Income poverty measurement

Updated methodology and results

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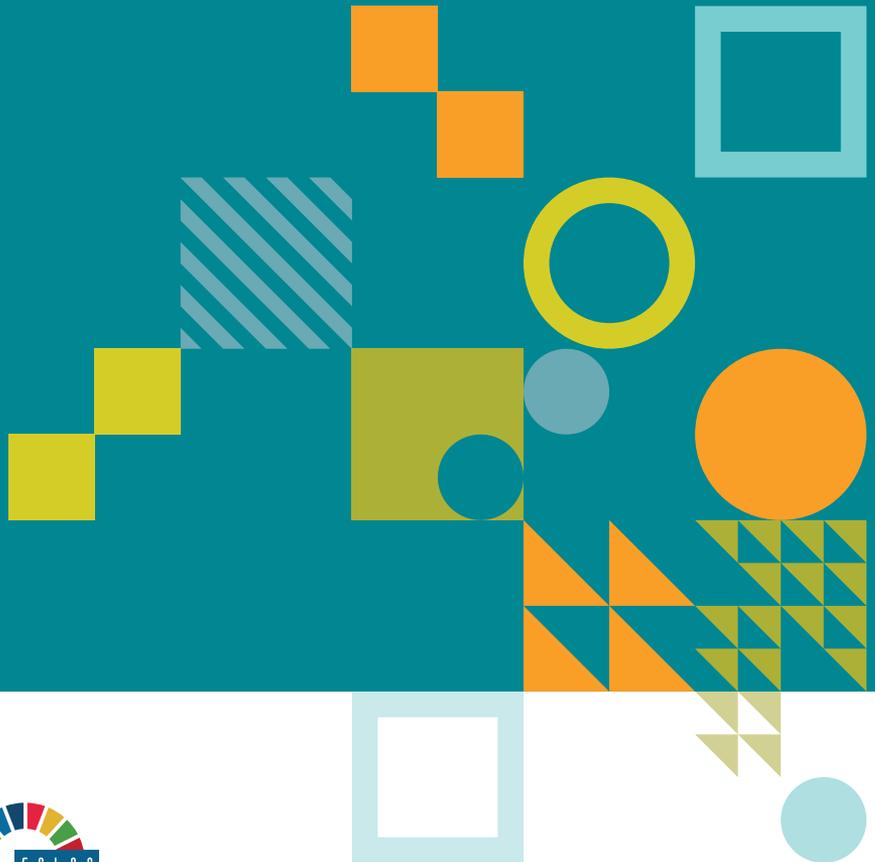
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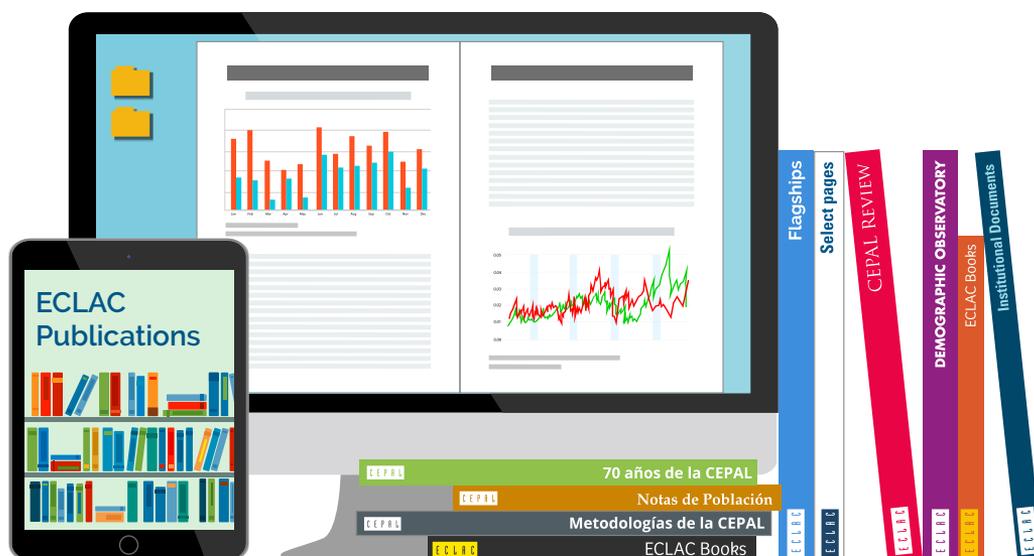
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Abstract

This document presents an updated methodology for the income poverty estimates performed by the Economic Commission for Latin America and the Caribbean (ECLAC), in order to give a more comparable overview of poverty at the regional level than can be obtained from direct measurements carried out in the 18 countries analysed.

The updating exercise encompasses two fronts: the use of data from more recent information sources and the review of specific aspects of the methodology.

The poverty lines used by ECLAC prior to this update are based on basic consumption baskets dating from the 1980s. The poverty lines presented here are constructed on the basis of more recent surveys of household income and expenditure and living conditions, which are available thanks to the collaboration of the national statistical offices and central banks of the countries of the region.

Building new poverty lines on the basis of recent information also afforded the opportunity to review certain aspects of the methodology. Accordingly, although it retains the same basic structure, the methodology presented here contains some innovations with respect to that used several decades ago.

