium Development Goals (MDGs) not only identified the targets but also a time frame within which to achieve these goals. It has been acknowledged that poverty is a multi-dimensional phenomenon. These dimensions must include poverty, low income, hunger, disease and exclusion of groups from the society. These goals also promote policies that would reduce gender inequalities, increase literacy rates, environmental sustainability and empower people to better opportunities.

From various reviews and reports on the economic and poverty situation in Sub-Saharan Africa (SSA), it can be concluded that the region faces difficult task to meet some, if not all, of these goals by 2015 (Millennium Project (2005), Global Monitoring Report (2006)). And this is one of the major concerns of the global policy community. Within this background, this preliminary report aims to review the poverty situation in SSA with special focus on the OIC member states in the region. In this introduction an overall assessment of poverty situation and review of some of the important dimensions of poverty in SSA are being discussed first. The Section 2 of this report outlines the geographic profiles of the member states and reviews the macro-economic indicators. Section 3 examines the poverty situation and presents results of empirical analysis. In Section 4 preliminary recommendations for poverty alleviation in the OIC member countries have been discussed. Finally concluding remarks are being made in Section 5.

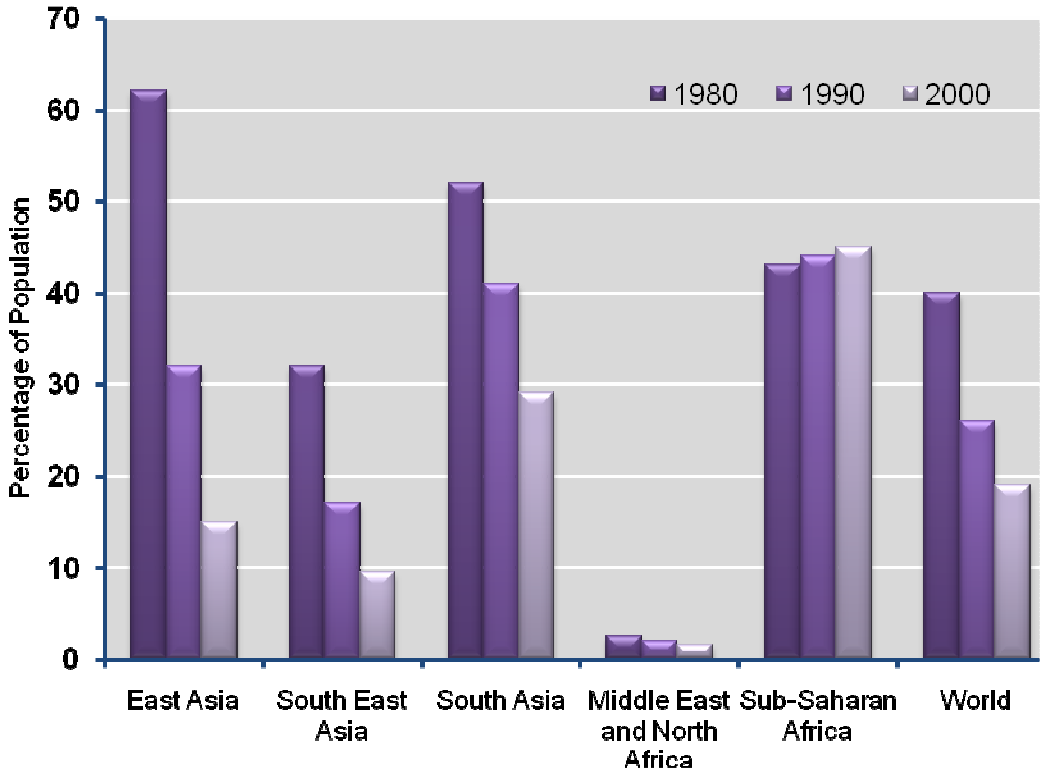
1.1 Poverty in Sub-Saharan Africa: An Overall Assessment

The development challenge facing the sub-Saharan Africa (SSA) can be described by a variety of poverty and inequality measures through time or in comparison with other nations or regions of the world. On average, 45 per cent of sub-Saharan Africa's 726 million live below the international poverty line of US $1 a day (See Figure 1.1). Furthermore, SSA is the only region of the world where the proportion of people below the poverty line has been on the rise. It is evident that the highest level of intra-regional poverty is to be found in Sub-Saharan Africa where close to half of the region's population is classified as poor. This is followed by South Asia, which also records very high headcount indices, close to a third of the region's population in 2000. Poverty gap[1], which measures relative poverty, further manifests these intra-regional differences. It is clear from the data in Table 1.1 that the poor in SSA are relatively worse off than the poor in the rest of the world. For example in 2001, the average poor in SSA lived about 20 percent below the $1 a day poverty line. In South Asia, on the other hand, this gap was 7.1 per cent. Therefore, the proportionate differences in the poverty gap indices

[1] Poverty Gap is calculated as the poverty headcount ratio multiplied by the difference between the poverty line and average income of the population living under poverty line.

relative to the headcount measures are much higher. In other words, the incidence of poverty is also highest in SSA compared to the rest of the world.

Figure 1.1 *1$ a Day Poverty Headcount, by Region, 1980-2003 (% of Population)*



Source: UNDP Report (2006)

These measures of poverty, when they are compared through time, present a very dismal situation for SSA. While most of the other regions of the world have succeeded in reducing levels of poverty, SSA poverty indicators have remained unchanged over the decade.

Table 1.1
Poverty Gap Index, by Region, 1990-2001 (%)

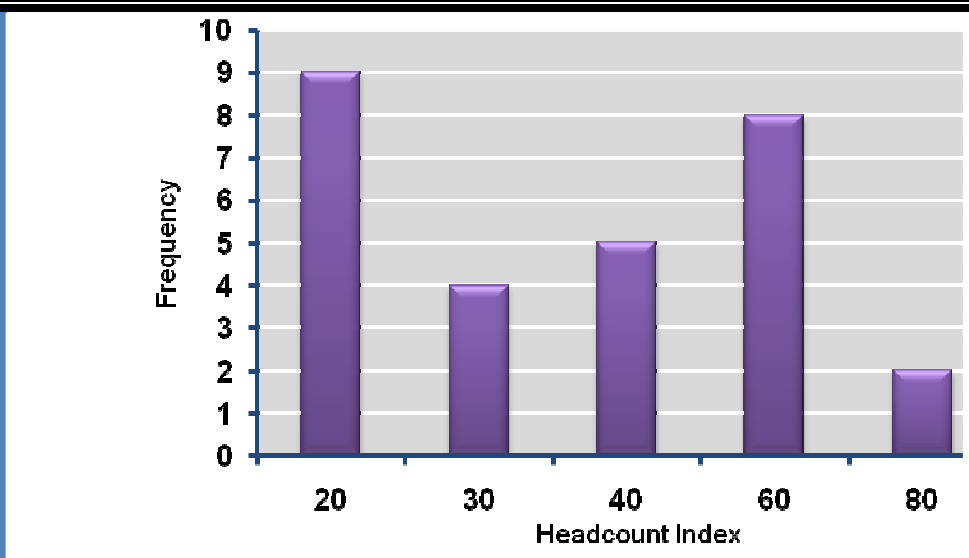
	1990	1999	2001
East Asia	8.9	4.2	3.9
South-East Asia	3.8	2.0	1.7
South Asia	10.3	7.1	7.1
North Africa	0.5	0.3	0.3
Sub-Saharan Africa	19.5	18.6	20.5

Source: Economic Report on Africa 2005.

Several key points can be concluded from the preceding discussion. First, SSA has the highest intra-regional poverty levels in the world. Second, in terms of the relative poverty measurements, the average poor in SSA household is relatively worse off than those in the rest of the world. Third, unlike many other regions in the world, SSA has not been able to significantly alter the proportion of its poor and, therefore, the poor in SSA can be characterized as the "ultra poor of the world".

Another related issue to the overall poverty situation in SSA lies in the fact that the averages of poverty sometimes hide the distributional dimension within different regions. In this respect, when the distribution of headcount indices of SSA are examined, it is observed that only 5 countries in a sample of 28, yield a headcount ratio that is close to the region's average (See Fig. 1.2). There are 10 economies, where the headcount measure is 60 or more.

Figure 1.2 *Frequency Distribution of Headcount Indices in SSA (2001)*



Source: World Bank (2004)

The performance of SSA in terms of other measures of poverty also has not been encouraging. For example, the average gross primary enrolment rate was around 67 per cent compared to 94 per cent for South Asia. Health services are also falling behind in most of the countries, with more than 200 million have no access to health services. This is reflected in an average mortality rate of 93 per 1000 people. The percentage of people with access to improved water sources and sanitation is also very low in SSA compared to the other regions of the world (See Fig. 1.3).

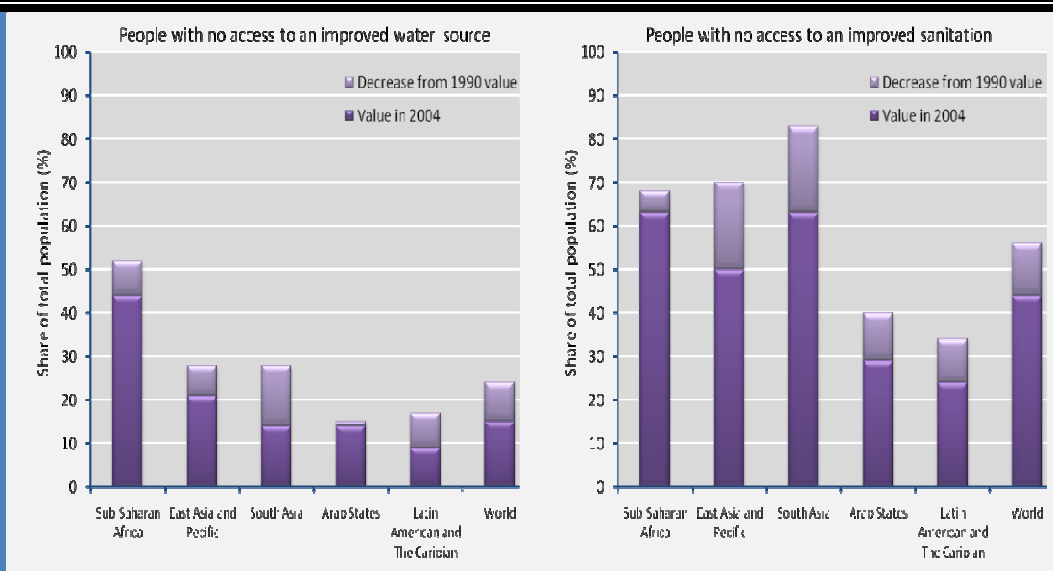
The high incidence of poverty in SSA is one of the primary development challenges. The UNDP, World Bank and other leading international institutions have taken the initiative to combat severe poverty in the world, including SSA. Millennium Development Goals for 2015 have been set and these institutions are collaborating with countries to put in place policies to alleviate poverty. During the second Tokyo International Conference on African Development (TICAD II) in 1998, a set of elaborate poverty reduction and human development goals had been re-emphasized for the African region, reaffirming the commitments made three years earlier at the first TICAD conference and at the UN Social Summit in Copenhagen. There were three broad areas outlined in the agenda of

TICAD II; economic development, social development and basic foundations for development (good governance, conflict prevention and post-conflict development). A time framework for the social and economic development goals was also a key part of the agenda. These included:

• Universal Primary Education (UPE) in Africa by 2015, with 80 percent completion by 2005;
• Halve the 1990 illiteracy rate by 2005, with an emphasis on improving female literacy rates;
• Gender equality in primary and secondary enrollments by 2005;
• Halve the 1990 maternal mortality rate by 2005, and by a further half by 2015;
• Reduce infant and child mortality rates to one-third of their 1990 levels by 2015;
• Universal access to reproductive health services by 2015;
• Halve the number of malnourished people by 2015;
• Safe water and sanitation for 80 percent of the population by 2005.
• Reduce the number of women living in poverty by two-thirds by 2015.

A review made by the World Bank, to find out to what extent progress had been made on reaching the above mentioned goals, suggests that most countries are off the track on most of the targets and will need to increase the rate of progress. However, countries in the Southern Africa seem to be on the track [Findings, World Bank 2002].

Figure 1.3 *Improvement in the Access to Improved Water Source and Sanitation at Regional Level*



Source: UNDP Report (2006)

1.2 Dimensions of Poverty in Sub-Saharan Africa

Numerous reports and articles have been published, not only highlighting the fact that poverty in SSA is profound and warrants serious attention but they also identify the areas where assistance should be focused to reduce poverty in the region.

A more recent report to the UN Secretary General (UN Millennium Project 2005) provides a comprehensive review of the progress made towards the Millennium Development Goals so far and identifies challenges in meeting these goals. In its general remarks on sub-Saharan Africa, it concludes:

> *"The region is off track to meet every Millennium Development Goal. It has the highest rate of undernourishment, with one-third of the population below the minimum level of dietary energy consumption...."*

The report acknowledges that Sub-Saharan Africa is burdened by poor geographical endowments. The region has the highest risks associated with agriculture, transport, and Malaria (see Table 1.2).

