SPECIAL RELEASE

2015 MUNICIPAL AND CITY LEVEL POVERTY ESTIMATES

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The Philippine Statistics Authority (PSA) releases today the 2015 Municipal and City Level Poverty Estimates[1]. This set of estimates is part of the output of the Project on the generation of the 2015 Municipal and City Level Poverty Estimates implemented by the PSA and funded by the Government of the Philippines. This is a follow-up study to the earlier projects, which include 1) Poverty Mapping in the Philippines funded through the World Bank (WB) – Asia Europe Meeting Trust Fund, 2) Intercensal Updating of Small Area Poverty Estimates, through the WB Trust Fund for Statistical Capacity Building, and the 3) Project on the Generation of 2006 and 2009 Small Area Estimates of Poverty with funding assistance from the WB, the Australian Government through the Australia – WB Philippines Development Trust Fund and the national government. These projects resulted to the release of 2000, 2003, 2006 and 2009 poverty estimates for municipalities and cities using the small area estimation (SAE) technique. In 2014, the Project on the generation of the 2012 Municipal and City Level Poverty Estimates was already implemented by the PSA which resulted to the release of 2012 small area estimates of poverty.

Similar to the earlier efforts, the SAE methodology employed in the project combined survey and census data to produce reliable poverty estimates at lower levels of geographic disaggregation. The SAE methodology was based on the Elbers, Lanjouw and Lanjouw (ELL) methodology developed by the WB.

Highlights of the 2015 Municipal and City Level Poverty Estimates

On average, about 36.8% of municipalities and cities are classified in Level 1, which refers to those with poverty incidences of at most 20%. This is equivalent to 601 municipalities and cities categorized in the Level 1. About 37.1% of municipalities and cities were classified as Level 2 or with estimated poverty incidences between 21% and 40%. For Level 3 (poverty

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[1] The 2015 city and municipal poverty estimates generated were still based on the poverty thresholds released on October 27, 2016.

incidences range from 41%-60%) and Level 4 (poverty incidences range from 61%-80%), there were about 21.4% and 4.8% of municipalities and cities that belonged to these groups, respectively. There was no municipality or city that was classified in Level 5 (poverty incidence greater than 80%). The distribution of the estimated poverty incidence among population for the 1,633 municipalities and cities is presented in Figure 1.
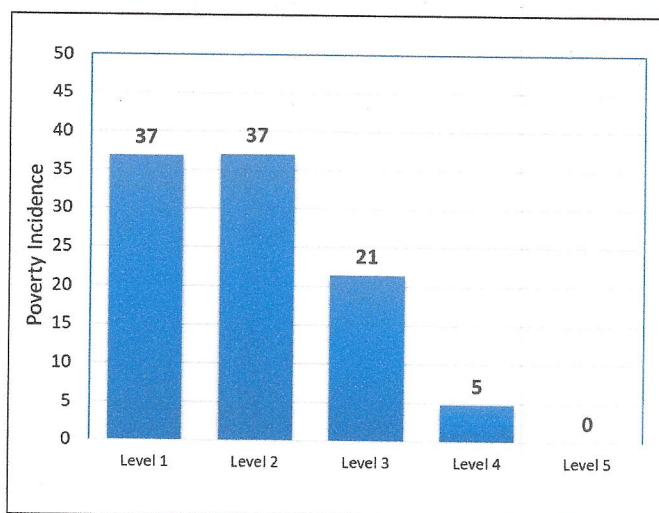

Figure 1. Percentage distribution of the 2015 municipal and city level poverty incidence estimates by poverty classification.

Table 1. Distribution of 2015 municipal and city level poverty incidence estimates by poverty classification.