Foreword

Putting an end to poverty is not only an ethical imperative, but also an indispensable requirement for achieving better levels of development worldwide and in Latin America and the Caribbean. The first of the 17 Sustainable Development Goals urges countries to end poverty in all its forms and the United Nations has mobilized its efforts towards attaining that Goal.

Poverty is an extreme manifestation of the multiple facets of inequality and one of the key concerns of the Economic Commission for Latin America and the Caribbean (ECLAC). Lack of monetary resources to achieve a level of well-being compatible with human dignity is one of the most alarming forms of social difference, combining both deprivations in access to basic goods and services and to adequate social protection, and a lack of participation in fundamental spheres of society, among other things. In turn, high poverty and inequality generate disincentives to innovation and investment, which makes them inefficient and highly costly for development.

Ending poverty requires directing development policies towards much more than guaranteeing minimum levels of well-being. Meaningful economic and social transformations cannot be brought about without tackling the inequalities and asymmetries that arise —both nationally and globally— between groups of the population in the development process. This calls for a development model based on progressive structural change for equality and sustainability, in which institutions, structures and policies are geared towards closing gaps between groups, levelling out opportunities and ending the culture of privilege. Resource insufficiency needs to be addressed through equality in employment, entitlement to rights and productive convergence, among other dimensions.

Between the early 2000s and the 2010s the region benefited from a run of poverty reduction and improvement in income distribution. Nevertheless, a high percentage of Latin American and Caribbean citizens still lack the resources to meet their basic needs, which jeopardizes their possibilities of development. This is particularly the case for children and young people, who are worse affected by the scourge of poverty and inequality than the rest of the population. The situation is all the more acute given that recent years have seen the decline in inequality come to a standstill while extreme poverty has increased in the region.

In this context, poverty measurement is a key element in understanding the situation in the region and reflecting on the factors and policies that can and should improve living standards. The pioneering work of ECLAC at the end of the 1970s filled a gap in the information on the magnitude of poverty and its evolution over the years in the region. Research by the Commission in the early 1990s paved the way for the establishment of a common methodology for the region and for building national capacities to apply it. Since then, the Commission has monitored and analysed poverty continuously in its various spheres of work and institutional publications.

Today, all the countries of the region have government bodies that carry out poverty measurements, most of them constituting official data. However, the measurements developed by countries to find the best fit with the needs of each national context are too different in terms of procedures and suppositions to be used for a regional perspective. For that reason, the measurements performed by ECLAC aim to reflect the socioeconomic reality of the region in the most comparable manner possible using the data available, as a necessary input for analysing factors associated with the evolution of poverty and its relationship with labour market dynamics, social protection and the economy in general, and for understanding the extent to which different policies can contribute to ending poverty.

A few years ago, ECLAC set out to review and update its methodology for poverty measurement. Given the economic and social changes that have occurred in the region in the course of more than two decades, it was necessary to update the information used to determine thresholds for quantifying poverty, and to review the characteristics of the methodology used. This publication presents the outcome of a process of methodological reflection and empirical analysis that engaged colleagues from various thematic areas of ECLAC, and benefited widely from contributions and suggestions made by national experts at various meetings on poverty measurement.

We hope that this document will contribute to the regional corpus and discussions on income poverty measurement from a variety of perspectives. One of these is to describe and document the main elements of the methodology used by ECLAC to conduct estimates that provide regional comparability and to set forth the empirical background and technical guidelines that the countries may take into account for their own measurements, especially in those aspects that differ from the methodology previously employed by ECLAC. It is also intended to explicitly describe the reasons for the similarities and differences between ECLAC measurements and national measurements, seeking to go beyond a simplistic reading of indicators and their trends, in order to help shift the regional debate more strongly towards the transformations that are needed to end poverty and close social gaps.

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Introduction

For nearly 40 years, the Economic Commission for Latin America and the Caribbean (ECLAC) has been measuring poverty levels on the basis of income data obtained from the household surveys conducted in Latin America. These measurements have enabled ECLAC to gauge the magnitude of poverty in the region and to track trends in poverty levels in each country.

The Commission's earliest poverty estimates, which date back to the late 1970s, were published in a study headed by Oscar Altimir (1979). That 10-country study framed the methodology for measuring the cost of meeting basic food and non-food needs, which in turn made it possible to construct poverty lines for each country.

Twelve years later, ECLAC published the findings of a second study, whose main objective was to update those poverty lines on the basis of the results of income and expenditure surveys conducted in the 1980s (ECLAC, 1991). Ever since then, ECLAC has regularly published regional poverty estimates based on the poverty lines drawn by that study and on the poverty lines that were subsequently calculated for the countries not covered in the original study.

In the nearly three intervening decades, the region has undergone economic and social changes that have altered the population's consumption patterns and living conditions in ways that make it advisable to update these poverty thresholds in the light of more recent household expenditure surveys.

The current context is different to that when ECLAC presented its early poverty estimates, as now most countries have official poverty measurements calculated by their national statistical offices or other public agencies. These measurements are based on methodologies and applications that conform to the requirements and constraints existing in each country, which both gives them the specificity needed to make them useful at the national level and lessens their cross-country comparability. (For an overview of some of the characteristics of these national measurements, see annex A1.) Thus, the differences between national and ECLAC estimates stem both from the differing objectives of those measurements and methodological differences.