Table 1.2
Agriculture Risk, Transport Risk and Malaria Risk by Region

	Agriculture Risk	Transport Risk	Malaria Risk
East Asia	0.68	0.27	0.04
Central Asia	0.31	0.41	0.00
Middle East and North Africa	0.71	0.36	0.02
South Asia	0.86	0.26	0.02
Sub-Saharan Africa	0.86	0.52	0.42

Source: UN Millennium Project 2005.

In this context, the report stresses several structural factors that have made the region most vulnerable in the world with a persistent poverty trap. Some of these factors include:

- High Transport Costs;
- Low Agricultural Productivity;
- Heavy disease burden;

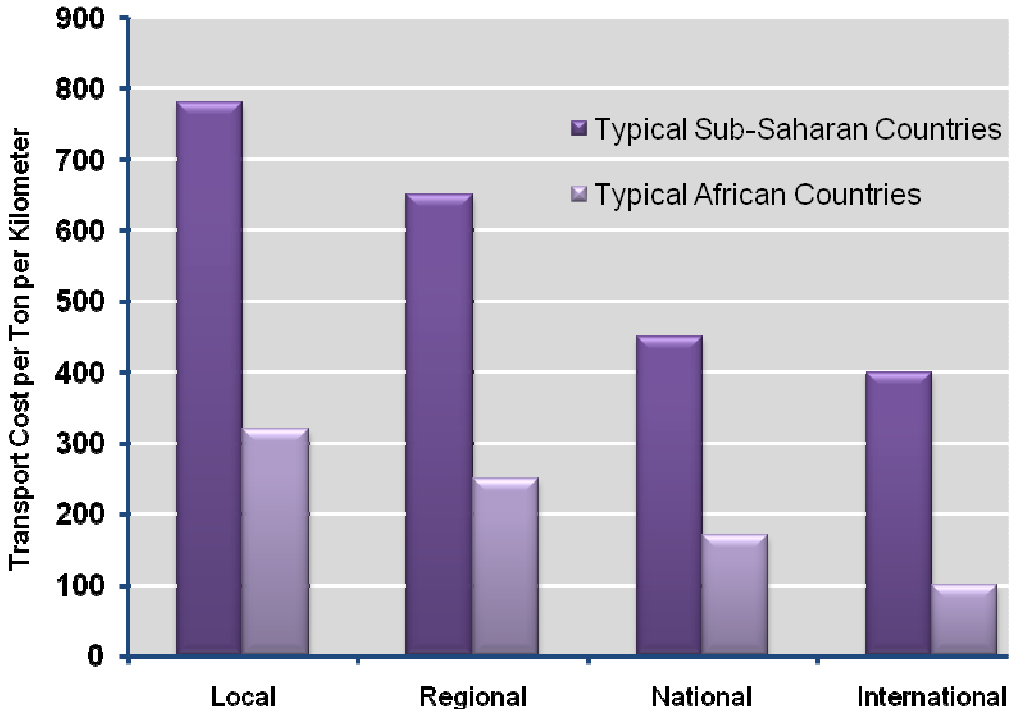
Transport Costs - Infrastructures

Key features of rural poverty in Africa include inadequacies of income generating opportunities for rural dwellers and inadequate access to economic and social services. In many instances, the extent and character of these inadequacies are very much a function

of the inadequate provision of rural transport infrastructure and services. Rural travel and transport (RTT), as part of poverty alleviation strategies of the World Bank, has led to considerable increase in interest in designing policy and physical interventions relating to RTT. Low access to services and mobility is found in the rural areas with a high level of dependence on the foot as the means of travel.

The Sahara separates between SSA and its major trading partner Europe and this fact raises the costs of transport. The relatively high transport costs in SSA compared to the other regions are presented in Figure 1.4. It is clear that the region needs an extensive road system to reduce higher transport costs, which have a direct bearing on economic activities, agricultural productivity and poverty (UN Millennium Project 2005).

Figure 1.4 *Relative Transport Costs in a Typical Sub-Saharan Country*



Source: UN Millennium Project 2005

Therefore, making core investments in infrastructure together with investment in human capital are vital measures for achieving the developmental goals in the region. When the individuals and businesses have access to infrastructure and human capital, the private sector can grow and contribute more significantly to development.

Agricultural Productivity and Food Production

It has been established in many reports on poverty that larger percentages of the world's poor live in rural areas. According to estimates made by International Fund for Agricultural Development (IFAD, 2001), the rural poor accounted for almost 75 per cent of world's poor people. In the case of the OIC member states in SSA, 60 per cent of the

population lives in rural areas. Consequently, being the largest part of the rural economy in most developing countries, agriculture can have an important role to play in pro-poor growth policies.

Improvements in agricultural productivity lead directly to increases in food production. In addition to economic benefits of producing more food and therefore having greater access to consumption of food, higher agricultural productivity contributes directly to improved nutrition for the poor. Improved nutrition means better health. Therefore, the importance of agricultural productivity in SSA cannot be overstated. In Table 1.3, the comparisons between various indicators related to agricultural productivity between various regions of the world through time have been presented.

Table 1.3
Technological Diffusion and Agricultural Productivity

	Share of area planted to modern varieties				Cereal yield (kg per hectare)	Average annual growth in food production per capita (percent)
	1970	1980	1990	1998	2000	1980-2000
Asia	13	43	63	82	3.662	2.30
Latin America	8	23	39	52	2.809	0.90
Middle East and North Africa	4	13	29	58	2.660	1.00
Sub-Saharan Africa	1	4	13	27	1.112	-0.01

Source: Millennium Project 2005.

Any successful development strategy must target raising the agricultural productivity in rural areas, a Green Revolution to raise food output. Most development experiences have been based on a Green Revolution at an early stage.

Fight against Malaria

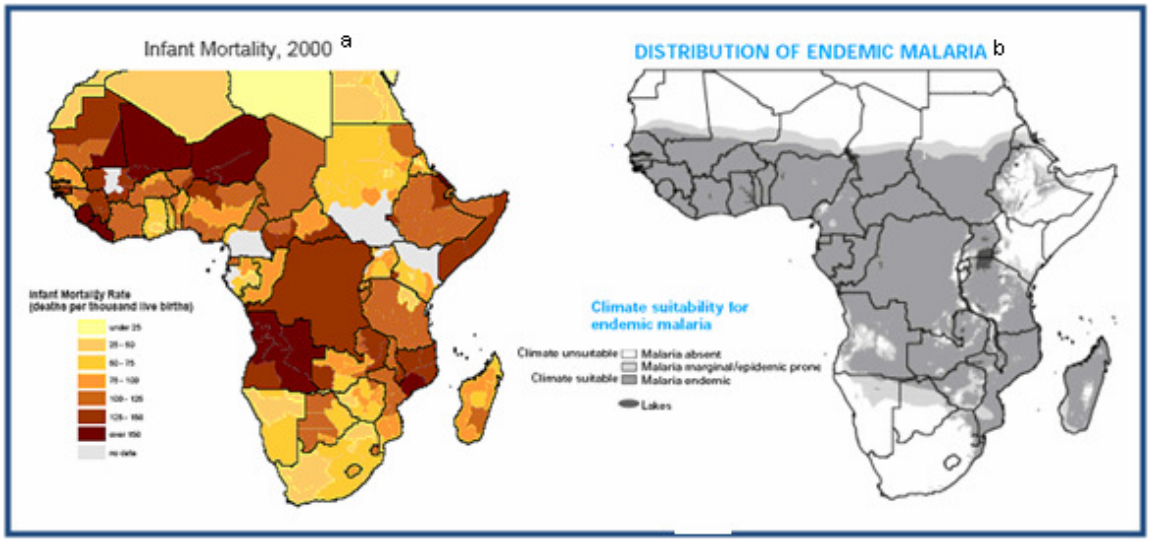
According to a UNICEF Report (2004) on malaria incidence, every year this parasitic disease by the bite of mosquito results in 300 million to 500 million clinical cases and causes more than 1 million deaths. Mostly it has impacts on young children under age of five in SSA, which explains high mortality rates in this part of the world. In Africa, according to the report, malaria causes approximately 20 percent of all child deaths[2]. Malaria also hinders the development of those who survive. In SSA, the disease is responsible for 30 to 50 per cent of hospital admissions.

Goals and targets have been agreed upon by the international community, under the Abuja Malaria Summit. One of the major breakthroughs of the recent years is the realization that mosquito nets treated with insecticide provide a much higher degree of protection against malaria than other nets. However, by 2002, fewer than 5 per cent of sub-Saharan African children could afford to use these nets because of the high cost of these nets.

[2] UNICEF, "Malaria A Major Cause of Child Deaths And Poverty In Africa", January 2004.

Map 1.1 shows the distribution of endemic malaria and infant mortality rates. The relation between the two is fairly obvious.

Map 1.1
Incidence of Endemic Malaria and Infant Mortality



Sources: [a] CIESIN, 2005; [b] UNICEF 2004

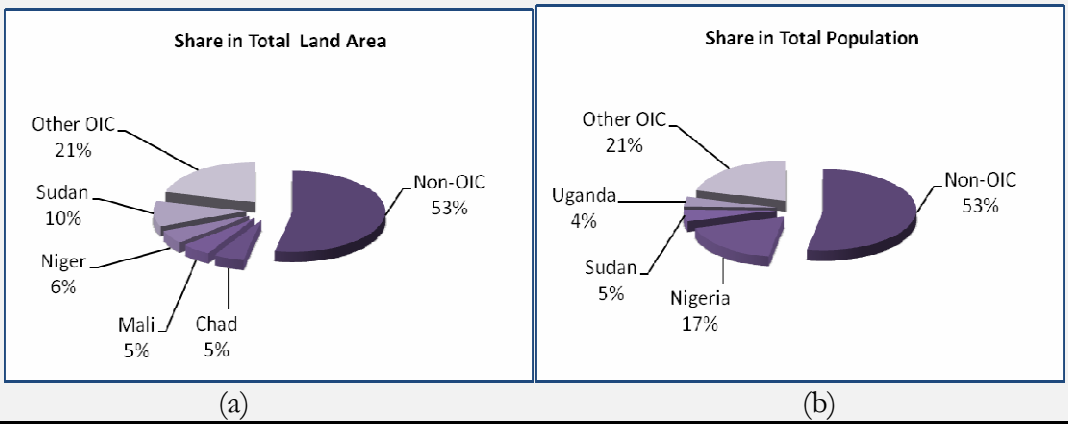
2 Sub-Saharan Africa: Review of the OIC Member States

As a background to the review of macro-economic performances and poverty situation in the OIC member states in SSA, distributions of population and land area have been discussed first. It has been suggested that due to highly unequal distributions, these countries can be classified into different groups. Classification of these countries into such groups is one of the novelties of the report; it facilitates the discussions on macro-economic situation and poverty assessments. It also seems to assist in prescribing policy suggestions in alleviating poverty[3].

2.1 Population, Land Area and Rural-Urban Divide

There are 22 OIC member countries in the sub-Saharan African (SSA), 18 of them are classified as least developing countries (LDC) by the United Nations. The overall distribution of population and land area within SSA is shared almost equally between the two blocks of OIC and non-OIC member states (see Fig. 2.1a and Fig 2.1b). However, at the disaggregated level, the distributions are disproportionate. For example, Gabon, Nigeria and Sudan, the oil exporting member countries, share 48 per cent of the population and 32 per cent of the land of the OIC block in the region. On the other extreme, six of the OIC members, Comoros, Djibouti, Gambia, Guinea, Mauritania and Sierra Leone, share only 5 per cent of the population and 11 per cent of total land area. Furthermore, six land-locked countries, Burkina Faso, Chad, Mali, Niger and Uganda, inhabit 22 per cent of the population and possess 38 per cent of the land area of the OIC block. It is also being observed that the share in the population and land area of the three oil exporting and five land-locked member countries is 70 per cent of the OIC block in the region.

Figure 2.1 *Distribution of Land Area and Population*



[3] All data in this section has been taken from Africa Development Indicators, World Bank 2006.

To facilitate the analysis in this report, the OIC member countries in SSA are classified into four sub-groups (See Table 2.1). All the land-locked countries have been placed in the group C and the major oil exporting countries into group D. The grouping of countries into group A and group B, however, is not that obvious. The small economies have been placed into group A. The seven countries in this group occupy 11 per cent of the total land area with only 5 per cent of the total population of all the OIC countries in the region. The countries in group B are medium sized economies. They occupy 19 per cent of the land area and accounting for 24 per cent of the total population.

Four different colors have also been assigned to these groups and have been employed in most of the tables and diagrams pertaining to the analysis of the data of the member states[4] (See Table 2.1).

Out of the total population of 343 million of the OIC member countries in SSA, 60 per cent (207 million) live in rural areas. Yet, the distribution of rural population is uneven in these countries. 30 per cent of the total rural population lives in the land-locked countries alone. If the rural populations in Nigeria and Sudan were also added, it would account for 72 per cent (150.7 million) of the total rural population of the OIC countries in SSA.

