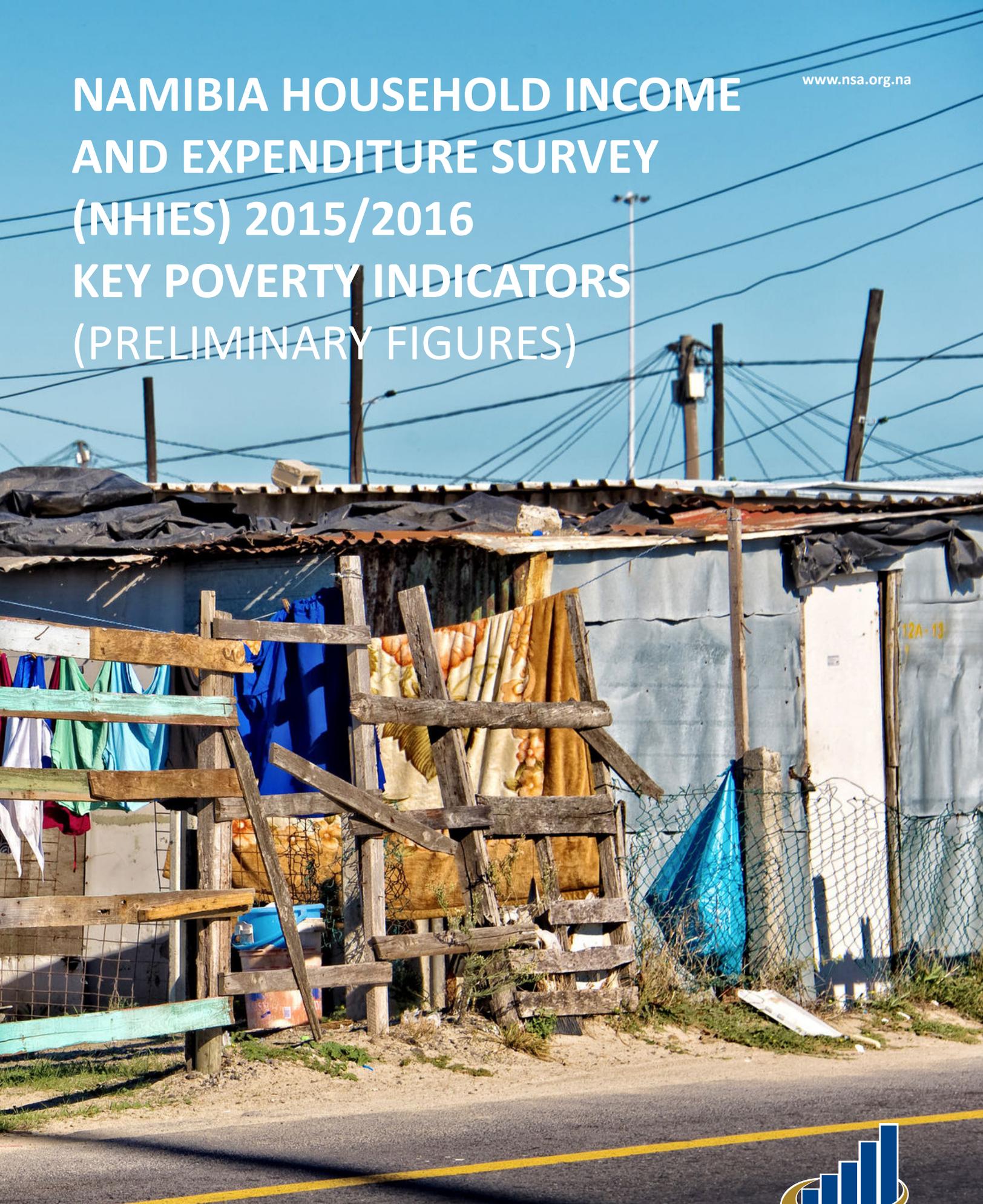


NAMIBIA HOUSEHOLD INCOME AND EXPENDITURE SURVEY (NHIES) 2015/2016 KEY POVERTY INDICATORS (PRELIMINARY FIGURES)