The purpose of this study is to update ECLAC poverty lines in two ways: first, by incorporating new data sources; and, second, by applying a uniform methodology in order to make the country measurements more comparable across the region. This analysis does not seek to explore different ways of conceptualizing poverty or the possibility of introducing alternative methods because the current approach has shown itself to be a highly useful one for the region.

This document is divided into six chapters, in addition to this introductory section. The introduction provides some historical background and an explanation of the conceptual foundations for the methodology adopted by ECLAC. Chapter I offers a description of the methodology as a whole. Chapters II, III and IV focus on the methodology's main conceptual components: reference population; basic food basket and the extreme poverty line; and the cost of non-food products and the poverty line. Chapter V addresses the question of how household income is determined, and chapter VI provides the poverty estimates calculated for 18 Latin American countries using the updated methodology.

A. Poverty: concepts and methods for measuring it

The concept of poverty refers to a situation in which people are unable to reach a given standard, social norm or desirable status. Sen (1983) spoke of an "irreducible absolutist core" of poverty, which denotes a person's inability to meet his or her basic needs for survival, such as access to a basic minimum food supply or to shelter from the elements —unmet needs that are a sign of poverty in any society today. The definition of poverty is not confined to this absolutist core, however, but also includes the idea of deprivations that block people from fully participating in society (Townsend, 1979; Rio Group, 2006). From a more general standpoint, some theorists have introduced non-material and symbolic dimensions into the concept of poverty as well (Alkire, 2007). Thus, poverty can be defined in terms of a wide range of factors, such as need, standard of living, limited resources, lack of basic security, lack of entitlement, multiple forms of deprivation, exclusion, inequality, class, dependency and unacceptable hardship (Spicker, 1999). ECLAC has embraced this idea of multiple determinants and views poverty as a phenomenon that has many different causes, implications and manifestations that touch many different parts of a person's life and that are almost impossible to encompass in a single definition (ECLAC, 2006a).

Given the myriad ways in which poverty can be defined, it comes as no surprise that there are many different ways to measure it. Each of the various methodologies either implicitly or explicitly entails a specific way of defining and conceptualizing poverty, and this conceptual and methodological heterogeneity sometimes leads to differing interpretations of poverty levels and trends (Ravallion, 2003).

A first distinction to be drawn is between methods based on the idea of a deficit of economic resources (in terms of income or consumption) and methods based on a combination

of indicators of deprivation. The former are referred to as univariate methods, since income or consumption acts as a proxy for a household's ability to attain a sufficient degree of well-being. This kind of method determines whether or not a household has sufficient resources, but it does not provide any information about how those resources are used. The method presented in this study falls into this category.

Multivariate methods, on the other hand, employ a set of indicators to determine if people have attained a certain threshold in each of the various dimensions of poverty covered by that methodology. Unlike univariate methods, in this case some sort of procedure has to be used to merge the information derived from the various indicators in order to determine whether a person is living in poverty or not. The best-known method of this sort is the unmet basic needs (UBN) methodology (Feres and Mancero, 2001). More recent applications are to be found in multidimensional poverty analyses (ECLAC, 2013 and 2014a) and in studies on multiple deprivations in childhood (ECLAC/UNICEF, 2010).

Poverty analyses based on the measurement of income shortfalls date back to the early twentieth century, when representative samples of the population at large began to be used in household budget analyses (Deaton, 1997). Work on the formalization of these methods reached its apex during the last three decades of the twentieth century, with the development of such concepts as the separation of the processes of identification of poor households and aggregation in an index (Sen, 1983), the formalized description of the properties of poverty indicators (with the most widely known of these approaches being the one propounded by Foster, Greer and Thorbecke in 1984) and the derivation of orderings of income distribution functions based on the incidence of poverty (Foster and Shorrocks, 1988). In Latin America, interest in estimating the magnitude of poverty using the income shortfall approach led Altimir (1979) to develop comparable estimates for 10 countries of the region.

In the income shortfall approach, a person is identified as being poor if his or her household's income is below a given monetary threshold. Although most of the countries use this approach, there are no internationally validated standards or indicators that can be applied in all contexts, as there are in other spheres such as public finance or national accounts. As observed by Deaton (1997), given this lack of a generally applicable yardstick or metric, the construction of poverty lines invariably entails a certain degree of arbitrariness.

When using an income-based method of measuring poverty, there are two main ways in which a country can establish its poverty line. The first, which is used in most developing countries and in the United States, is to set the line with reference to the cost of a basic food basket plus a given sum for covering other, non-food needs. This is the kind of methodology that will be examined in this study. These lines are generally regarded as providing measurements of absolute poverty, as they have traditionally been used to establish the relationship between poverty and certain physical requirements for survival, such as food and shelter.

The other way is to establish the line on the basis of a value derived from a point on the income distribution, such as 60% of the median household income. This approach is generally used by developed countries and is based on the concept of relative poverty put forward by Townsend (1979), who argues that human beings' needs are not limited to mere

survival but are instead determined by what people need in order to play a normal role in their society. A poverty threshold derived from a point on the income distribution might not be a reasonable approach for the poorest countries because it would lie below the position of a poverty line based on the cost of a basic food basket (ECLAC, 2013).