Table 2.1
Classification of OIC Member States in SSA

	Group A	Group B	Group C	Group D
Population	18.60	82.10	76.60	165.60
% in Total	0.05	0.24	0.22	0.48
Land Area	1214.00	2117.00	4217.00	3545.00
% in Total	0.11	0.19	0.38	0.32
GNI per capita	**779.33**	**555.00**	**278.00**	**1680.00**
Minimum	160.00	270.00	210.00	430.00
Maximum	2061.00	810.00	350.00	4080.00
Group A	Comoros, Djibouti, Gambia, Guinea-Bissau, Mauritania, Sierra Leone, Togo			
Group B	Benin, Cameroon, Côte d'Ivoire, Guinea, Mozambique, Senegal			
Group C	Burkina Faso, Chad, Mali, Niger, Uganda			
Group D	Gabon, Nigeria, Sudan			

As a background to the assessment of various poverty indicators in the sub-Saharan Africa OIC member countries in the following section, the remaining part of this section present an overall review of the macro-economic performances of these countries.

2.2 Trends in GDP Growth Rates

The development pattern in terms of the real GDP growth rates of the OIC member countries in SSA has been increasingly diverse during 2000-2004. Most of the member states in the region were not able to meet the 7 per cent or more growth rate required to

[4] Due to unavailability of data, Somalia is not included in this classification.

achieve the Millennium Development Goal (Economic Report on Africa, 2005). The average growth rate of real GDP for most of these countries was under 5 per cent. Chad and Sierra Leone were the only two countries with real GDP growth rates higher than 10 per cent while Mali and Mozambique had average growth rates over 5 per cent. The rest of the countries grew at rates below 5 per cent. The average growth rates of real GDP and per capita GDP growth rates for the four groups are reported in Table 2.2. The countries in Group C and D have achieved relatively much higher real GDP growth compared to the small and medium sized countries in Group A and Group B. One of the reasons for higher averages for Group C is the fact that Chad has recorded significantly higher growth rate in real GDP in 2000-2004.

Table 2.2
Growth Rates of GDP and GDP/Capita for the Four Groups

Country*	GDP		GDP per capita	
	1990-99	2000-04	1990-99	2000-04
Group A	1.14	3.73	-1.31	0.72
Group B	3.88	3.98	0.46	0.68
Group C	3.20	5.84	0.68	3.00
Group D	3.63	4.33	0.90	2.30

* The classification of countries into groups (A, B, C, D), with different colors, is given in Table 2.1.

The patterns of growth rates have been further examined through time. The average real GDP growth rates, GDP per capita, and growth in the value added of Agriculture, Industry and Services sectors in 2000-2004 have been plotted against the averages of 1990-1999. The diagonal lines in these plots are the 45 degree lines. If the average growth rate of a country has improved over time, its value will be above the diagonal line and vice versa. These growth rates have been plotted separately for the four groups (Appendix A.1.).

Group A and Group B Countries: Small and Medium Sized Countries

Among the small economies in Group A, Sierra Leone is the only country showing significant progress in achieving higher real GDP growth and per capita growth in 2000-2004. Most of the other countries in this group either made no progress or realized lower rates in 2000-2004 compared to 1990-1999 averages.

In Group B, the medium size economies, Cameroon, Mozambique and Senegal achieved relatively better performance in their GDP and per capita GDP growth rates. Mozambique is the only country in this group which increased its agricultural value added growth rates. Cameroon and Senegal realized higher growth in their industrial output and services sector.

Group C: Land-Locked Countries

Four of the five land-locked countries in Group C, not only achieved higher real GDP growth rates in 2000-04 over 1990-99 but also succeeded in increasing the growth rates of

real GDP per capita. Uganda is the only country in this group where a decrease in the growth rates of real GDP and GDP per capita had been registered. Chad achieved exceptional increase in the average real GDP growth rate of 14.7 per cent in 2000-04. Most of this growth can be attributed to the industry and services sectors with lower growth in the agriculture sector.

Group D: Oil Exporting Countries

Nigeria, in this group of three countries, attained higher growth in real GDP, per capita GDP, agricultural and services sectors. Gabon, on the other hand, realized lower rates in both GDP and per capita GDP. Sudan also achieved higher per capita GDP growth rate but recorded significant decrease in the growth rate of agricultural value added.

2.3 Other Macro-Economic Indicators

Savings Rates

One of the explanations provided for the poor GDP growth performances in SSA is that extreme poverty, in most of these economies, leads to low savings rates and which in turn translates into low growth rates and this cycle continues (Sachs, 2004). Furthermore, these low savings are not being compensated by foreign direct investment because of the poor infra structure and business environment. This vicious circle is being termed as "Poverty Trap" (Millennium Project, 2005). It is being suggested in the report that without substantial external assistance, most of these countries in the region cannot come out of this trap.

In Figure 2.2, we plot the gross national savings as a percentage of GDP for the year 2004. Except for Gabon, Nigeria, Chad and Côte d'Ivoire, the rest of the OIC member countries in SSA recorded ratios below 20 per cent. Furthermore, the ratio was below 10 per cent in 12 OIC member states. Chad and Nigeria were able to accelerate real GDP growth rates and register increase in savings ratios.

Debt Situation

The total external debt of the OIC member countries in SSA in 2004 was $116 billion, while the total nominal GDP was $183.11 billion. The ratio of total debt of the individual countries to their GDP is reported in Figure 2.3. The external debt to GDP ratio for the countries in Group A, Guinea-Bissau, Gambia, Sierra Leone, Comoros and Mauritania had been in excess of 150 per cent. Most of the land-locked economies, on the other hand have much lower ratios.

Figure 2.2 *Gross Domestic Savings as a Percentage of GDP (2004)*

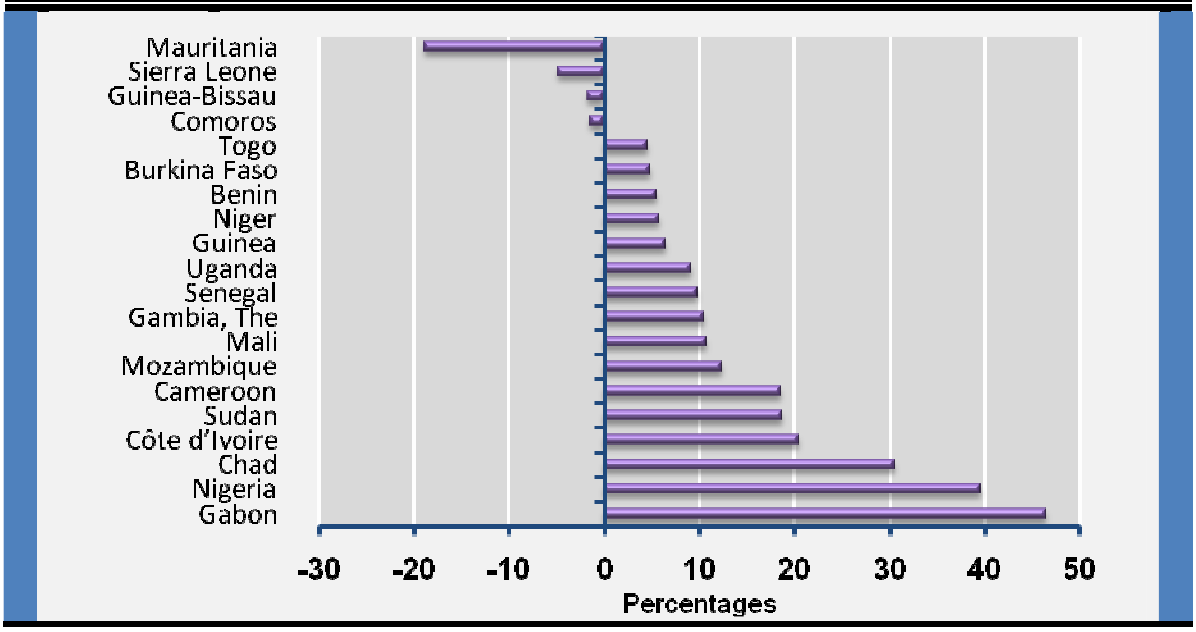
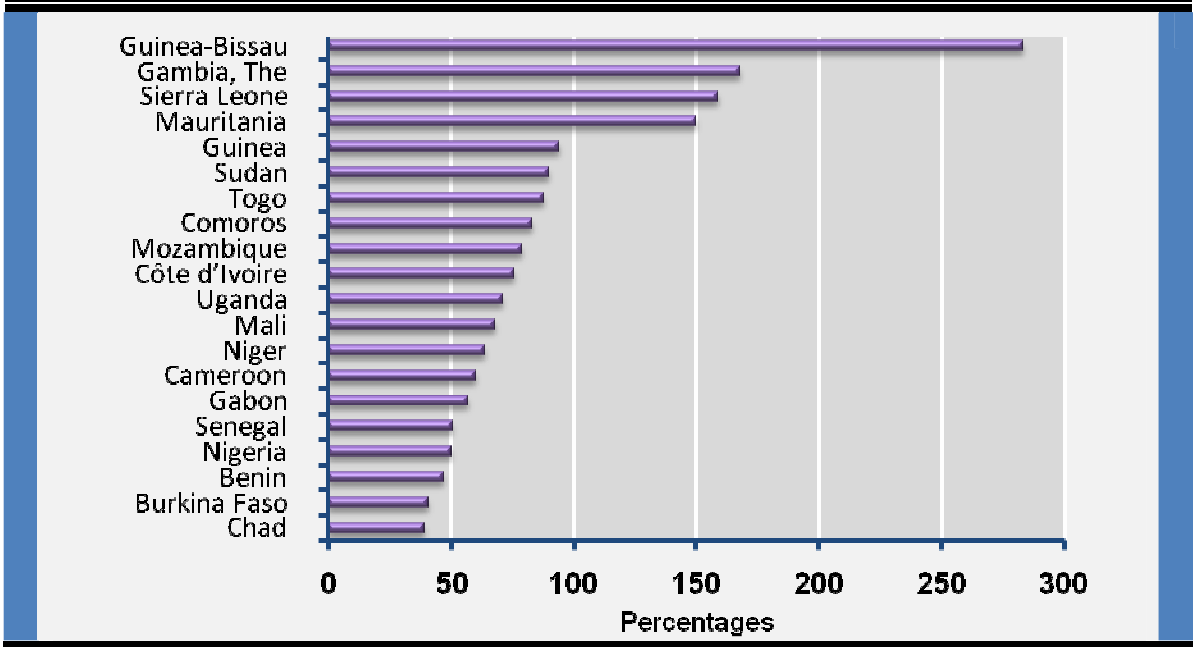


Figure 2.3 *External Debt to GDP Ratio (2004)*



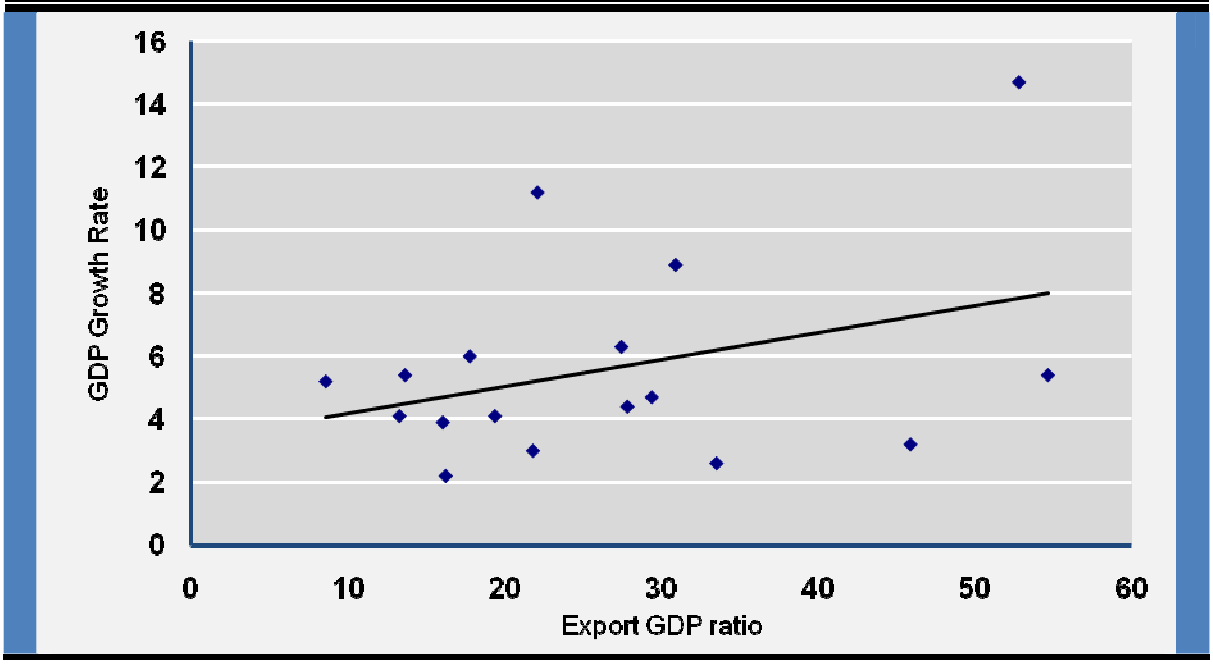
There are 14 countries in Africa who are already eligible for 100 per cent debt relief initiative agreed at G8 Summit in Gleneagles. Benin, Burkina Faso, Mali, Mauritania, Mozambique, Niger, Senegal and Uganda are among these countries. Highly Indebted Poor Countries Initiative (HIPC), provides assistance in reducing the external debt burden of the heavily indebted poor countries. The total relief through this initiative is around 47 per cent of the total external debt of the OIC member countries. It is expected that the number of countries eligible for 100 per cent debt relief to increase to 25 countries as they reach their completion points under the heavily indebted poor country program.