Mission Statement

In a coordinated manner we produce and disseminate relevant, quality and timely statistics that are fit-for-purpose in accordance with international standards and best practice



Vision Statement

Be a high performance institution in statistics delivery



Core Values

Performance
Integrity
Service focus
Transparency
Accuracy
Partnership

Acronyms

CAPI	Computer Assisted Personal Interviewing
DRB	Dairy Record Book
EA	Enumeration areas
FPL	Food poverty line
HPP	Harambee Prosperity Plan
LBPL	Lower bound poverty line
NDP	National Development Plans NDPs
NDP4	Fourth National Development Plan
NDP5	Fifth National Development Plan
NHIES	Namibia Household and Income and Expenditure Survey
NSA	Namibia Statistics Agency
PSU	Primary Sampling Unit
UBPL	Upper bound poverty line
USAID	United States Agency for International Development
WB	World Bank

Forward

Namibia has adopted a five year development cycle called National Development Plans or simply known as NDPs as well as a long term goal of Vision 2030. However, for any effective and meaningful planning to take place the Government and other developmental stakeholders need to have proper and correct information on the socio-economic status of the country. Relevant, quality and timely data are required from surveys such as the Namibia Household and Income and Expenditure Survey (NHIES) as a specialised study that can provide crucial statistics. In 2003/2004 it was decided to align the undertaking of NHIES with the planning process of NDPs and conduct the survey at 5 year regular intervals.

The country is now busy rounding up the Fourth National Development Plan (NDP4) and one of its key mandate is to expedite the implementation of development strategy through a fresh approach. The NDP4 life cycle ends in March 2017, while the Fifth National Development Plan (NDP5) is being developed. Furthermore, the implementation of the Harambee Prosperity Plan (HPP) that was launched in April 2016 has also started.

Therefore information from NHIES 2015/16 will be used to evaluate and assess both plans to so see if the government is achieving the intended nation's objectives. Similarly NHIES data is needed to provide baseline data for poverty and income indicators during the formulation of NDP5. The survey also serve as one of the main sources of indicators for the Sustainable Development Goals (SDGs).



It is hoped that the release will be of assistance to planners, policy makers, researchers and the public in general engaged in the drafting of the NDP5.

This document presents preliminary results in tables of key indicators needed for the completion of the NDP5 and subsequently for the review of the NDP4. It is hoped that the release will be of assistance to planners, policy makers, researchers and the public in general engaged in the drafting of the NDP5.

A detailed report titled the “Namibia Household, Income and Expenditure Survey (NHIES) 2015/2016 Basic Report” including methodologies and poverty profiles and national and regional levels will be published in February of 2017.

I would like to thank all participating households whose co-operation was vital to the success of this survey. My thanks also goes to the United States Census Bureau through the USAID for their technical support in data entry applications, as well as the World Bank (WB) for technical support in data analyses.

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Statistician-General



Cautionary Note

The indicators released are preliminary estimates. Though significant changes are not expected when the main report is released, the reader is cautioned that these figures are derived from the ongoing data analysis and therefore should be used with care.

The final release of the main report is scheduled for February 2017.

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Concepts and Definitions

Primary Sampling Unit (PSU)

A Primary Sampling Unit (PSU) is a geographical area, which was formed on the basis of the population in Enumeration Areas (EAs) as a result of the Namibia 2011 Population and Housing Census.

Survey Round

A Survey round is a period of 15 days including 3 days of listing, during which each interviewer was expected to interview 6 households and the supervisor was to administer daily record keeping for 12 households selected for a particular selected Primary Sample Unit (PSU).

Or

A Survey round consists of 15 consecutive days. This includes the two week survey period plus a resting day in-between.

