

(NEWS RELEASE)

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Poverty Level maintains stable in 2019

## MONETARY POVERTY REACHED TO THE 20.2% OF THE **POPULATION IN 2019**

In 2019, the monetary poverty rate affected the 20.2% of the population nationwide, therefore it remains practically the same levels of the year 2018; this information was released by the National Institute of Statistics and information technology (INEI) announced that according to the results of the National Household Survey (ENAHO) of 2019. Likewise, it informed that population in poverty condition is considered the population which per capita expenditure is lower to the value of the Poverty Line (PL), which is the monetary equivalent of a basic consumer goods either foods and non-foods consumption.

In Peru in order to measure the monetary poverty it is consider the expenditure as an indicator of wellbeing, where the value of the total minimum basic consumer goods (either foods and non-foods) was valued for 2019 in S/ 352 Soles monthly per person (for a family of four members the cost of the basic consumer goods is of S/ 1 408 Soles); the people which their per capita expenditure is lower than S/ 352 Soles are considered poor.

Regarding the measure of the extreme poverty, the minimum basic food consumer goods (Extreme Poverty Line) is valued for 2019 in S/ 187 Soles monthly per person (for a family of four members it would be S/ 748 Soles), therefore people considered extreme poor are those persons which their per capita expenditure do not covers the cost of the monthly minimum basic food consumer goods.

The measure of the monetary poverty in Peru is a process that puts into practice the methodological recommendations internationally approved. The source of information is the National Household Survey, the reported results correspond to the interviews performed from January to December 2019, in 36 994 household distributed all nationwide.

The measure of the poverty is performed through the expenditure, because this variant approaches to a quantification of the levels of life through the measure of which people and households consumes, purchase and acquire. Other consideration or variant taking in account is the period of time in which there is measure the levels of life. Poverty is a temporary phenomenon, for this reason its measure do not be affected by transitory or conjunctural situations. The consumption must be measure within a year, in that way it could be registered the stationary consumptions and minimize any possible short term bias.

The evaluation of the procedures, protocols and methodology uses in the measure of the monetary poverty are monitored, evaluated and validated by the Advisory Committee of Poverty that is formed by professionals of national and international organisms and independent experts of technical and academic distinguished prestige.

During 2019, the monthly actual average expenditure per capita was S/ 785 Soles increasing in 1.2%, compared with the level of the expenditure of 2018. The monthly actual average expenditure per capita increased in all the strata of the population, registering in the first quintile (20% poorest of the population) an increase of 1.2%; followed by the third quintile in 1.0%, among the main.





The monthly actual average income per person was of S/ 1 035 Soles, compared with the last year it increased in 1.3%. Likewise, the monthly actual income per capita increased in all the quintile of income, being the highest during the first and the second quintile with an increase of 4.7% and 3.4%, accordingly.

At the level of geographic domains, the poverty kept in almost all the domains, with exception of Metropolitan Lima which increased in 1.1 percentage points and in the rural Coast it decreased in 4.0 percentage points, being this decrease statistically significant.

For 2019, there were five groups of Departments with poverty levels statistically similar. In the first group there were the Departments of Ayacucho, Cajamarca, Huancavelica and Puno, with the higher incidence of monetary poverty nationwide and which levels were in the range of 34.4% to 39.4%. In the fifth group there was the Department of Ica with the lowest poverty rate, with an incidence of poverty in the range of 1.3% to 3.9%.

In 2019, the extreme monetary poverty affected the 2.9% of the population nationwide. In the rural area the extreme poverty is estimated in 9.8% and in the urban area in 1.0%. It is worth to be mentioned that for the analysis there were established four groups of Departments with levels of extreme monetary poverty statistically similar, similar in number to the last year.

## PROFILE OF THE POPULATION IN POVERTY SITUATION

The National Household Survey announced that the 78.9% of households in poverty situation had access to water through public network and the 46.4% to the sewage service through public network. Moreover, the 11.8% of poor households were in overcrowding houses.

It also, informed that the 74.7% of households in poverty conditions had gas cooker, the 65.9% with radio and sound equipment, the 60.4% had television and the 21.9% had refrigerator.

