

Between 2007-2017, 5 million 180 thousand people stopped being poor

MONETARY POVERTY AFFECTED 21.7% OF THE COUNTRY'S POPULATION DURING THE YEAR 2017

In 2017, monetary poverty affected 21.7% of the country's population, reported the National Institute of Statistics and Informatics (INEI) when announcing the Results of Monetary Poverty in Peru 2017. It also gave to know that this condition in the decade (2007-2017) decreased by 5 million 180 thousand people and in the five-year period (2013-2017) it did so by 872 thousand people, monetary poverty was reduced by 20.7 percentage points in the last decade and 4.1 percentage points in the last five years.

According to the National Household Survey carried out by the INEI, in 2017 poverty increased by 375 thousand people, that is, 1.0 percentage point more than in 2016 and affected 6 million 906 thousand Peruvians.

It is worth mentioning that in Peru, poverty is measured under the monetary approach and spending is used as an indicator of well-being. Thus, to measure poverty it is necessary to have the value of the minimum food and non-food basket, this value is known as the Poverty Line, whose cost for 2017 was S / 338 per person (for a family of four members the cost of the basket is S / 1352). People whose per capita spending is less than the Poverty Line are considered poor.

Poor extremes are those what not cover the value from the basket food of S / 183 per capita (S / 732 for a family of four).

Spending

In 2017, the average real monthly per capita expenditure was S / 732 and compared to the level of expenditure in 2016, it decreased by 0.2%. Meanwhile, in the last five years it increased by 4.9%, going from S / 698 to S / 732 in 2017.

Likewise, real monthly per capita spending decreased in most strata of the population, except in the fifth quintile (richest 20% of the population), where it increased by 0.8 percentage point.

Entry

In 2017, the real average monthly income per person was S / 962 and compared to 2016 it decreased by 1.5%. In the last five years, the average real income per capita increased by 3.8%.

Similarly, real monthly per capita income decreased from the second to the fifth quintile. On the other hand, the first quintile (the poorest 20%) remained at the same level as in 2016.

Gini

When comparing the Gini coefficient that measures income inequality, it was observed that in the last five years it decreased by 0.01 percentage point and in the last ten years it decreased by 0.07, going from 0.50 to 0.43.

Poverty affected 44.4% of the rural population and 15.1% of the urban population

According to the area of residence, poverty in rural areas affected 44.4% of the population, increasing by 0.6 percentage points compared to the previous year, and in urban areas it affected 15.1% of the population, that is, 1.2 percentage points more than in 2016.

NOTA DE PRENSA

In the rural Sierra, the incidence of poverty reached 48.7% of the population
By geographic domains, the highest levels of poverty They were recorded in the rural Sierra (48.7%), the rural Selva (41.4%) and the rural Coast (24.6%). However, poverty in the rural coast decreased (from 28.9% to 24.6%) by -4.3 percentage points and in the urban highlands (from 16.9% to 16.3%).

13.3% of the population of Metropolitan Lima lives in a situation of poverty
In 2017, poverty in Metropolitan Lima affected 13.3% of the population, that is, 2.3 percentage points more than in 2016, followed by the rural jungle where it grew by 2.1 points (39, 3% to 41.4%), urban coast by 1.3 points (13.7% to 15.0%) and urban jungle by 0.9 percentage points (19.6% to 20.5%).

Monetary poverty in the department of Cajamarca is between 43.1% and 52.0%
In 2017, five groups of departments were registered with statistically similar poverty levels. Cajamarca is in the first group as the department with the highest incidence of monetary poverty in the country between 43.1% and 52.0%.

In the fifth group, were the departments with the lowest poverty rates, in the case of Ica and Madre de Dios, with an incidence of poverty between 2.1% and 4.8%.

Poverty gap decreased by 1.9 percentage points in the last five years
The poverty gap quantifies the distance from spending necessary for all the poor to be just above the poverty line divided by the total population. This gap was calculated at 5.2% for 2017. Likewise, it was reported that in the last five years, the poverty gap decreased by 1.9 percentage points.

Severity of poverty stands at 1.9% in 2017
The INEI reported that the severity of poverty combines information on poverty and spending inequality among the poor, in 2017, it reached 1.9% of the population.

Incidence of extreme poverty affected 3.8% of the country's population
Extreme poverty affected 3.8% of the country's population because its per capita expenditure did not cover the cost of a minimum food basket, which stood at 183 soles and, compared to 2016, showed no variation.

In the last five years, extreme poverty decreased by 2.2 percentage points and in the last decade by 7.4 percentage points.