There are also international income-based poverty measurements that use a threshold expressed in purchasing power parity dollars. One of these is the "dollar-a-day" [1] extreme poverty line that is being used for follow-up to the international commitments to end poverty made first under the Millennium Development Goals and then under the Sustainable Development Goals (United Nations, 2015). This line, which equates to the mean value of the official poverty lines of the countries with the lowest per capita incomes, has not proven particularly useful for the Latin American countries.

Finally, there are also other ways of setting income-based poverty lines that are of more limited applicability, such as the use of expert judgments as to the level of income needed to meet the needs of the population as measured against specified normative standards (Hatfield, 2002; Boltvinik and Marín, 2003; Saunders, 2004). Another approach has been to develop subjective poverty lines that are determined by members of the relevant population group themselves. In this case, a survey is conducted and people are asked how much income they think is needed in order to stay out of poverty (Hagenaars and Van Praag, 1985; Rio Group, 2006).

B. Income-based poverty measurements

1.   The relevance of income as an indicator of material well-being

In modern market economies, income is the main means of gaining access to the essential goods and services that afford material well-being. Households need an income in order to buy food and clothing, acquire durable goods, use transportation services and basic utilities (drinking water and a source of power for cooking, heating and lighting) and recreation services in order to meet their members' needs. While there are exceptions, such as the goods and services provided by the State (e.g. education, health, basic utilities such as water, roads, sanitation services and electricity) and those furnished by household members (childcare, eldercare, food preparation, etc.), in almost all cases there are options in the market that can be purchased.

Income plays a central role in various normative theories regarding the social and economic order. For example, in the utilitarian approach, income is the chief mechanism for fulfilling preferences, which are the fundamental component of individual well-being (Hausman and McPherson, 1996). In Rawls's theory of justice, income is one of the primary goods that enable

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[1]   In fact, the value associated with this extreme poverty line has varied depending on the base year used for the purchasing power parity (PPP) estimates. The original value of US$ 1.00/day at 1989 prices (Ravallion, Datt and Van de Walle, 1991) changed to US$ 1.08 at 1993 prices (Chen and Ravallion, 2001), US$ 1.25 in 2005 (Chen and Ravallion, 2008) and to US$ 1.90 in 2011 (Ferreira and others, 2015).

people to follow their life path in a just society (Rawls, 1971). In Sen's theory of functionings and capability (Sen, 1992), income is an extremely important means of achieving the functionings that people value (or have reason to value).

Since income is a fundamental resource for the attainment of material well-being, its absence or insufficiency is usually associated with poverty. Nevertheless, despite this close association between poverty and economic resources, poverty is a multifaceted phenomenon,[2] and not all those facets are necessarily well represented by household income levels. It is therefore important for this type of measurement to be used in conjunction with other indicators that reflect the forms of deprivation experienced by the population in order to provide a proper baseline analysis for policymaking purposes.

2. Principal characteristics of the income-based methodology for estimating poverty levels

In view of the complexity of this concept, a feasible operating definition of poverty measurement is needed that takes into account the conditions imposed by the purposes of the measurements, the achievable degree of accuracy and the quality of the available information sources. The various ways of measuring poverty differ in relation to every one of these factors. Within the framework of these conditioning factors, the methodology that will be explored here represents a step forward in the effort to produce transparent, replicable and internally consistent measurements that afford the greatest possible degree of comparability among the standards of well-being used to determine the presence of poverty.

The usual methodology for constructing poverty lines combines normative elements having to do with the need for food with positive elements relating to the expenditure structures derived from the household budget (and living conditions) surveys conducted by the countries of the region.

The basic food basket is defined on the basis of a pivotal normative criterion: sufficient funds to purchase the food necessary to meet the energy requirements defined by the Food and Agriculture Organization of the United Nations (FAO) and the World Health Organization (WHO), based on averages disaggregated by age, by sex and by level of physical activity. (The food basket is also designed to include appropriate proportions of proteins, carbohydrates and fats).

The other parameters used in this methodology are selected on an eminently positive basis. The foods included in the basket to provide the required calories and nutrients are chosen on the basis of the dietary habits of a sample of households representing the population at large. This ensures that the basket will reflect the preferences of the relevant population and the prevailing price structure. The result is expressed in terms of a per-calorie cost or of a specific basket of food products, with that figure being updated periodically to reflect changes in prices.

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[2]   Early on Altimir (1979) tried to describe this multiplicity of elements: "Poverty is ... a situational syndrome that associates under-consumption, malnutrition, poor housing conditions, low educational levels, poor health conditions, an unstable position in the productive structure, attitudes of despair and anomie, [and] low levels of participation in social integration mechanisms".

The non-food items that are added to the basket are chosen on the basis of the observed spending patterns of the reference population. Expenditure on these types of products is computed as a factor, known as the Orshansky coefficient, which expresses the ratio of the relevant group's total expenditure to its expenditure on food.[3] This coefficient is then used as a reference value for converting the cost of the basic food basket into a poverty line.

The resulting poverty line represents the level of expenditure required to purchase a basket of food that will meet the established nutritional requirements and to acquire an assortment of non-food items and services that fit in with the reference population's spending patterns.

Poverty lines computed using basic food baskets are usually referred to as "absolute" lines, as opposed to "relative" poverty lines because they are constructed on the basis of the amounts of calories and nutrients required for proper bodily functioning. The determination of a poverty line on the basis of the behavioural patterns of a reference group introduces a mechanism for adjusting the line to conform to the living standards existing in each country at a given point in time. A poverty line that has been defined in this manner therefore implicitly includes the cost of the goods and services needed to meet the standards required for participation in society. Because of this, these poverty lines need to be updated periodically in order to reflect changes in the level of development, consumption patterns and the price system.