Dwelling Unit

Dwelling unit is a building/structure where households live. It's a place of residence occupied by one or more households. Sometimes a household can occupy more than one building/structure, in that case, these structure are all considered as one dwelling unit for the purpose of this survey. On the other hand, households can occupy only part of the buildings/structure; in that case, that building/structure becomes the Dwelling unit for all households within it. Buildings/structures can be classified into dwelling units, living quarters other than dwelling units (institutions) and non-dwelling units.

Households

A household usually consists of one or more persons, related or unrelated, who live together in the same homestead/compound, but not necessarily in the same dwelling unit. They have a community of life with common catering arrangements, and are answerable to the same head of household. It is important to remember that members who belong to the same household need not necessarily be related in blood or marriage.

Determination of a household is not easy. However, the following examples are to guide in deciding who should form a household:

- i) A household may consist of one or more persons and may occupy a whole building or part of a building or many buildings in the same compound/homestead.
- ii) If two or more groups of people live in the same dwelling unit, but have separate catering/eating arrangements treat them as separate households.
- iii) A domestic worker who shares meals with his/her employer should be included in his/her employer's household. However, if she/he cooks and eats on his/her own or with his/her family, treat her/him as a separate household.
- iv) In a polygamous marriage (a man with more than one wife), if the wives cook and eat separately, the wives are treated as separate households. But if the wives and their children share a common kitchen (eating arrangements) are treated as one household. The husband is listed and counted in only one of the households, to avoid double counting.
- v) A boarder who lives with the main household and who shares meals can be regarded as a household member, although she/he pays for the boarding and lodging and does not pool income and does not share expenditures with the household. The amount paid to the main household in return for the accommodation is recorded as expenditure (for the boarder) and is also to appear as income (for the main household).
- vi) In cases where the household has recently moved in and intends to stay it is interviewed if selected. An example, if the entire household was living in Keetmanshoop and it moved to Mariental, and then the 6 month rule should be interviewed if selected.
- vii) People who are temporarily camping and involved in long-term projects e.g. Home Service, road construction workers etc. should be listed provided the definition of households applies.

Head of household

The head of household is a person, either male or female, who is looked upon by other members of the household as their leader or main decision-maker. The name of the actual head of household, whether present or absent, is recorded. This person should be aged 12 years and older.

Household Member

A household member includes the following two categories of persons in the household-

- i) All persons who usually live in the household whether present or absent at the time of the listing operation should be considered as households members.
- ii) Persons who are currently in the household but only absent for a period less than six months in the past 12 months should be considered as usual members. However the persons who are currently in the household but was absent for a period six months or more, in the past 12 months should not be considered as usual members. The temporary visitors will fall into this second category and hence are not usual household members. The exceptions to this second rule are the new born babies/adopted children/new spouses etc. of the usual household members.
- iii) On the other hand there can be persons who are currently absent but were in the household for more than six months during the past 12 months. Such persons should be considered as usual members of the household who are temporarily absent.
- iv) In cases where a person has moved out of the household permanently, even though he/she stayed for 6 and more months, that person should not be counted as a household member.
- v) A new born baby and new spouse are counted as usual household members if they are present during listing and on the first day of interviewing. If the new baby is born or new spouse come on day 5 to day 14 of the survey round then they are not considered as usual household members.

NB: Household is interviewed even if they recently moved in the dwelling unit.

Institutions

There are cases where the definition of a household does not apply. Sometimes groups of people live together, but cannot be said to belong to a household as defined earlier. Examples include hospitals, old age people's homes, nurses' homes, schools/colleges, hotels, army barracks, prisons, etc. These are institutional populations and were not included in this survey. However, staff who lived in the compound as private households was listed. For example, a matron who has her own private apartment in a nursing home or soldiers in married quarters was listed.

Main source of income

Main source of income is based on the respondent's answer of what the household regards as its main means of survival, which if taken away the household would disintegrate or will cease to exist.