Extreme poverty in rural areas affected 12.8% of the population
According to area of residence, extreme poverty affected 12.8% of the population in rural areas and decreased by 0.4 percentage points compared to 2016. In urban areas it increased by 0.3 percentage points and had an impact on 1, 2% of this population.

Higher level of extreme poverty occurred in the rural Sierra
The highest levels of extreme poverty, by geographic domains, were recorded in the rural Sierra (14.9%), followed by the rural Selva (11.1%) and the rural coast (3.4%); while the lowest levels were reported in Metropolitan Lima (0.7%), Urban Coast (0.8%) and Urban Sierra (1.7%).

Incidence of poverty extreme in the department of Cajamarca is between 13.5% and 20.5%
The highest incidence of extreme poverty was observed in the department of Cajamarca (13.5% to 20.5%), which is twice the extreme poverty registered in the departments of Amazonas, Huancavelica, Loreto and Puno, which is between 7.4% to 10.2%.

PROFILE OF THE POPULATION IN CONDITION OF POVERTY

In 2017, more than half of the population living in poverty (50.1%) aged 15 and over studied some year of primary education or does not have any level of education. Among the school-age population (3 to 24 years of age), 24.0% of those who are old enough to attend initial education are not receiving school readiness. 8.8% who are old enough to attend education

primary and 23.5% for secondary education are not integrated into the educational system. Regarding higher education (university and non-university), 89.6% of young people between 17 and 24 years of age do not attend.

Access to health insurance, 82.3% of the population living in poverty have some health insurance, mainly the Comprehensive Health Insurance-SIS (90.7%), followed by the Social Security of EsSalud (9.0%) and Other insurance (0.3%).

Furthermore, the employed population living in poverty works mainly in agriculture; of every 100 people living in poverty who work, 54 are in the agricultural sector. Also, 94.2% of poor people work in informal jobs.

On the other hand, 12.0% of the working population living in poverty is affiliated to a pension system, mainly an AFP (69.0%) and the National Pension System - Law No. 19990 (27.0%).

Poor households are more vulnerable to poverty when they are made up of at least one child or adolescent under 18 years of age (75.8%), at least one older adult (27.5%) and at least one person with a disability (17.5%).

18.0% of the country's population resides in households with at least one Unsatisfied Basic Need. In 2017, 18.0% of the country's population resided in households with at least one Unsatisfied Basic Need (UBN), which was 0.7 percentage points less compared to 2016.

The departments that registered the highest poverty due to Unsatisfied Basic Need are Loreto and Ucayali.

According to components of Unsatisfied Basic Needs, there was a reduction in homes with inadequate physical characteristics (from 6.3% to 6.0%), without hygienic services (from 7.8% to 7.4%) and homes with overcrowding. (from 7.3% to 7.0%).

Advisory Commission for the Estimation of Poverty considered that the data of the National Household Survey 2017 respond to a high standard of quality

The Commission values the effort made by the INEI in the continuous improvement of the processes to ensure quality in the process of collecting information for the estimation of monetary poverty, which is carried out on the basis of information from the National Household Survey on Living Conditions and Poverty (ENAHPO).

The Commission, after having carried out an evaluation and validation work of the various quality indicators of the survey, considers that there is robustness of the 2017 ENAHPO data and that these respond to a high quality standard.

The World Bank, the Inter-American Development Bank and the French Development Research Institute accompany INEI in measuring poverty

In measuring poverty, the National Institute of Statistics is accompanied by an Advisory Commission, created by Supreme Resolution No. 097-2010-PCM, of April 13, 2010, made up of Organizations National, International Organizations and Experts of recognized prestige. This working group has within its functions: to evaluate, supervise and validate the quality of the National Household Survey (ENAHPO), validate the methodology for measuring poverty indicators, ensuring comparability and propose modifications to the methodology.

The Advisory Commission is also made up of representatives of the Ministry of Economy and Finance (MEF), National Food and Nutrition Center (CENAN), Central Reserve Bank of Peru (BCRP), Roundtable for the Fight Against Poverty, Economic and Social Research Consortium (CIES), Analysis Group for the Development (GRADE), Institute of Studies

Peruvians (IEP), Pontificia Universidad Católica del Perú (PUCP) and Universidad del Pacífico (UP); International Organizations such as the World Bank (WB), the Inter-American Development Bank (IDB), the Research Institute for Development (IRD) of the French Government, the United Nations Population Fund (UNFPA); as well as independent experts of recognized technical reputation.

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