3. The comparability of different poverty measurements

The objective of the poverty measurements prepared by ECLAC is to produce indicators that are as comparable as possible and that will accurately reflect the situation on the ground in the region.

Comparable measurements are needed because of the wide range of differing procedures and assumptions used by the countries of the region to gauge poverty levels and the differing levels of well-being inherent in the resulting figures. As shown in annex A1, such factors as the methods used to estimate the caloric and nutritional requirements to be included in the basic food basket, the procedures used to select the reference population and the approach taken to estimate the level of expenditure on non-food items have all been tackled in different ways across countries. A direct comparison of the poverty rates arrived at by the different countries could lead policymakers to draw erroneous conclusions, since differences in figures are due both to factual conditions and to methodological differences.

Generally speaking, the statistics will be comparable so long as they can be aggregated, analysed and interpreted in relation to one another or as measured against a common standard. The notion of statistical comparability has to do with the impact that differences in statistical concepts, in measuring instruments and in procedures can have on the results obtained for different geographical areas or points in time (Eurostat, 2014).

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[3]   Mollie Orshansky developed this coefficient for use in the establishment of poverty lines in the United States (Orshansky, 1965). However, it was originally applied on the basis of normative assumptions based on the consumption patterns of the entire population rather than on the observed expenditure structure of the reference group (Fisher, 1992, cited in Rio Group, 2006).

It is not easy to obtain statistics for different countries that can be put side by side, and the procedures for doing so are not obvious, even in areas with a longer statistical tradition and an agreed conceptual framework, such as economic statistics. Nonetheless, the poverty measurements made by ECLAC are designed to yield the greatest possible degree of comparability in terms of both concepts and procedural aspects.

Poverty is defined as a situation in which the level of income is insufficient to sustain a given standard of consumer spending. Common criteria are applied to the construction of consumption expenditure and income patterns, and each of these variables is operationalized in the same way for all the countries, within the limitations imposed by the measurement instruments and their procedures for data collection.

As an example, as shown in chapter V, the aggregate income measurements for each country are constructed using the same procedure, which is in line with the definitions set out by the Canberra Group and the International Labour Organization (ILO). This makes it possible to obtain income measurements that, although they may differ from those calculated by each country, are more closely aligned for the purposes of comparing the situations in different countries. Much the same occurs with the estimation of the population's energy requirements (described in chapter I), which are calculated using the same procedure in all the countries. This means that differences in the caloric requirements in each country are the result of the various disaggregations by age, sex and geographic area, rather than of variations attributable to the computational methods that were used.

The harmonization of definitions and procedures is not enough in itself to achieve full comparability, however, because the characteristics of the sources of information vary across different countries. Each country uses a different type of survey, and each of those surveys has a different type of coverage, is designed differently and is conducted on a different schedule, and different procedures are used to gather and process the information. In some cases, income and expenditure surveys are used to measure household expenditure; in others, this information is collected from living conditions surveys. These two types of surveys differ in various ways, including the way in which the pollsters ask about frequent items of expenditure, such as spending on food, and this influences the results (Crossley and Winter, 2015; Beegle and others, 2012).[4] By the same token, the means used by the countries to collect regular measurements on household income and to estimate poverty rates may be occupation and employment surveys, household budget surveys, living conditions surveys or multipurpose surveys.

To sum up, conceptual and procedural harmonization enables ECLAC to compute more comparable statistics for each country, but those results are in no way fully comparable, and caution must therefore be used in analysing and interpreting the results. Until such time as the surveys underlying these poverty measurements have been organized into a regionwide statistical programme —along the lines, for example, of the European Union Statistics on Income and Living Conditions (EU-SILC) system— the varying types of information sources used by the countries of the region will remain an important consideration in analysing poverty statistics across countries.

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[4]   For example, in income and expenditure surveys, respondents are given diaries in which they note down what they spend at the moment in which consumption takes place, whereas living condition surveys ask respondents to recall what they have spent during the preceding week or two-week period.

Chapter I
Method and data sources

A. General description of the method

The approach taken by the Economic Commission for Latin America and the Caribbean (ECLAC) to poverty estimation consists of classifying a household and its members as poor when their income is below the value of the "poverty line" or minimum amount needed to meet the basic needs of the household's members.

The poverty line represents a monetary value that considers two components: the cost of acquiring a basic food basket and the cost of other goods and services, expressed as a ratio between total expenditure and food expenditure.

The basic food basket is constructed to satisfy the average energy requirements of the population, using a structure of goods and prices given by consumption patterns observed in a reference group and adjusted for basic dietary balances.

The calorie requirements are taken from the applicable international recommendations on energy and nutrients for maintaining a healthy life as dictated by knowledge as it stands today. These recommendations propose certain standards and quantities of nutrients for a healthy diet on the basis of individual characteristics such as health, age and type of physical activity.

The consumption patterns of the population are captured through household income and expenditure surveys or living conditions surveys, depending on which are available in each country. For constructing poverty lines, the reference group is a particular subset of the population that provides spending patterns representing a sufficiency standard.