Poverty lines

A poverty line is a threshold set to distinguish or classify persons or households as poor and non-poor. Poverty measures and poverty lines are generally either relative or absolute in nature. In Namibia the choice is to use the absolute poverty lines which is based on the cost of basic needs approach. The computation of the poverty lines starts with the most basic physiologic need which is the amount of calories needed by an individual to lead a normal life (2100 kilocalories per day).

Three poverty lines are computed from the survey: The food poverty line (FPL), the lower bound poverty (LBPL) line and the upper bound poverty line (UBPL). All poverty lines are measured in monetary values.

Food Poverty Line (FPL) - is the amount in Namibia Dollars that is needed to buy the calories (2100 kcal/day) for an individual to lead a normal life

Lower Bound Poverty Line (LBPL) - is the cut-off point below which persons or households are classified as severely poor

Upper Bound Poverty Line (UBPL) - is the cut-off point below which persons or households are classified as poor; it includes the severely poor

Gini coefficient

The Gini coefficient is a measure of equality or inequality which has been adopted to measure income inequalities in many countries around the World. The measure takes two points: zero (0) and one (1) where by a measure of 0 means total equality and 1 is total inequality. In Namibia the Gini was 0.5971 or 59.71 percent in 2009/2010.

Per adult equivalent

It is generally taken that a child does not have the same needs as an adult have, therefore for expenditure and consumption measurements children are given a lesser weight than adults. Three simple scales are allocated to individuals depending on their age: between 0 to 5 years are given 0.5 of an adult, between 6 to 16 years are given 0.75 of an adult and 17 years plus are counted as 1 adult.

1. Introduction

The Namibia Household Income and Expenditure Survey (NHIES) 2015/2016 is the fourth of this type of surveys to be conducted in independent Namibia. It is also the first NHIES to be carried out by the Namibia Statistics Agency (NSA) as indicated in its strategic priorities and objectives as stipulated in the Business Plan for 2012/2013 to 2016/2017.

The NHIES 2015/2016 is a household based survey designed to collect data on incomes and expenditure patterns of households, therefore persons in institutions were not covered in this survey. As the sole source of information on incomes and expenditure in the country the survey is used to compute poverty indicators at household and individual levels. It also serves as a statistical framework for compiling the national basket items for the compilation of price indices used in the calculation of inflation. It forms the basis for updating prices or rebasing of national accounts.

1.1. Survey Objectives

The main objective of the NHIES 2015/2016 is to provide social economic indicators to support planning, policy formulation, decision making and research and development for a knowledge based economy in order to eradicate poverty and income inequalities in Namibia.

This survey consists of the following core modules: labour force, health, education, income, expenditure and housing. The survey was conducted over a period of one year survey life-cycle that is aimed at correcting seasonal indicators which are needed for planning purposes. The survey will provide data on a quarterly basis at national level on selected indicators while the regional based indicators will be provided at the end of the survey.

The NHIES 2015/16 is fully financed within the Namibian Government development budget. The technical support in the area of data processing during the development of data entry and listing applications was provided by experts from the United States Census Bureau who were financially supported by USAID. In addition, the experts from the World Bank (WB) provided technical expertise during data analysis.

It will describe the living conditions of Namibians using actual patterns of consumption and income as well as a range of other social and economic indicators.

2. Key Indicators

2.1. Household and Population

Namibia's population in 2015 was estimated to be 2 280 716 people living in 517 648 households, with an average size of 4.4 person per household as shown in Table 1 below. The majority of the household population (53 percent) lives in rural areas, while 47 percent in urban areas. Although the difference is not much, the same trend was observed in 2009/10 with 62 percent in rural and 38 percent in urban areas.

The most populated region is Khomas where 17 percent of the population lives, followed by Ohangwena and Omusati regions with a share of 11 percent each. Omaheke is the least populated region with 3 percent of the population living there.