Trade

It is generally argued in growth literature that economies with more openness, in terms of contribution of trade to GDP, are more prone to higher growth. One of the reasons to justify this argument is based on the fact that open economies can attract more foreign direct investment from abroad, which helps them both in the short and in the long run due to diffusion of technology. In Figure 2.4, real GDP growth rates in 2004 are plotted against export-GDP ratios of the OIC member countries in SSA. The diagram does suggest some support to the hypothesis that more openness leads to higher growth in GDP. The simple correlation coefficient for the two indicators is around 36 per cent.

Gabon and Nigeria, the two oil-exporting countries, have the highest export-GDP ratios, 61 and 54 per cent, respectively. Chad, Gambia and Côte d'Ivoire also export significant proportion of their GDP.

Figure 2.4 *GDP Growth Rates Against Export GDP Ratio*



3 Poverty Indicators and Assessments

In this section, the two indicators: the Human Development Index (HDI) and the Human Poverty Index (HPI) are first explained to assess the overall state of development and poverty in the OIC member countries in SSA. The disaggregated indicators of poverty are then discussed to get more insight about poverty situation in these countries and to evaluate and compare their situation with that of the region as a whole[5].

3.1 Aggregated Poverty Indicators

The Human Development Index (HDI) is a measure of the quality of people's lives in the form of human development. It was first published by the UNDP in 1990. It is an attempt to quantify the social dimension of the development process. It is a composite index of life expectancy at birth as a proxy for longevity, adult literacy rate and gross enrolment ratio as a proxy for knowledge, and real GDP per capita as a proxy to decent standard of living. Thus, the index incorporates the following indicators:

- Life Expectancy;
- Adult Literacy Rates;
- Gross Enrolment Ratio; and
- GDP per capita (PPP US$).

On the other hand, Human Poverty Index (HPI-1) is an attempt to quantify the human dimension of poverty. It is a composite index based on three essential aspects of human deprivation: longevity measured by the probability at birth of not surviving to age 40; knowledge measured by adult illiteracy rate; and a decent standard of living measured by the percentage of population not using improved water sources and the percentage of underweight children under age 5. Thus, the index incorporates the following poverty indicators:

- Probability at birth of not reaching age 40;
- Adult Illiteracy Rate;
- Percentage of people without access to safe water; and
- Percentage of underweight children under the age of 5.

It is observed that four of the OIC land-locked countries, except Uganda, have the lowest scores of HPI in the group. In contrast, two of the oil-exporting countries, Gabon and Sudan, have recorded the best scores of HPI and HDI. These scores also indicate that countries with higher achievements in terms of HDI have also been able to accomplish better HPI results (Table 3.1).

[5] All data in this section has been taken from Africa Development Indicators, World Bank 2006.

Most of the poor live in the rural areas. They lack access to basic social services. In most of the cases, the distribution of income between rural and urban areas is highly unequal. The data on HPI scores of OIC member countries in SSA and their respective shares in the rural population are plotted in Fig. 3.1 and the positive correlation between the two indicators is fairly evident. However, the variation in HPI increases with the percentage of rural population.

Table 3.1
Poverty and Human Development: Aggregated Measures

Country*	HPI	Country	HDI
Gabon	27.3	Niger	0.311
Djibouti	30.0	Sierra Leone	0.335
Sudan	31.3	Mali	0.338
Comoros	31.6	Burkina Faso	0.342
Cameroon	35.6	Guinea-Bissau	0.349
Uganda	36.0	Chad	0.368
Togo	39.2	Mozambique	0.390
Nigeria	40.6	Côte d'Ivoire	0.421
Mauritania	41.0	Benin	0.428
Côte d'Ivoire	41.5	Guinea	0.445
Senegal	44.0	Nigeria	0.448
Gambia, The	44.7	Senegal	0.460
Benin	47.8	Gambia, The	0.479
Guinea-Bissau	48.2	Mauritania	0.486
Mozambique	48.9	Djibouti	0.494
Sierra Leone	51.9	Togo	0.495
Guinea	52.0	Uganda	0.502
Niger	56.4	Cameroon	0.506
Chad	57.9	Sudan	0.516
Burkina Faso	58.3	Comoros	0.556
Mali	60.2	Gabon	0.633

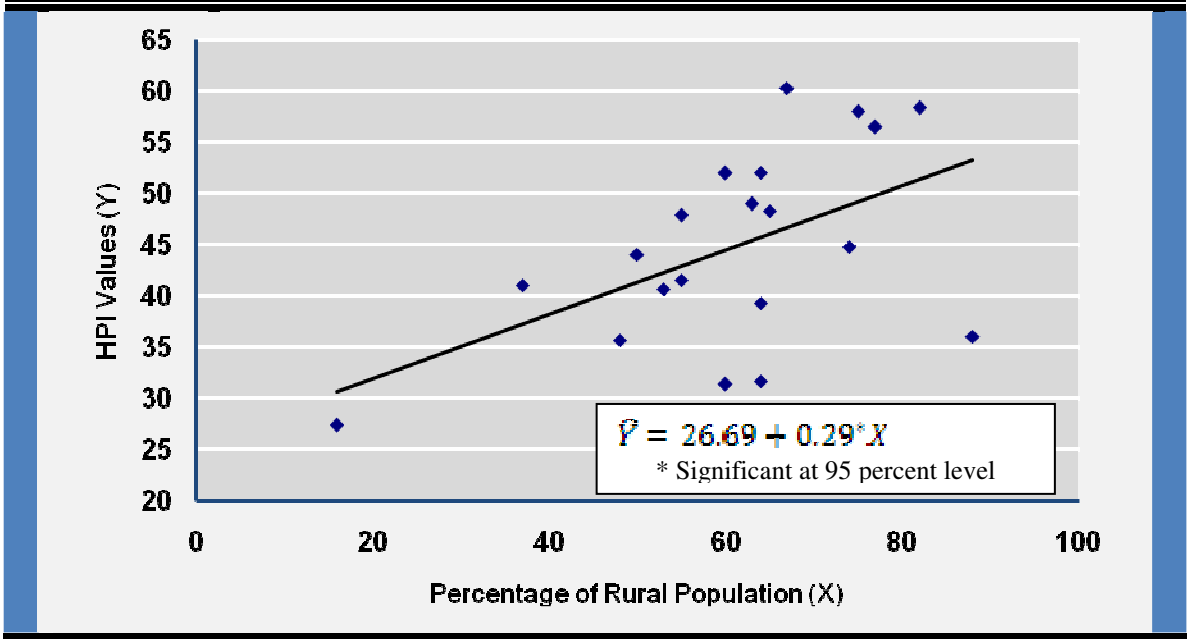
Source: UNDP Report (2006)
*The classification of countries into groups (A, B, C, D), with different colors, is given in Table 2.1.

3.2 Disaggregated Poverty Indicators

In Box 3.1, relative comparisons of the disaggregated poverty indicators have been depicted. Some of these indicators result from poor living conditions and others characterize the living conditions. Life expectancy is overall low in the region and is the outcome of sustained and chronic poor living environment. On the other hand, mortality rate seems to vary more across the countries. It is also observed that most of the land-locked countries have relatively low scores of life expectancy rates and high scores of mortality rates. Gabon and Sudan, the oil-exporting countries, are among the best performers. Comoros, an island with a population of 600 thousand with a moderate GNI per capita of $580, has been able achieve best results in almost all the indicators. However, the geographical conditions of the country are also different when compared to most of the OIC member countries in the region.

Prevalence of HIV is low among the OIC member countries as compared to some of the non-OIC countries in the region. Its incidence in Mozambique and Gabon is on the high side.

Figure 3.1 *Relationship between HPI and Rural Population*



Tuberculosis cases also show wide variation among the member states. Most of the land-locked countries have relatively low number of reported cases.

In terms of access to safe water and sanitation, again the data indicate that in most of the land-locked countries the provision of these services had been relatively inadequate.

3.3 Poverty Comparisons of the OIC Members in Sub-Saharan Africa

Four measures of poverty related variables, for each of the OIC member country, have been compared with the averages of all the countries in the region. These indicators include: infant mortality rate, life expectancy, probability at birth of not surviving to age 40 and proportion of population with accessibility to a safe sources of water. These indicators have been compared, using diamond-plots (Appendix A2), in which the dotted diamond represents the normalized average of all the countries in the region. The solid diamond shows the relative position of a member state against the normalized values. These plots have been classified according to the four groups of the OIC member countries.

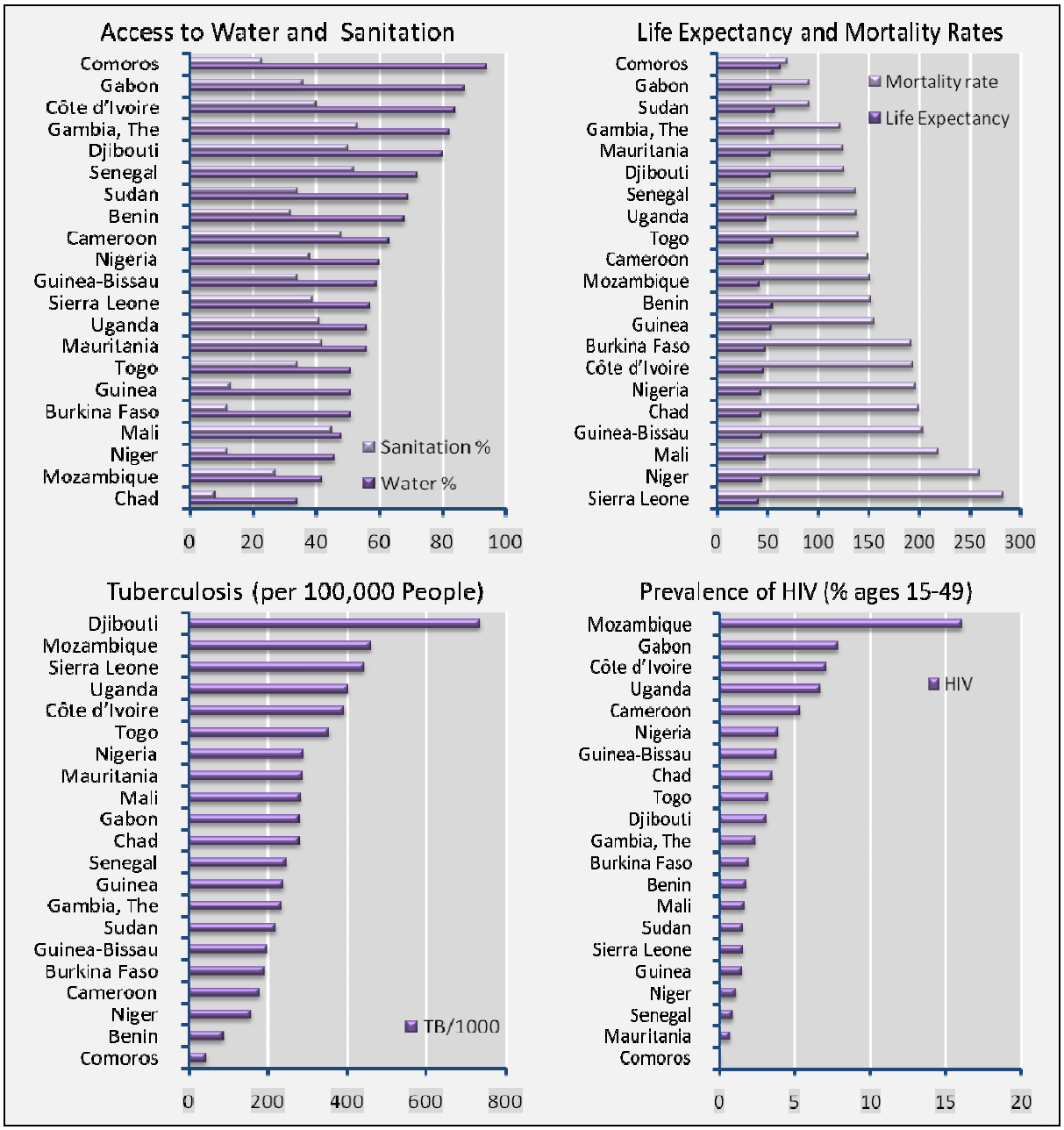
Group A and Group B

Comoros, a small island, has one of the best records in all four dimensions of poverty indicators in the region. Togo has also performed well in the group of small economies. On the other hand, Sierra Leone did not perform well with respect to any of these indicators. In group B, Senegal has relatively satisfactory performance on all the four indicators of poverty. Benin and Cameroon are the other two countries in this group with promising records.