The various steps and data sources needed for the process of building the poverty line are summarized in diagram I.1.

■ **Diagram I.1**
Method of construction of poverty lines and poverty measurement

External inputs
1 Calorie requirements (CR) and nutrient requirements (NR)
2 Nutrient conversion factors
3 Income and expenditure surveys
4 Consumer price index (CPI)
5 Household surveys

Selection of reference population (RP)
• Provides data on expenditure structure and food prices

ES[a]

Construction of basic food basket
• Selection of products for the basic food basket
• Adjustment of quantities to meet calorie requirements and macronutrient requirements
• Calculation of cost per kilocalorie (CKC) of the basic food basket

CKC

Calculation of extreme poverty or indigence line (IL)
• Corresponds to the value of the basic food basket and may be expressed as IL=CR*CKC

IL

Calculation of the non-food component of the poverty line (PL)
• Selection of non-food spending items
• Orshansky coefficient (OC)=total expenditure/food expenditure PL=IL*OC

PL

Construction of the income aggregate
• Construction of income aggregates by source
• Correction for partial lack of response on labour and retirement income
• Calculation of household per capita income (PCY)

PCY

Estimation of poverty rate
• Adjustment of IL and PL values to the period corresponding to the income measurement survey
• Calculation of extreme poverty and poverty lines

Source: Economic Commission for Latin America and the Caribbean (ECLAC).
[a] Expenditure structure (food and non-food).

In practice, extreme poverty lines are the product of multiplying the calorie requirement provided by international recommendations, and the cost per kilocalorie, which is the indicator that summarizes the information on the structure and prices of food consumption of the reference population (Kakwani, 2010).

In turn, the poverty line is obtained by multiplying the extreme poverty line by a factor that expresses expenditure on non-food goods and services. Unlike in the case of the basic food basket, for which energy requirements provide exogenous criteria for efficiency evaluation,

there are no clear normative parameters for establishing a threshold of non-food goods and services consumption for the poverty line. For that reason, the ratio between total spending and food spending —the Orshansky coefficient— in the reference population is used, without specifying what type of needs are to be met with that amount.

Once the extreme poverty and poverty lines have been established, their values are compared with the income of the population to determine what proportion lies below those thresholds. Household income is obtained by aggregating returns from wage employment and own-account work, income from the ownership of assets and transfers and grants received by all the household members, as well as imputed rent in the case of owner-occupied dwellings. That value is divided by the number of members in the household to obtain a per capita value. In most of the countries in the region, the surveys used for tracking household income are different from the income and expenditure surveys used to construct poverty lines.

Both the poverty line and household income are expressed in per capita units. It is therefore assumed that the cost of meeting the needs of each person in the household is the same, regardless of the number of household members and their individual characteristics.[1]

It should be clarified that for poverty measurements based on economic resources (whether income or expenditure), poverty is identified at the level of the household. Households are thus classified into groups of poor and non-poor, and the individuals in the respective groups are allocated the classification of their household. Accordingly, all the individuals in a poor household are classified as poor, which means assuming that household consumption is distributed equitably and none of the household members have consumption above the poverty line. The reason for this is that to measure consumption within the household would require data on individual consumption of different goods and services which, generally speaking, are not available in the countries of the region.

B. Data sources

1. Nutritional requirements

The parameters used to evaluate dietary energy sufficiency of food baskets come from recommendations prepared in 2004 by the Food and Agriculture Organization of the United Nations (FAO) Expert Committee and the World Health Organization (WHO). These include the results of a different method for measuring energy requirements than that used in the recommendations of FAO/WHO/UNU (1985), which were employed for the previous ECLAC estimates. The new recommendations use measurements of energy expenditure

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[1]   Annex A5 proposes some alternatives for including both elements in the measurement, although these are not part of the methodology presented in this document.

based on the doubly labelled water method for the group aged between 0 and 18 years.[2] For adults, they continue to use estimates of basal metabolism and energy requirements corresponding to physical activity level (light, moderate or heavy).

The calculation of nutrient requirements is based on information on the number of people, by sex and age, in urban and rural areas.[3] For persons aged 18 and over, this involves establishing the value of their physical activity level, defined as a multiple of the basal metabolism. Average physical activity levels are determined by lifestyle, i.e. not only by the intensity of physical work people's occupational activity requires, but also the energy expenditure they incur in their free time. By way of reference, in multiples of the basal metabolism, a sedentary or light activity lifestyle corresponds to a physical activity level of between 1.40 and 1.69, a moderately active lifestyle to a physical activity level of between 1.70 and 1.99 and a vigorous lifestyle to a physical activity level of between 2.00 and 2.40 (FAO/WHO/UNU, 2004).

A simplified criterion is adopted as a proxy for this calculation, consisting of establishing a percentage of the population assumed to perform moderate or heavy physical activity in both urban and rural areas. The levels suggested are 10% for urban areas and around 50% for rural areas, which means assuming a sedentary majority in the urban population, with presence of obesity, and rural sectors in which agriculture is fairly unmechanized (Ballard and Raj, 2004).