Table 1: Household and population by region and urban/rural

Region	Households		Population		Average Household size
	Number	%	Number	%	
!Karas	23 197	4.5	85 019	3.7	3.7
Erongo	51 907	10.0	175 752	7.7	3.4
Hardap	20 796	4.0	83 672	3.7	4.0
Kavango East	26 258	5.1	159 681	7.0	6.1
Kavango West	15 339	3.0	94 331	4.1	6.1
Khomas	104 954	20.3	393 830	17.3	3.8
Kunene	22 042	4.3	93 375	4.1	4.2
Ohangwena	46 205	8.9	253 961	11.1	5.5
Omaheke	18 436	3.6	68 037	3.0	3.7
Omusati	48 967	9.5	241 098	10.6	4.9
Oshana	40 600	7.8	178 468	7.8	4.4
Oshikoto	38 875	7.5	195 577	8.6	5.0
Otjozondjupa	36 679	7.1	151 552	6.6	4.1
Zambezi	23 394	4.5	106 361	4.7	4.5
Namibia	517 648	100	2 280 716	100	4.4
Urban	268 234	51.8	1 072 975	47.0	4.0
Rural	249 414	48.2	1 207 741	53.0	4.8

Source: Namibia Household Income and Expenditure Survey (NHIES) 2015/2016

Table 2. Average household size over time by urban and rural

	1993/1994	2003/2004	2009/2010	2015/2016
Namibia	5.7	4.9	4.7	4.4
Urban	4.8	4.2	4.1	4.0
Rural	6.1	5.4	5.2	4.8

Source: Estimates from the Namibia Household Income and Expenditure Survey (NHIES) 2015/2016

2.2. Poverty Indicators

Table 3 shows the computed poverty lines using the same methods for the three periods. The poverty lines (both the lower and upper bound) are calculated as the amount below which persons are classified as severely poor or simply as poor. The figures are adjusted for inflation effects.

For instance any person who was not able to at least spend N\$389.30 per month on basic necessities was considered severely poor and if a person was not able to at least spend N\$520.80 per month on basic needs was considered to be poor.

Table 3: Namibia's poverty lines (current ND/adult/month), 2003/04-2015/16

Type of poverty line	2003/2004	2009/2010	2015/2016
FPL (Food poverty line)	127.15	204.05	293.1
LBPL (Lower bound poverty line)	184.56	277.54	389.3
UBPL (Upper bound poverty line)	262.45	377.96	520.8

Table 4 summarizes a selection of the main findings. Most poverty indicators suggest that poverty has further decreased during the last five years. In total 132 282 persons cannot afford to buy the minimum (2100 kcal) calories per day.

From the table 4 below 11.0 percent of the population (250 879) are still below the lower bound poverty line while 18.0 percent of the population (410 529) are below the upper bound poverty line.