Poverty Classification	Poverty Incidence Among Population (%)	Count	%	< RCF*
Level 1	At most 20.0	601	36.8	37
Level 2	21.0 to 40.0	605	37.1	74
Level 3	41.0 to 60.0	349	21.4	95
Level 4	61.0 to 80.0	78	4.8	100
Level 5	Greater than 80.0	0	0	

* Cumulative relative frequency

On the extreme end of the distribution or those in Level 4, 0.5% of the municipalities and cities were observed to have poverty incidences greater than 70%. Seven of these municipalities (Kapai, Madamba, Marogong, Pagayawan, Picong, Tagoloan II and Sultan Dumalondong) are located in the Province of Lanao del Sur and the other two are from the Province of Northern Samar (Silvino Lobos) and Misamis Occidental (Concepcion). On average, 7 out of every 10 residents in these 9 municipalities were considered poor. In

2015, the municipality with the highest poverty incidence among population was estimated in the Municipality of Silvino Lobos in the Province of Northern Samar with poverty incidence estimated as 78.5%.

Comparing graphically the distributions of the estimates across the years from 2009 to 2015 (Figure 2) indicates that there is a shift towards the left side of the distribution, which means having more municipalities and cities with lower level of poverty in 2015 compared to 2009 and 2012. Further, there was an increase in the percentage of least poor municipalities and cities or those in Level 1.
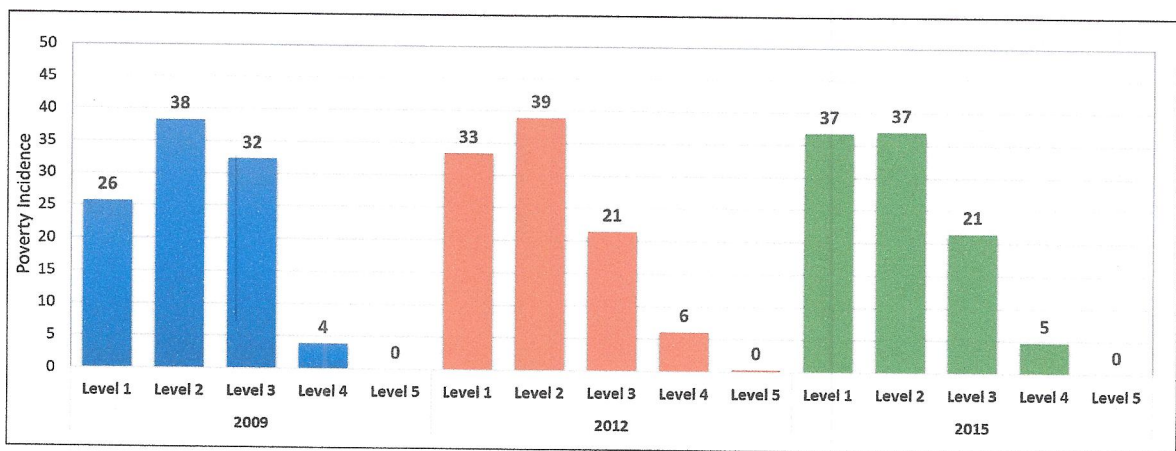

Figure 2. Percentage distributions of the 2009, 2012 and 2015 municipal and city level poverty incidence estimates by poverty classification.

The poverty map at the municipal and city level estimates by poverty classification also illustrate the same observations as presented in Figure 3. The municipalities and cities were shaded with colors to indicate their poverty classification. It could be noticed that there are more green-shaded areas in Luzon for the year 2015 compared to 2009 and 2012. This indicates that the poverty incidences in the municipalities and cities in Luzon have been declining since 2009.

In the case of Visayas, there are less yellow shaded areas in the year 2012 and additional green-shaded areas could be observed in 2015 indicating that the poverty condition of the municipalities and cities in the Visayas also improved. Orange-shaded municipalities are sparsely found in the Visayas area and are mostly found in Region VIII. Meanwhile, there are more orange-shaded regions or those in Level 4 found in the Mindanao area. This

indicates that the poverty incidences of many municipalities in Mindanao have not improved much through time.

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Attachment:
City and Municipal-level Small Area Poverty Estimates; 2009, 2012 and 2015
Technical Notes on the Generation of 2015 Small Area Estimates of Poverty