On the basis of this reference, different values were established for the countries of the region, which were grouped into three categories by per capita income level and percentage of rural population. The percentage of the population carrying out activities requiring a larger expenditure of energy was considered to rise in lower per capita income countries and to be higher in countries with a higher percentage of rural population. As a result, those percentages were set at 10% for urban areas and 20% for rural areas in the case of Argentina, the Bolivarian Republic of Venezuela, Chile and Uruguay; at 10% for urban areas and 40% for rural areas in the cases of Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, Mexico, Panama and Peru; and at 20% for urban areas and 60% for rural areas in the cases of El Salvador, Guatemala, Honduras, Nicaragua, Paraguay and the Plurinational State of Bolivia.

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[2]   Compared with the recommendations published in 1985, the new method led to a reduction in energy requirements of between 16% and 20% in the case of infants under age 1, between 18% and 20% for children under age 7, and between 5% and 12% for children up to age 10. From that age, the figures are higher in the new recommendations, rising by an average of 12% for both sexes up to age 18 (Díaz, 2007).

[3]   The estimate of energy requirements was carried out using software (FAO/WHO/UNU, 2004) for adjusting energy requirements to the demographic characteristics, physical activity and area of residence (rural or urban) of the population in each country (see Díaz, 2007). Data on weight for age, which are needed to apply formulas on energy requirements, correspond to normative values implicit in the software, intended to ensure that average energy requirements are sufficient for normal weight and height growth in children and the maintenance of a healthy body weight in the case of adults (Ballard and Raj, 2004).

Calorie requirements exhibit a very similar structural pattern by age and sex from one country to another. Over the first 18 years of life, individual daily energy requirements rise from approximately 500 to over 3,000 kilocalories. As age increases, energy needs begin to fall. Men's energy needs usually exceed women's, even after age 5, although the difference increases notably from age 13 onward. In adults, men's calorie requirements are around 25% higher than women's (see figure I.1). Given the broad variability of energy requirements over the human life cycle, differences in age structures between the countries are a key factor underlying differences between estimated calorie requirements.

■ Figure I.1
Example of distribution of energy requirements by age and sex
(Kilocalories per person per day)
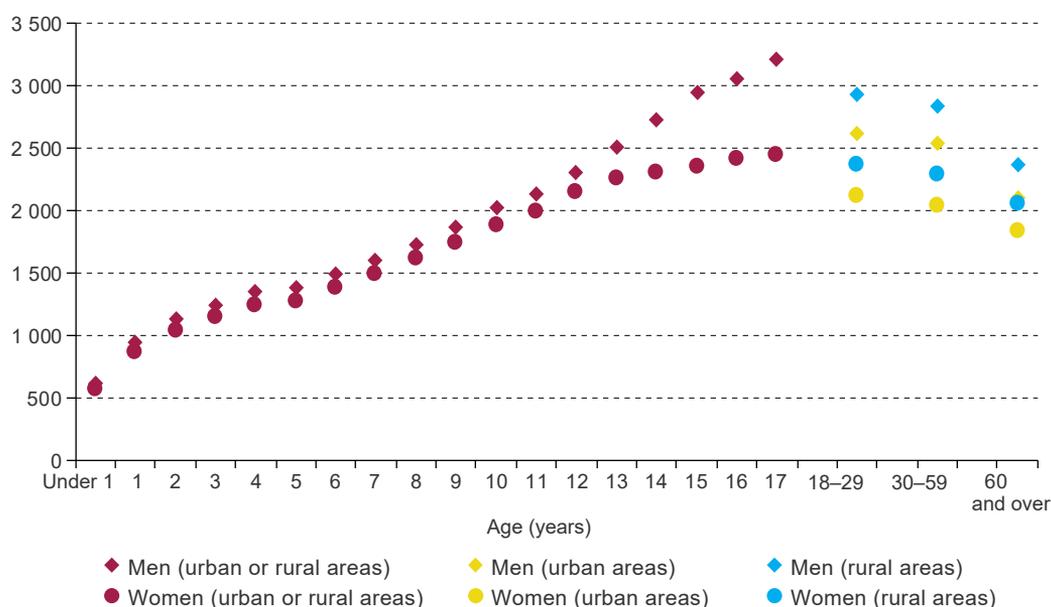
Source: Economic Commission for Latin America and the Caribbean (ECLAC).

The assumptions made about the population's average physical activity levels have a slight impact on estimated calorie requirements. Figure I.2 shows each country's average calorie requirements under different assumptions about the percentage of individuals engaging in moderate or heavy physical activity. Percentages of 10% and 20% are used for urban areas, and 30% and 70% for rural areas. The difference in calorie requirement between the lowest value (10% in urban areas and 30% in rural areas) and the highest (20% in urban areas and 70% in rural areas) is less than 4% in all the countries.

■ Figure I.2

Latin America (18 countries): average energy requirement by different percentages of individuals engaging in moderate or heavy physical activity