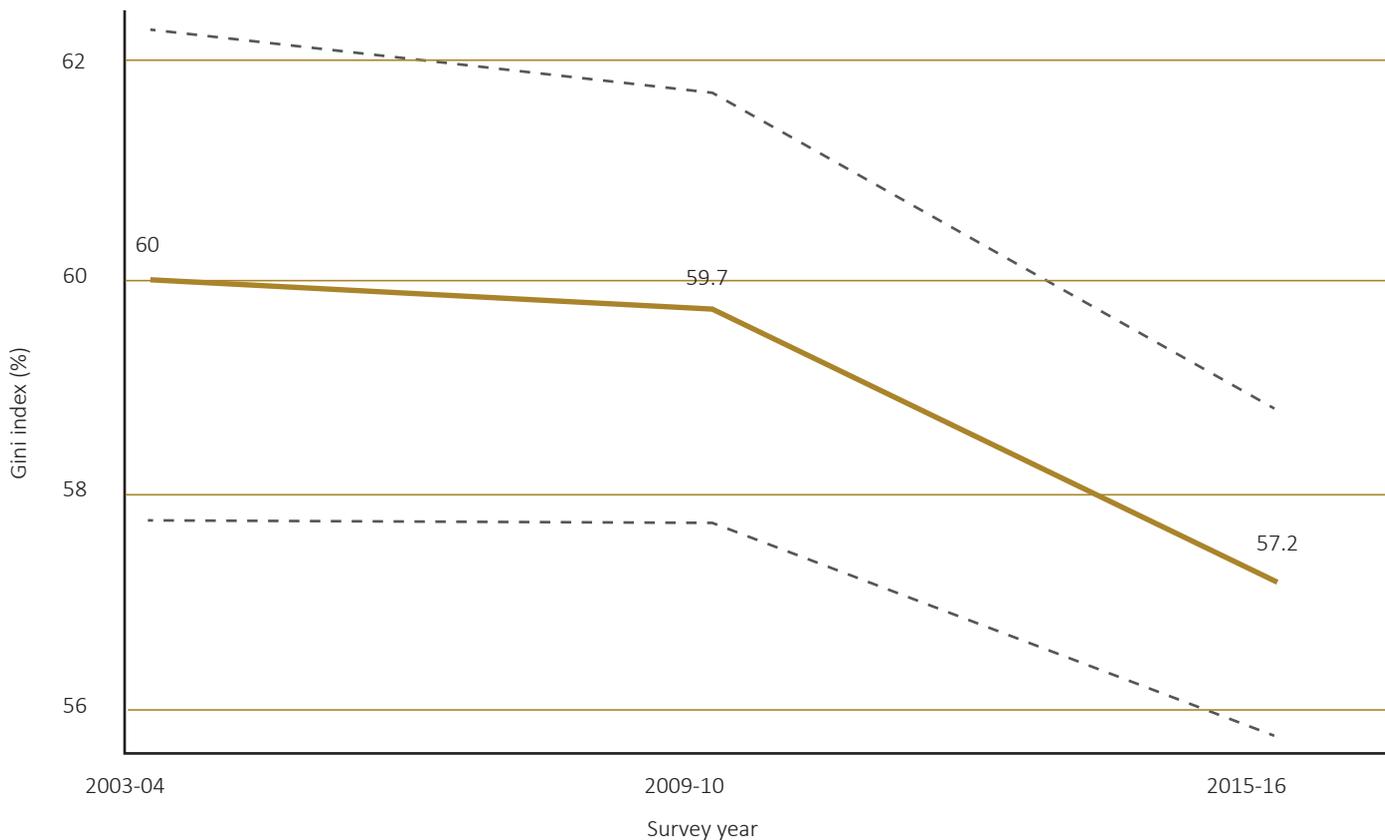
Table 4: Selected inequality and poverty estimates, 2003/04-2015/16

	2003/04	2009/10	2015/16		diff. (%)	diff. (%)	diff. (%)
	(1)	(2)	(3)		(2) - (1)	(3) - (2)	(3) - (1)
Population	1,817,251	2,066,398	2,280,716		13.7	10.4	26.0
Per capita expenditure (monthly)	2,068	2,210	3,071		7.0	39.0	49.0
Per adult equivalent expenditure	2,213	2,376	3,343		7.0	41.0	51.0
(2015/16 ND per month)							
Inequality							
Gini Index (%)	60.0	59.7	57.2		-1.0	-4.0	-5.0
Food Poverty Line							
Headcount ratio (%)	9.0	7.3	5.8		-18.9	-20.5	-35.6
Lower Poverty Line							
Headcount ratio (%)	21.9	15.3	11.0		-30.0	-28.0	-49.8
Upper Poverty Line							
Headcount ratio (%)	37.7	28.7	18.0		-24.0	-37.3	-52.0

2.3. Inequality Trends

Figure 2. shows the trend of the Gini index over the period 2003/04 to 2015/16. Two important facts are observed. First, inequality in Namibia is high, by any standards. Second, inequality shows a mild downward trend.

Figure 1. Gini Coefficient over time



2.4. Conclusion

The overall poverty levels has reduced significantly with 10.7 percent points (from 28.7 to 18.0) while the inequality in income distribution remains high with a slight reduction of 2.5 percent points from the previous survey of 2009/2010 to the survey of 2015/2016.



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