Regarding the Access to Information and Communication Technologies (ICT), the 84.4% of poor homes has cellphone, the 13.9% had TV cable and the 7.1% accessed to the Internet.

Likewise, the INEI informed that from the total population the 71.7% had access to 3 basic services (water, sewerage and electricity); and the population that has Access to 5 services represented the 35.6% and they had water, sewerage, electricity, cellphone and Internet.

During 2019, the 77.5% of children aged 3 to 5 years old attend to early education, the 92.8% of children aged 6 to 11 years old attend elementary education, and the 75.3% of the adolescents aged 12 to 16 years old attend to high-school education.

From the total of poor households that has among its members at least one girl or boy and adolescent aged 3 to 16 years old, the 68.4% had television, the 65.6% had radio or sound equipment and the 7.5% had computer.

Regarding to the access to ICT by the girls or boys and adolescents, the 28.3%, in each case, used Internet and cellphone of family or friend, and the 14.2% had access to ICT through their own cellphone.

According to the National Household Survey from the total of the population in poverty situation, the 51.6% are women. Likewise, the 63.3% of them studied elementary education, the 30.6% had high-school education, the 3.9% reached a non-university superior level and the 2.2% had university superior level.





Likewise, the 25.3% of women that lives in poverty dedicated to household tasks and the 58.4% participate in the labor market. From the total of poor women with employment the 57.1% had a job as a street vendor, domestic worker, etc.; the 16.7% is a trader and the 14.7% works in agriculture, among other activities.

The INEI informed that the 94.7% of the population in poor condition had an informal employment and the 5.3% had a formal employment. Furthermore, the 61.1% is independent and the 38.9% are dependent (employees, manual workers and domestic worker).

In the urban area the 43.6% of the population with employment in poor situation worked as street vendors and related activities, shoe shiner, domestic worker, janitor, agricultural and forestry laborers, mining laborers, transportation laborers and the 23.9% is a craft man or machine operators; meanwhile, in the rural area the 46.9% worked into elementary occupations and the 43.4% is a farm worker, among the main occupations.

According to the National Household Survey, the 11.7% of the population in poverty is older adults. From the total of poor older adults the 84.1% had health insurance and the 76.5% had coverage in the Comprehensive Health Insurance (SIS) On the other hand, the 71.2% of this population had some chronic health problem and the 47.3% had access to the Program "Pension 65"

During 2019, from the total of homes in poverty situación, the 60.8% accessed to food social programms, the 91.0% of the poor households received school breakfast program and the 50.4% accessed the community kitchen.

## Transparency in the measure of the poverty

In the measure of poverty, the National Institute of Statistics and Informatics (INEI) is joined by an Advisory Committee, created through Supreme Resolution N° 097-2010-PCM, is made up of National Organizations, International Organizations and Experts de recognized prestige. This group of work include among their responsibilities: evaluate, supervise and validate the quality of the National Household Survey (ENAHO), regarding to the methodology, of measure of the poverty indicators, guaranteeing the comparability and modification proposal and/or new poverty measures.

The Advisory Committee includes representatives of the Ministry of Economy and Finance (MEF), Ministry of Development and Social Inclusion (MIDIS), National Center for Food and Nutrition (CENAN), Central Reserve Bank of Peru (BCRP), Roundtable for the Fight against Poverty, Economic and Social Research Consortium (CIES), Group for the Analysis of Development (GRADE), Institute of Peruvian Studies (IEP), Pontifical Catholic University of Peru (PUCP) and Pacific University of Peru (UP); International Organizations such as The World Bank Group (WBG), Inter-American Development Bank (IADB), Institute for the Development Research (IRD) the French Government, United Nations Population Fund (UNFPA); as well as independent experts of well-known technical trajectory.

In order to access to the publication about the Technical Report: Evolution of the Monetary Poverty 2008-2019, you may enter the INEI website: <a href="https://www.inei.gob.pe">www.inei.gob.pe</a>.

Its publication will be appreciated Dissemination Office