Group C

In this group of land-locked countries, most of the countries did not perform well compared to the averages of the region. Chad, with high GDP and industrial growth rates, has very poor record measured by these poverty indicators. Burkina Faso and Uganda have succeeded in achieving values close to the averages of the region.

Box 3.1:
Poverty Indicators



Group D

In this group Sudan has done well in all the four indicators of poverty. Gabon, with highest per capita GDP of $4080, has a dismal poverty record.

3.4 Empirical Analysis of Poverty Indicators

Preceding sections have presented different indicators of poverty. Data on the issues of interest have been discussed and certain patterns have been observed. It is clear that poverty is a multi-dimensional phenomenon. In order to draw policy implications, one needs to analyze the data in an empirical framework. Studies by the international institutions, such as the World Bank and the UNDP, usually employ multiple linear regression models for such empirical analysis. In this section similar methodology is employed to identify factors affecting various indicators of poverty in SSA.

Under-five mortality rate and life expectancy are among the key indicators of poverty. Under-five mortality rate is the probability that a newborn baby will die before reaching the age of five. Life Expectancy, on the other hand, indicates the number of years a newborn infant would live under the prevailing conditions. To explain variations in these two indicators of poverty, across different countries in the region, multiple linear regression technique has been employed. Furthermore, significant changes in Under-five mortality rates and infant mortality rates have also been observed while comparing the average rates of 1991 with the rates of 2004 at the country level. The percentage changes have been calculated from the data of mortality rates of 1991 over 2004 and these changes have also been analyzed in an empirical framework.

In these empirical specifications, data for all the countries in SSA has been employed. Several versions of these specifications have been tried. The models with better statistical significance have been reported in Box 3.2.

Under- five Mortality Rates

Mortality rate is one of the key indicators of prevalence of poverty. And there has been significant variation in the mortality rates in the region. The regression results show that land-locked countries seem to have significantly higher mortality rates after controlling for the GDP per capita and other variables. The coefficients of the other variables seem to have expected signs and are statistically significant. Their marginal effect on mortality rates is, however, nominal.

Life Expectancy

Life Expectancy, another key indicator of prevalence of poverty, is also modeled. Unlike mortality rate, this poverty indicator is a symptom of long-term deprivation, isolation, geo-politics and chronic poverty. Significant percentage of population in the land-locked countries has been living in rural areas and as in the previous model the dummy variable for the land-locked economies turned out to be statistically significant. It shows that, other things being equal, on the average the life expectancy of people living in the land-locked countries is less than the other countries in the region. Incidence of tuberculosis has a highly significant impact on life expectancy. Contrary to expectations the impact of income (in terms of GDP per capita) has not been found as significant. On the other hand, greater access to safe water source to rural areas increases life expectancy.

Box 3.2
Regression Results

Table 3.2a
Under-Five Mortality Rate

Exogenous Variables	Estimated Coefficient	Standard Error
Intercept	232.76*	26.59
Land Locked (D=1)	41.66*	12.06
GDP per capita	-0.015*	0.006
Access to safe water source in rural areas (%)	-0.796*	0.294
Gross Enrolment Ratio (Primary)	-0.534**	0.256
R^2 0.591	Observations 41	

* Significant at 99 percent level
** Significant at 95 percent level

Table 3.2b
Life Expectancy

Exogenous Variables	Estimated Coefficient	Standard Error
Intercept	54.07*	2.73
Land Locked (D=1)	-8.51*	1.80
GDP per capita	0.0012	0.003
Access to safe water source in rural areas (%)	0.076***	0.043
Tuberculosis per 100,000	-0.021*	0.003
R^2 0.68.8	Observations 41	

* Significant at 99 percent level
*** Significant at 90 percent level

Table 3.2c
Changes in Mortality Rates[a]

Exogenous Variables	Under 5 Mortality Rate	Infant Mortality Rate
Intercept	1.457 (4.509)	-0.438 (4.13)
Growth Rate (Agriculture)	-2.184* (0.936)	-1.925* (0.858)
Growth Rate (Industry)	-0.152 (0.405)	-0.018 (0.371)
Growth Rate (Services)	-0.527 (0.696)	-0.460 (0.638)
R^2	0.447	0.39
Observations	42	43

Note: The values in the parentheses are the standard errors
[a] Dependent variable indicates the percentage change in the indicator in 2004 over 1991
* Significant at 95 percent level

Changes in Mortality Rates

The relative reduction in the mortality rates of infants and children under five, over a span of time, shows some success in reducing the incidence of poverty. Comparison of these mortality rates in 2004 with those of 1991 indicates wide variation at country level in SSA. Growth rates in the value added of agriculture, industry and services have been included in the empirical specification to explain changes in mortality rates.

The regression results show that agriculture growth is important in reducing mortality rates through time. The other two variables were not statistically significant. The result supports the overall conclusion of most of the reports that poverty in this region is mostly a rural phenomenon and the rural population subsists on agriculture. However, these results should be interpreted with caution because a substantial variation in the dependent variable is not being explained by the model.

The empirical analysis reported here substantiates some of the conclusions that have been drawn in the preceding sections. It shows that most of the land-lock economies do seem to have greater incidence of poverty due to their special circumstances. Access to basic social services to the rural population is important in reducing poverty. And better performance of the agriculture sector seems to be important.

Given the availability of data several versions of the models have been estimated. It has been the first attempt to identify factors important in reducing the incidence of poverty. However, more thorough analysis, with the availability of data, is required to draw specific policy implications.

4 Policy Implications

This section recapitulates the discussion and analysis in the preceding sections and draws a description of the state of poverty in the OIC members in sub-Saharan Africa in order to prescribe broad policy guidelines to alleviate poverty in these countries. These policy prescriptions, however, are based on aggregate data and sometimes constrained by the unavailability of information on some of the key variables.

Several important determining factors of the key poverty indicators have been identified. These include:

- Market inaccessibility and poor infrastructure as typical characteristics of land-locked economies;
- Proportion of population living in the rural areas;
- Low agricultural productivity;
- Lack of access to basic social services;
- Unsatisfactory levels of education;
- Incidence of malaria;
- Poor governance.

The first three of these key determinants are interrelated and, therefore, are discussed below together with additional related information to facilitate an in-depth policy analysis.

4.1 Land-Locked Economies, Rural Population and Agricultural Productivity

It has been shown in Section 2 that the OIC member countries in SSA are very diverse and heterogeneous in terms of land area and population (See Table 2.1). The combined percentage of population and land area of the land-locked and major oil-exporting countries is around 70 per cent of the total OIC countries in the region. However, except for Gabon and Mauritania, the share of rural population is around 50 per cent or more in the rest of the member countries. The share of rural population in each of the land-locked countries is higher than 70 per cent. This share in Uganda and Burkina Faso, both of them are land-locked countries, is 82 and 88 per cent, respectively. Furthermore the rural population growth rate in the land-locked countries is 2 per cent or more. In Uganda, Chad, Burkina Faso and Niger it is around 3 per cent. Gabon and Mauritania, on the other hand, have had negative growth rate in their rural population in the recent years. The population density of rural population is in general high in the small and medium size economies. The importance of rural population in terms of its direct correlation with poverty should, therefore, be an important consideration in any policy formulation to reduce poverty in these countries (see Figure 3.1 of this report and Nomaan Majid [2004]).

Agricultural productivity, measured in terms of cereal yield per hectare shows widespread variation (See Table 4.2). Most of the small and medium size member countries have achieved high yield. The land-locked countries, on the other hand, have very low values. Except for Uganda, all land-locked countries are among the group of countries with relatively lowest yield per hectare. The fact that most of the rural population in absolute terms lives in these land-locked OIC countries, there is a desperate need to determine the causes of low productivity in these countries and to assist them in implementing policies to increase agricultural productivity. Some of the reasons for this low productivity are well established. The poor infrastructure and therefore high transportation cost is one of the major constraints for farmers in rural areas to have viable access to markets. In most of the land-locked countries, the use of fertilizer is also minimal (See Table 4.2).

Table 4.1:
Rural Population (2004)

Countries*	Rural Population (Share of Total Population)	Annual Growth (Rural Population)	Rural Population Density (rural population per sq km of arable land)
Gabon	16	-3.1	67
Mauritania	37	-0.5	227
Mozambique	63	0.1	282
Cameroon	48	0.2	129
Sudan	60	0.3	125
Nigeria	53	0.6	220
Côte d'Ivoire	55	0.7	294
Senegal	50	0.9	228
Guinea	64	1	533
Comoros	64	1.2	467
Togo	64	1.7	151
Benin	55	1.8	166
Guinea-Bissau	65	1.8	329
Mali	67	2	185
Niger	77	2.7	70
Burkina Faso	82	2.8	211
Gambia, The	74	2.8	337
Chad	75	2.9	190
Sierra Leone	60	3	550
Uganda	88	3.4	453

* The classification of countries into groups (A, B, C, D), with different colors, is given in Table 2.1.

One of the central finding of growth literature is that poverty is reduced by economic growth[6]. Many academic papers and international agency reports have highlighted this point. The question whether growth is likely to be pro-poor, however, depends on the assumption of distribution neutrality of growth[7]. Burkina Faso, Chad, Niger and Mali have achieved higher real GDP growth and per capita GDP growth in 2000-2004. In fact,

[6] See for example, Dollar and Kraay (2002), White and Anderson (2000).
[7] Ravallion (2001), Lipton and Waddington (2004) and Timmer (1997).

Chad has achieved extraordinary leap in growth rates but all the poverty indicators of 2004 reflect that the benefits of these achievements did not reach to the poor in the rural areas.

Table 4.2:
Agricultural Productivity and Fertilizer Use (2004)

Countries*	Cereal Yield (kilograms per Hectare)	Fertilizer Consumption (Hundred grams per hectare of arable land)
Niger	394	3,4
Sudan	398	42,8
Chad	671	48,6
Mali	839	90,1
Burkina Faso	941	3,6
Mozambique	959	59,3
Senegal	975	136,1
Nigeria	1.057	55
Togo	1.058	67,9
Gambia, The	1.123	25,4
Benin	1.147	187,6
Guinea-Bissau	1.220	80
Sierra Leone	1.223	5,6
Côte d'Ivoire	1.262	330,3
Comoros	1.338	37,5
Mauritania	1.448	59,4
Guinea	1.468	30,5
Gabon	1.641	9,2
Uganda	1.695	18,2
Cameroon	1.727	58,6

*The classification of countries into groups (A, B, C, D), with different colors, is given in Table 2.1.

4.2 Lack of Access to Basic Social Services

Access to safe water sources and sanitation are proxy indicators of lack of basic social services in the OIC member countries. In Box 3.1, data on some of these indicators have been highlighted. The percentage of population having access to safe water and sanitation seems to be very low in most of these countries. The results of the empirical models in Section 3 show that percentage of rural population with access to safe water sources was a significant determinant of both under-five mortality rates and life expectancy. In the Millennium Report [2005], high transport costs and transport risks have been identified as major factors impeding economic activity, agricultural productivity and poverty alleviation (see Table 1.2 and Figure 1.4). Huge public investments are needed both in the short-run and in the long-run to provide basic transport network to develop linkages between rural areas and markets to reduce these high transportation costs.

4.3 Education

Education plays an undisputed positive role in reducing poverty. In particular, education of the female population is of paramount importance. According to the UN Millennium Project, only 57 per cent of children have access to primary education. The variation in secondary education enrollment among the OIC countries in SSA is very high. Table 4.3, reports the data on primary and secondary education enrollment in the OIC member countries. Most of these countries have overall low secondary enrollment ratios. However, some countries, such as Gabon, Uganda, Togo and Nigeria, recorded a significant progress in primary education enrolment ratio. In the secondary education, the majority of the land-locked countries are in the lower half of the list, with Niger and Burkina Faso having enrollment ratios of 8 and 12 per cent, respectively.

Table 4.3:
Gross Enrollment Ratios (2004)

	Primary Education**			Secondary Education		
Countries*	Total	Male	Female	Total	Male	Female
Niger	45	52	37	8	9	6
Mozambique	95	104	86	11	13	9
Burkina Faso	53	59	47	12	14	10
Chad	71	86	56	15	23	7
Guinea-Bissau	70	84	56	18	23	13
Senegal	76	78	74	19	22	16
Uganda	125	126	125	19	21	17
Mauritania	94	95	93	20	22	18
Djibouti	39	44	35	22	25	18
Mali	64	71	56	22	28	17
Côte d'Ivoire	72	80	63	25	32	18
Benin	99	111	86	26	34	18
Guinea	79	87	71	26	34	17
Sierra Leone	79	93	65	26	31	22
Sudan	60	64	56	33	34	32
Gambia, The	79	82	75	34	40	28
Comoros	85	91	80	35	40	30
Nigeria	99	107	91	35	38	31
Togo	101	110	92	39	52	26
Gabon	130	130	129	50	49	42

* The classification of countries into groups (A, B, C, D), with different colors, is given in Table 2.1.
** Gross enrolment ratio is the ratio of total enrolment, regardless of age, to population of the age group that it corresponds to, so the number can exceed value of 100.

According to the Global Monitoring Report (2006), 17 countries that have joined the FTI[8], are registering faster improvement, around 3 per cent, in promoting primary education. Most of the member states have not joined this program. Those who have become member of the FTI have made good progress. For example, Benin and Mozambique have achieved good rates of progress after joining the program according to the same report.

[8] Fast Track Initiative (FTI) was created as the first ever global compact on education, to help low-income countries achieve a free, universal basic education by 2015. Through the Fast Track Initiative, all involved partner countries and agencies coordinate at both national and international levels to ensure greater donor harmonization (World Bank 2004).

4.4 Incidence of Malaria

It has been discussed in Section 2 of this report that malaria incidence results in the death of millions of people around the world. In Africa it has been reported that malaria is a major cause of deaths of children. Furthermore, 30 to 50 percent hospital admissions in Africa relate to this disease. Table 4.4 shows the figures on the incidence of malaria in the OIC member countries in SSA. Its incidence in Mozambique and Uganda is extremely worrying. Thus urgent measures are needed, both in the short and long run to reduce its incidence in these countries. The UNICEF has reported the effectiveness of mosquito nets treated with insecticide. It is being reported that 60 per cent of those at risk from malaria benefit from these nets and reduce the child mortality by 20 per cent. This can be further improved by ensuring on time access to anti-malarial treatment (UNICEF 2004). However, due to extreme poverty, especially in the rural areas, people cannot afford these nets. These nets cost around $5. Under special program, financial support should be provided in distributing these nets to the people in need. In long run other measures, such as better medical facilities in the rural areas to provide immediate medical treatments for malaria infections.

Table 4.4:
Malaria Incidence (2004)

Countries*	Malaria Rate (Number of cases per 1000)	Countries	Malaria Rate (Number of cases per 1000)
Comoros	5.12	Togo	92.15
Nigeria	21.03	Sierra Leone	95.41
Côte d'Ivoire	24.87	Gambia, The	100.47
Cameroon	45.96	Guinea	109.53
Chad	47.66	Burkina Faso	114.95
Niger	59.05	Senegal	119.25
Mauritania	59.64	Benin	121.98
Mali	62.23	Guinea-Bissau	134.57
Gabon	66.78	Mozambique	269.72
Sudan	91.77	Uganda	477.93

* The classification of countries into groups (A, B, C, D), with different colors, is given in Table 2.1.

A Roll Back Malaria Partnership had been initiated in 1998 by the World Health Organization and others to mobilize resources and build partnership to reduce the malaria burden. Goals and targets have been agreed upon but more commitment and resources are needed to implement effective measures to reverse the incidence of malaria.

4.5 Poor Governance

Upholding the rule of law, efficient public administration and protection of basic human rights are essential in the implementation of poverty alleviation programs. World Bank has compiled series of indicators to assess the issues related to the governance of the countries around the world. The data indicates that most of sub-Saharan African countries

have poor governance. And this has impeded the flow of aid to these countries from some of the donor countries. However, the UN Millennium Project [2005] makes the following observation:

> *"The standard diagnosis of Africa is that the continent is suffering from governance crisis.....but it is wrong.....the relatively well governed countries remained mired in poverty and poverty traps. Governance is an issue, but Africa's development challenges are much deeper".*

Furthermore, the report also discusses the findings of an empirical model, in which it explains the GDP growth differentials across different countries of the world and concludes:

> *"....using World Bank indicators, there is no evidence that Africa's governance, on the average, is worse than elsewhere once we control for Africa's very low income. Controlling for income is necessary in evaluating governance since good governance requires resources for wages, training, information system....."*

It is encouraging that most of the OIC member countries in sub-Saharan Africa have signed the Paris Declaration[9] (PDI-2b, reliable country procurement systems) and the reform program is in place. However, except Mozambique and Uganda, the other OIC countries in SSA have not yet signed the PDI-12 mutual accountability accord. This accord allows for an independent assessment framework. The countries are expected to get access to more international assistance once they agree on PDI-12.

[9] In this declaration partner countries and donors have agreed on an international monitoring process. It was endorsed on 2 March 2005. It aims to improve the quality of aid and its impact on development.

5 Concluding Remarks

Eighteen out of the twenty two OIC member countries in sub-Saharan Africa are least-developed countries[10]. Poor governance, inequitable distribution of income, low agricultural productivity, inadequate infrastructure and lack of access to basic social services are all factors that lead the majority of the people in most of these countries, in particular the rural population, to extreme poverty. These countries are being stuck in poverty trap. The trap is a vicious circle; low income leads to lower savings levels, which further contributes to poorer income growth. Therefore big push in public investments through foreign donors is crucial in taking these countries to the path of rapid growth and prosperity.

The followings are the key recommendations of this preliminary report on poverty alleviation in the OIC member countries in SSA:

60 per cent of the total population of these countries lives in rural areas. In most of these countries this ratio is at least 50 per cent or more. Furthermore, most of the poor live in rural areas. Therefore, addressing the problems of the rural population should be one of the primary elements of any initiative or program of poverty alleviation in those countries.

The distribution of the population and land area is extremely diverse. 72 per cent of the total rural population resides in the land-locked countries and in Nigeria and Sudan (oil-exporting countries). It had been demonstrated in this report that most of the poverty indicators reveal that the majority of the land-locked countries, due to their special circumstances, have faired poorly. Therefore, in the order of priority, the OIC land-locked countries in SSA should get added importance in the formulation of policies. In this context, a special report on the problems and challenges facing these countries is highly recommended to identify their special needs, and examine the reasons for relatively better success records of countries such as Uganda, a land-locked economy.

Agricultural productivity and growth in agriculture value added are important determinants of poverty. There is significant variation in the reported values of cereal yield per hectare (See Table 4.2). The UN Millennium Report (2005) has also shown that the Sub-Saharan Africa has been lagging behind in this respect. The countries with large land areas and huge rural population must make a break through in achieving higher agricultural productivities. Guinea, Gabon, Uganda and Cameroon have achieved higher agricultural productivity, in terms of yield per hectare, than the average of the region (See Table 4.2). It is of prime importance to study the better success of some of the member states in achieving relatively higher yield per hectare than the average performance of the region. This would provide a framework of devising policies in the short run to increase agricultural productivities to the relatively high achievable averages of the region for the majority of the OIC states. In the second stage, a long-term policy agenda should be

[10] Cameron, Côte d'Ivoire, Gabon, and Nigeria are the exceptions.

identified to find out ways and means to further enhance agricultural production to come closer to what had been realized in the other parts of the world. This would require the development of new varieties of seeds, increasing the fertility of land and better access to markets.

Transport costs have been shown to be highest in the region due to the poor infrastructure. It has been identified as one of the major impediment in the economic development by most of the reports of the international agencies. Investment in this area is vital.

The program to combat "malaria" is already in place with the help of UNICEF and other international agencies. The NGOs from OIC member countries should be motivated, with better funding, to actively participate in these efforts and they should also collaborate with the international agencies.

The progress in the primary education enrollment has been encouraging. However, enrollment ratios in the secondary education are very poor in most of the countries. There is need for more commitment and support in this important area.

Finally, Table 5.1 presents a summary of the performances of the OIC member countries in the region with respect to some economic, poverty and other indicators. The OIC countries in the region with relatively better accomplishments and those which have not done so well have been selected in this summary table.

Table 5.1:
Performances of the OIC Member States in Sub-Saharan Africa

Group*	Indicators	Good Performance	Poor Performance
A	Macro Economic Indicators	Sierra Leone; Mauritania	Guinea Bissau
	Poverty Indicators	Comoros	Sierra Leone
	Agricultural Productivity	Comoros; Mauritania	Togo; Gambia, The
	Efficiency of Institutions**	Comoros	Guinea Bissau
B	Macro Economic Indicators	Cameroon	Guinea
	Poverty Indicators	Cameroon	Guinea
	Agricultural Productivity	Cameroon	Mozambique; Senegal
	Efficiency of Institutions	Benin, Cameroon	Mozambique
C	Macro Economic Indicators	Chad	Burkina Faso
	Poverty Indicators	Uganda	Mali
	Agricultural Productivity	Uganda	Niger
	Efficiency of Institutions	Niger	Chad
D	Macro Economic Indicators	Gabon, Sudan	Nigeria
	Poverty Indicators	Gabon	Nigeria
	Agricultural Productivity	Gabon	Sudan
	Efficiency of Institutions	Sudan	Gabon

* The classification of countries into groups (A, B, C, D) is given in Table 2.1.
** Efficiency of institutions is measured by the average number of days it takes to complete the bureaucratic and legal procedures in establishing a business (World Bank 2006).

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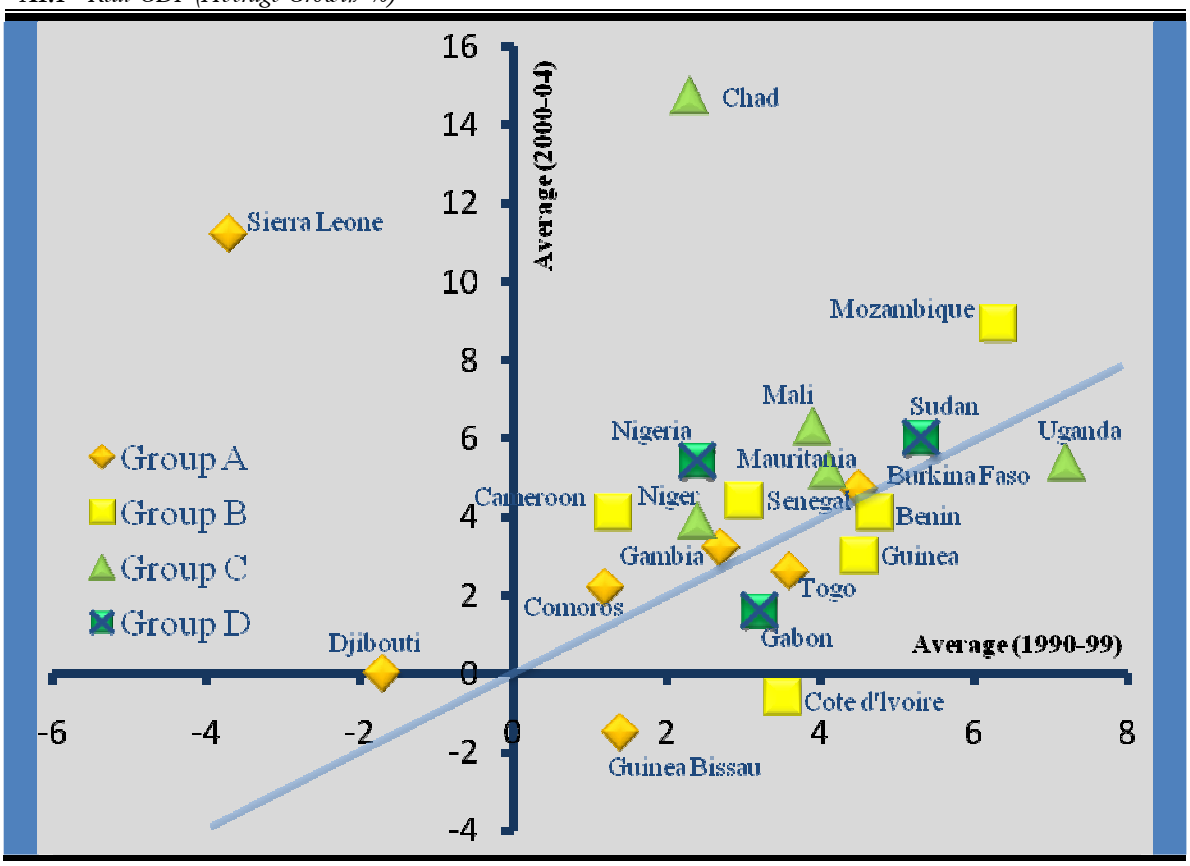
Appendix

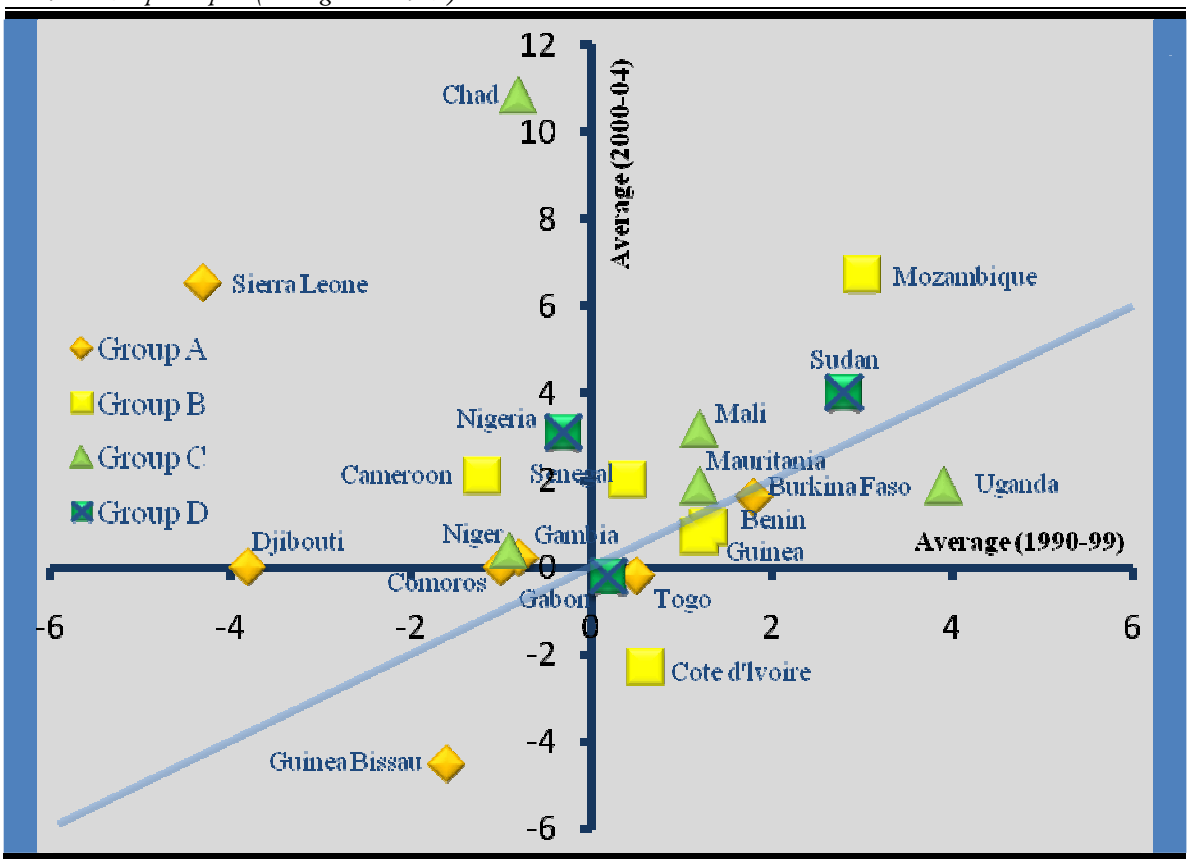
A1. Trends in Growth Rates

The diagrams in this appendix compare the average growth rates of 2000-04 with 1990-99. A point above the diagonal line shows higher growth rates in 2000-04 compared to 1990-99 and vice versa. The trends of these growths have been discussed in Section 2.2. The classification of countries into four groups is provided in Table 2.1.

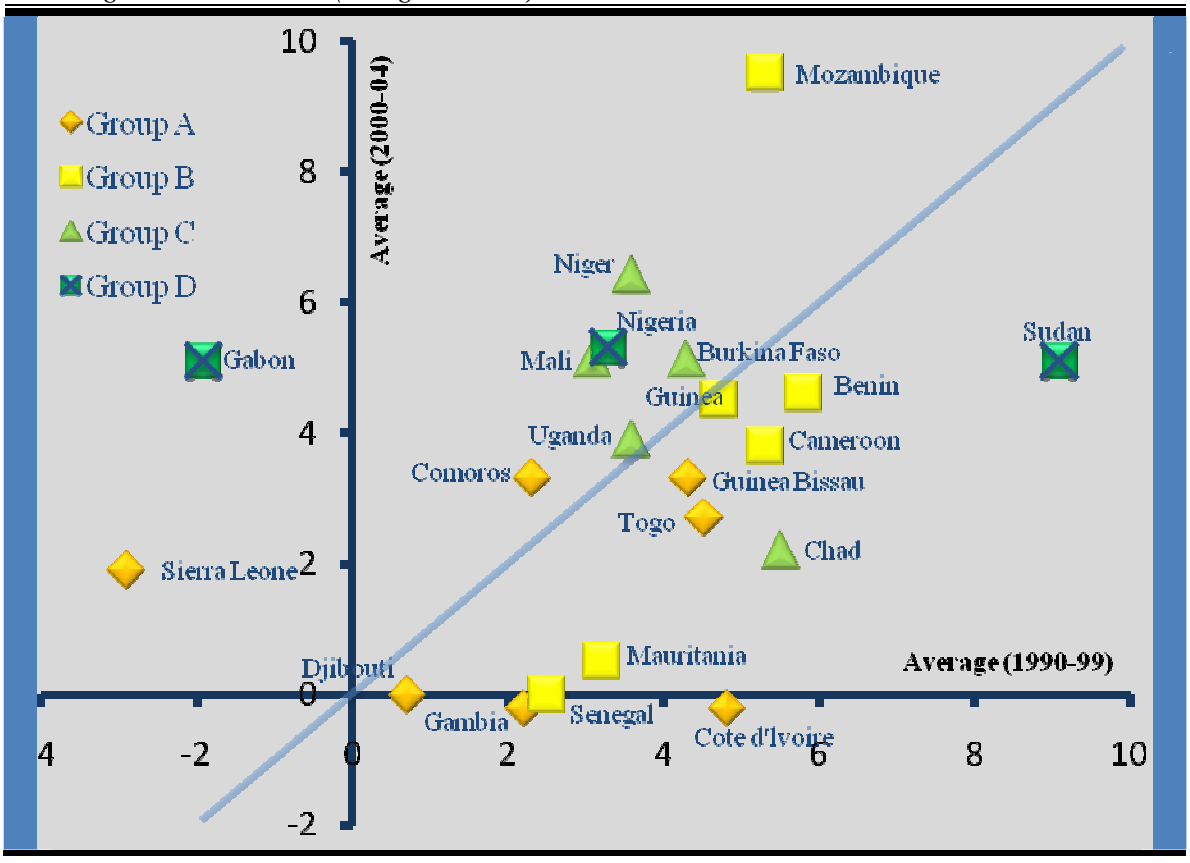
A1.1 *Real GDP (Average Growth %)*



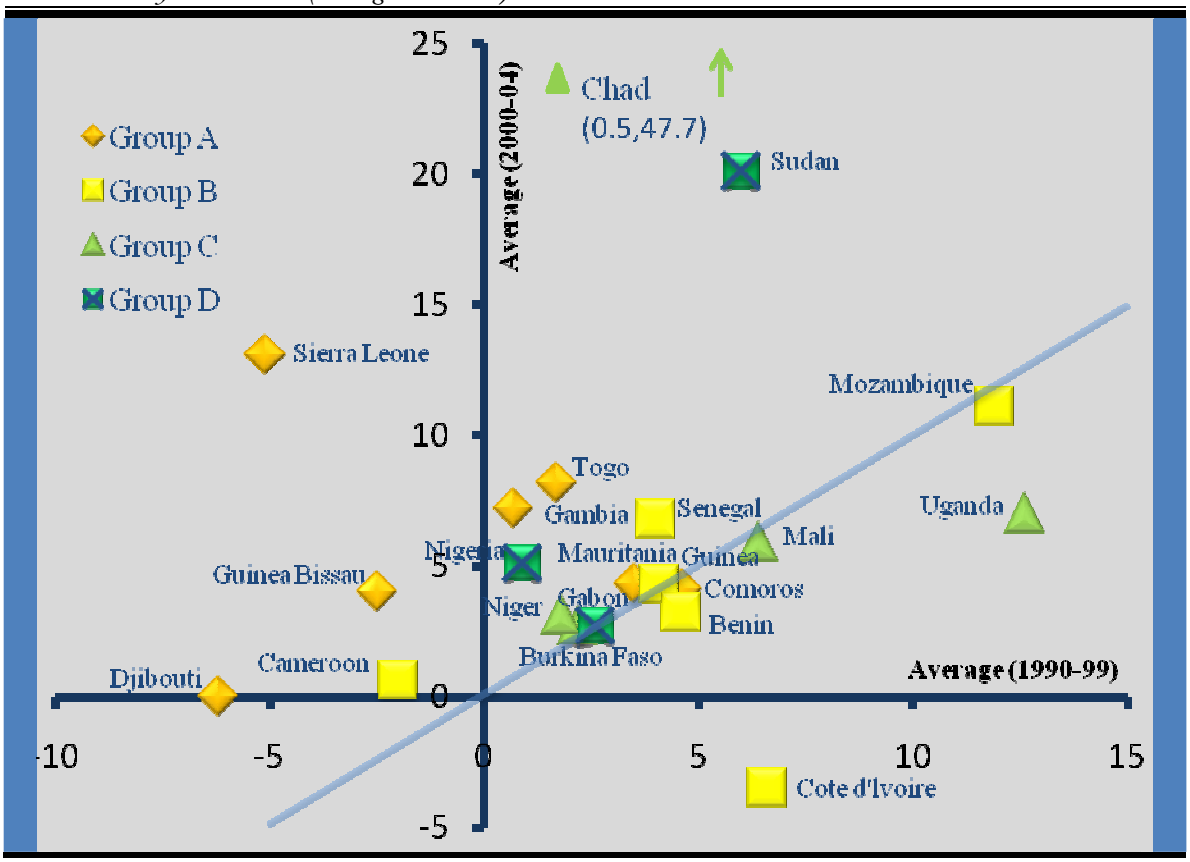
A1.2 *GDP per Capita (Average Growth %)*



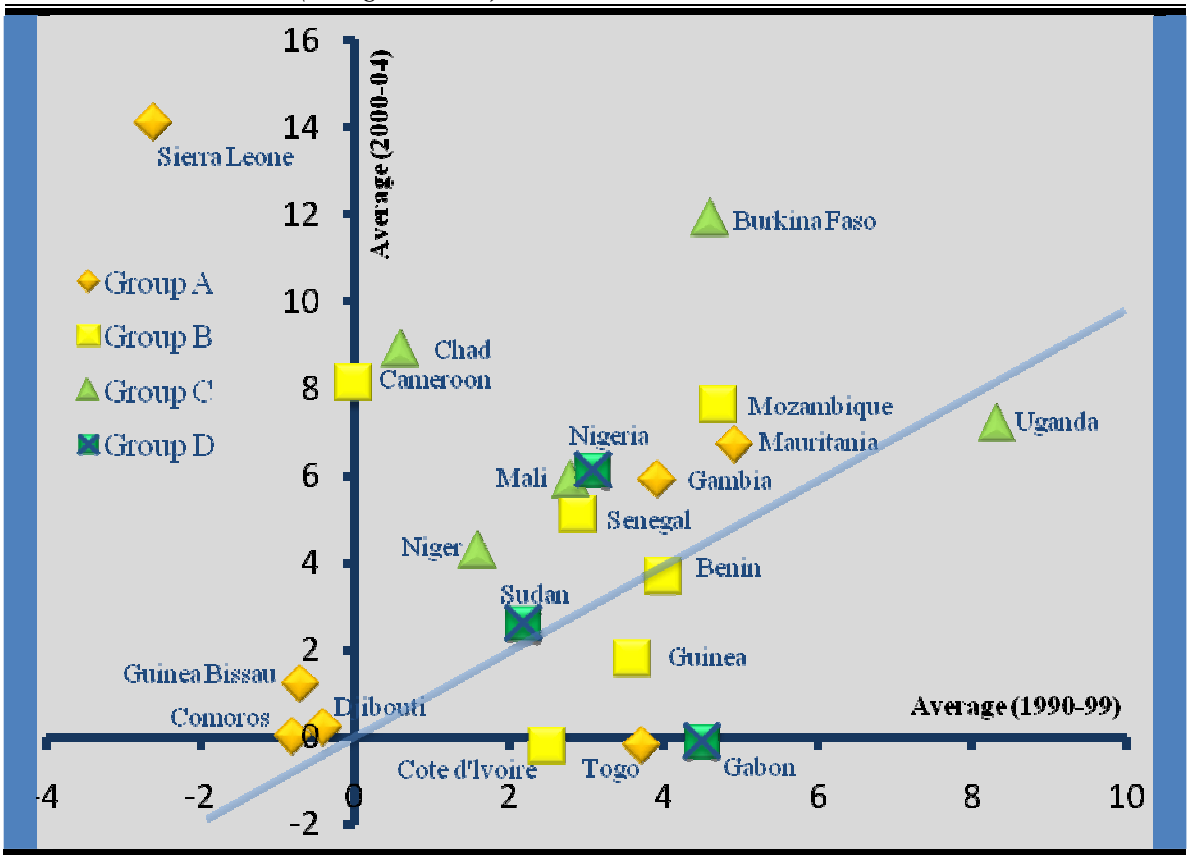
A1.3 *Agriculture Value Added (Average Growth %)*



A1.4 *Industry Value Added (Average Growth %)*



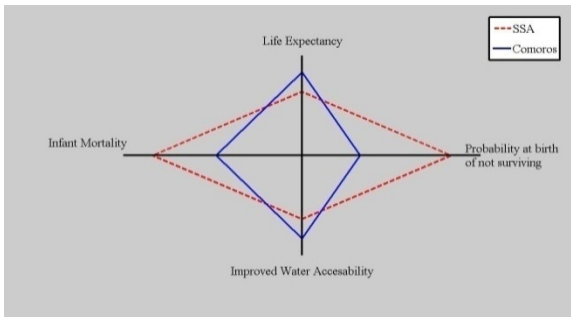
A1.5 *Services Value Added (Average Growth %)*



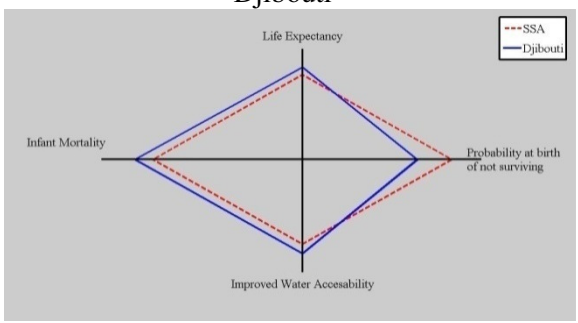
A 2. Comparing Poverty Measures of OIC Member States with Overall SSA

Group A

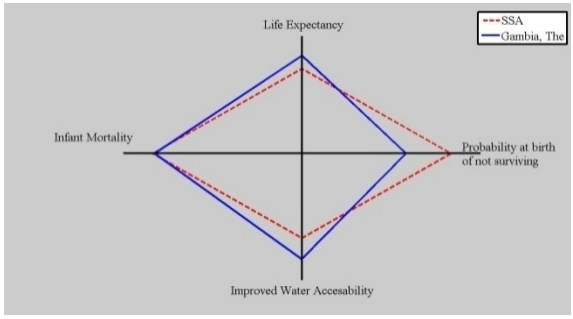
Comoros



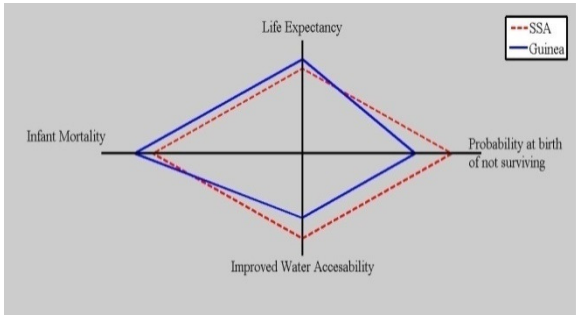
Djibouti



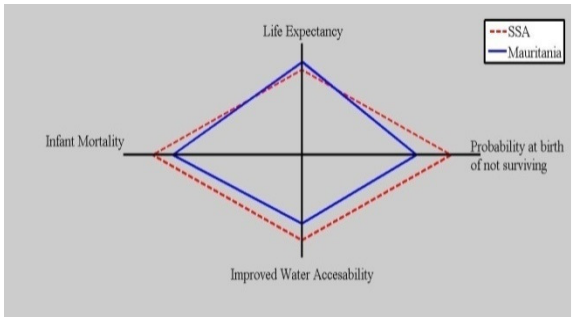
Gambia, The



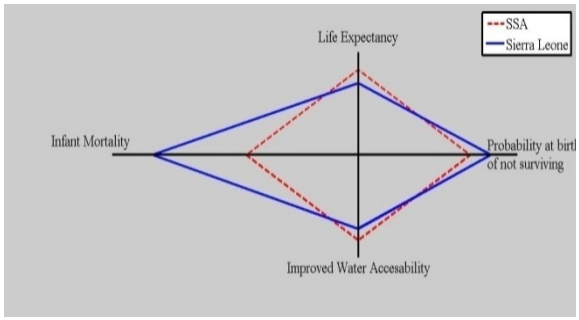
Guinea-Bissau



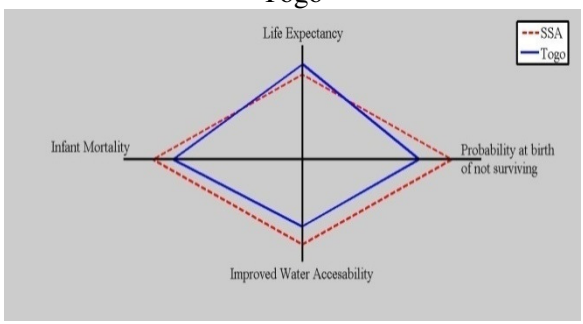
Mauritania



Sierra Leone

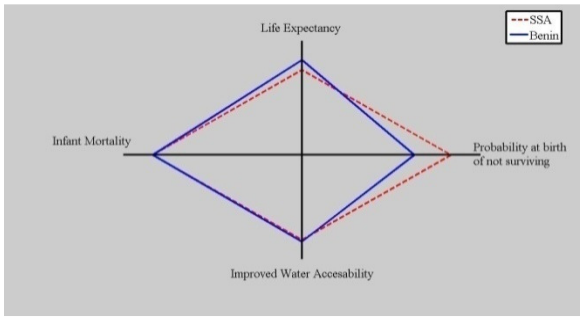


Togo

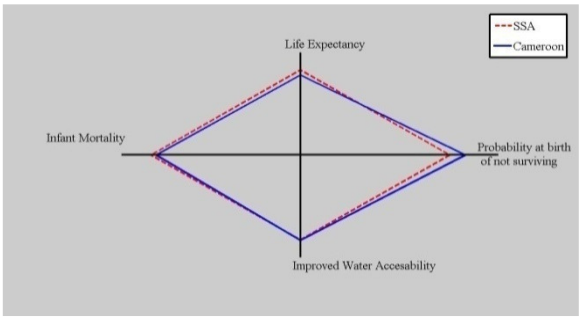


Group B

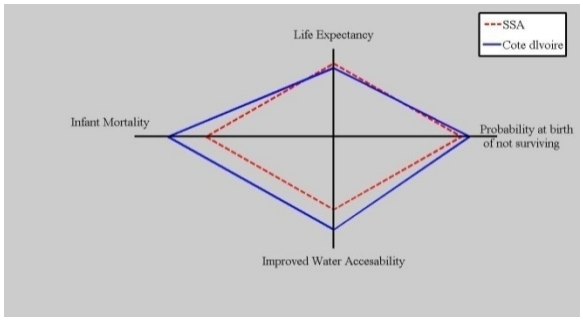
Benin



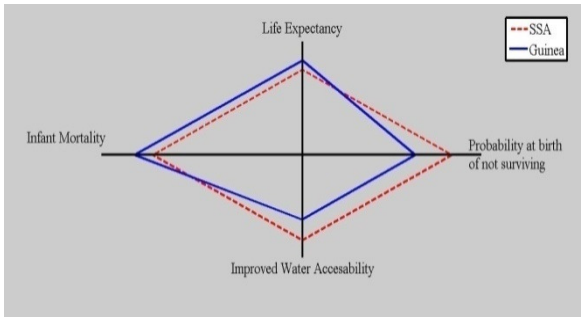
Cameroon



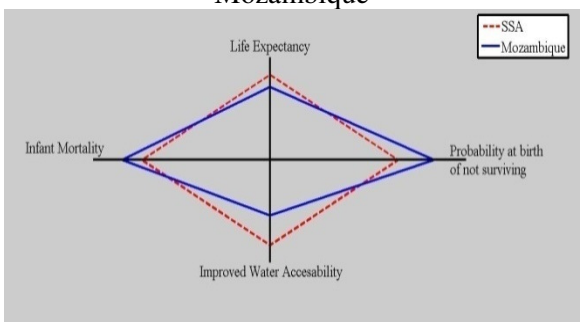
Côte d'Ivoire



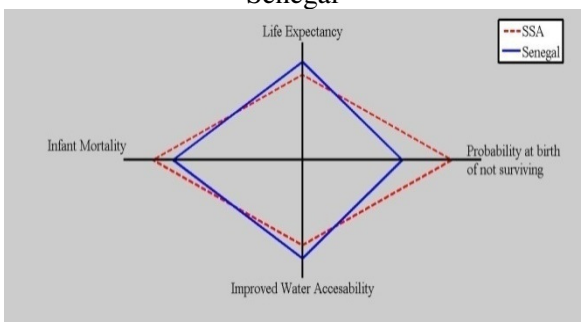
Guinea



Mozambique

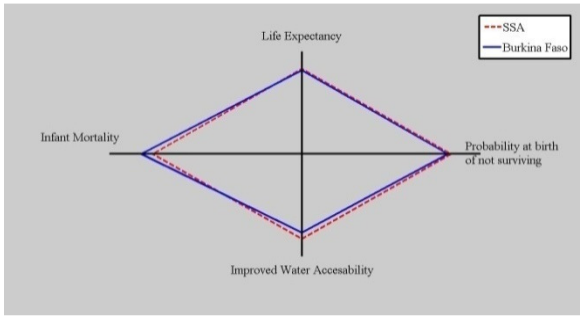


Senegal

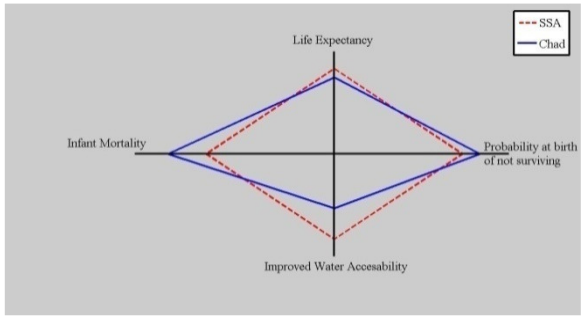


Group C

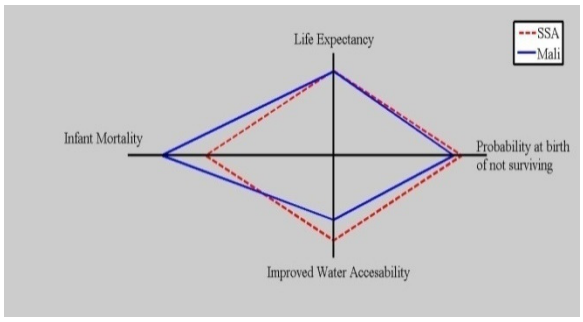
Burkina Faso



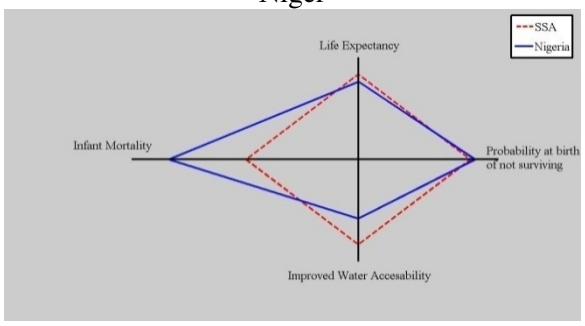
Chad



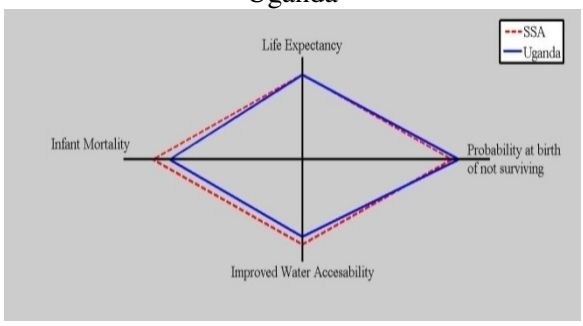
Mali



Niger

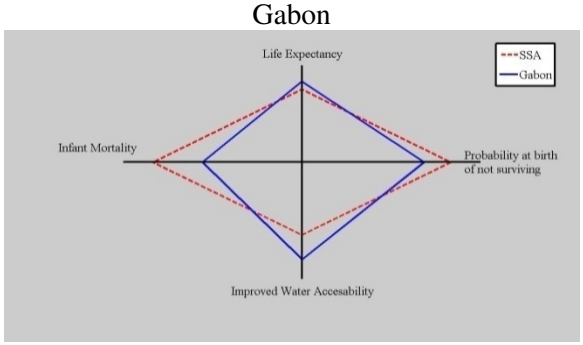


Uganda

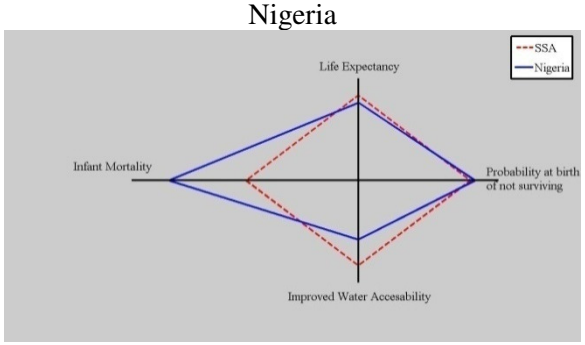


Group D

Gabon



Nigeria



Sudan