(Kilocalories per person per day)
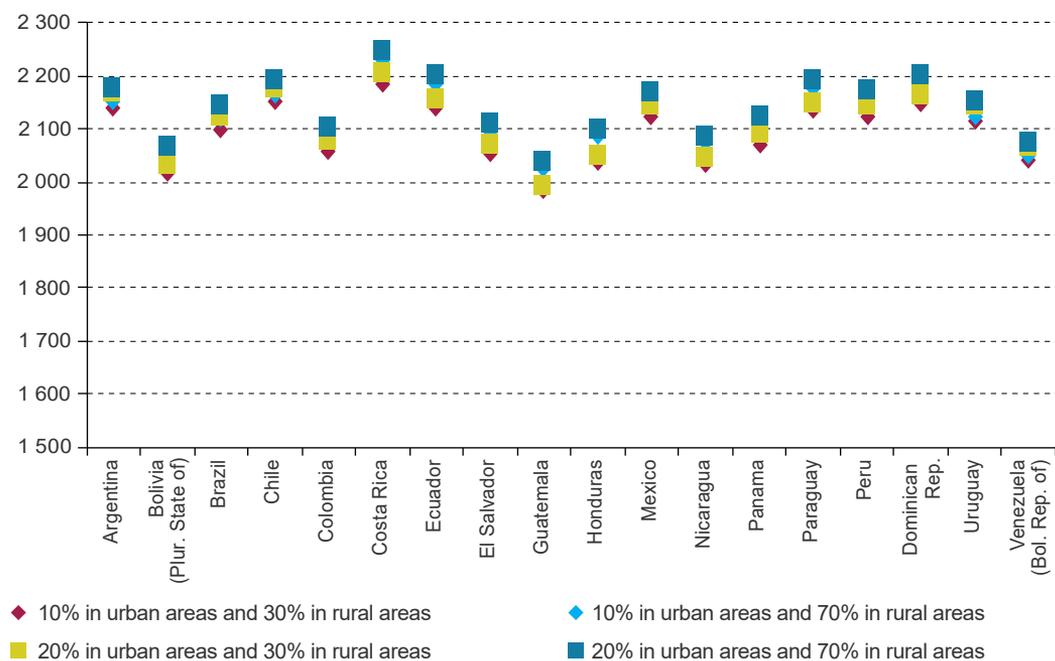
Source: Economic Commission for Latin America and the Caribbean (ECLAC).

The new average energy requirements are lower than those implicit in the previous ECLAC poverty lines. As may be seen in table I.1, the differences are less than 10% in all the countries, in both urban and rural areas. This result is foreseeable, insofar as the new recommendations do not much change the energy requirements for adults and the new requirements are slightly higher for the population aged between 10 and 18, and significantly lower for children under age 10, who form an important part of the total population in most of the region's countries.

The recommended macronutrient and micronutrient intakes for the population come mainly from those prepared by the FAO/WHO Expert Committee, contained in WHO (2003) and FAO/WHO/UNU (2004). As detailed in chapter III, on the construction of the basic food basket, the evaluation of such baskets is based on a subset of these recommendations.

■ Table I.1

Latin America (18 countries): changes in average energy requirements in urban and rural areas between the recommendations of 1985 and 2004

(Kilocalories per person per day)

Country	Urban areas			Rural areas		
	Former requirements[a]	New requirements[b]	Percentage variation	Former requirements[a]	New requirements[b]	Percentage variation
Argentina	2 211	2 130	–4	2 278	2 242	–2
Bolivia (Plurinational State of)	2 148	2 013	–6	2 186	2 126	–6
Brazil	2 265	2 080	–8	2 273	2 212	–8
Chile	2 176	2 130	–2	2 236	2 281	–2
Colombia	2 151	2 030	–6	2 221	2 161	–6
Costa Rica	2 167	2 141	–1	2 229	2 280	–1
Dominican Republic	2 135[c]	2 102	–2	2 150[c]	2 255	–2
Ecuador	2 145	2 097	–2	2 163	2 207	–2
El Salvador	2 135[c]	2 046	–4	2 150[c]	2 159	–4
Guatemala	2 135	1 987	–7	2 150	2 039	–7
Honduras	2 135[c]	2 028	–5	2 150[c]	2 126	–5
Mexico	2 125	2 101	–1	2 165	2 214	–1
Nicaragua	2 135[c]	2 027	–5	2 150[c]	2 128	–5
Panama	2 138	2 042	–4	2 187	2 139	–4
Paraguay	2 148[d]	2 109	–2	2 186[d]	2 269	–2
Peru	2 154	2 105	–2	2 158	2 181	–2
Uruguay	2 152	2 099	–2	2 345	2 305	–2
Venezuela (Bolivarian Republic of)	2 140	2 034	–5	2 168	2 130	–5

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Food and Agriculture Organization of the United Nations/World Health Organization/United Nations University, "Human energy requirements", *Food and Nutrition Technical Report series*, No. 1, Rome, 2004; "Energy and protein requirements", *Technical Report series*, No. 724, Geneva, 1985.

[a] Requirements based on the recommendations of FAO/WHO/UNU (1985).

[b] Requirements based on the recommendations of FAO/WHO/UNU (2004).

[c] Corresponds to requirements estimated for Guatemala.

[d] Corresponds to requirements estimated for the Plurinational State of Bolivia.

■ Table I.2

World Health Organization population nutritional targets, 2003

(Percentages of total energy)

Dietary energy source	Nutritional intake goal
Total fats	15–30
Total carbohydrates	55–75
Proteins	10–15

Source: World Health Organization (WHO), "Diet, nutrition and the prevention of chronic diseases", *Technical Report Series*, No. 916, Geneva, 2003.

2.   Income and expenditure surveys

The main source of data for examining the level and structure of expenditure on goods and services and thus, for the construction of extreme poverty and poverty lines, are surveys of income and expenditure or of living standards. These measure spending by households on goods and services which, according to the 2008 System of National Accounts (SNA), is defined as "the values of the amounts that buyers pay, or agree to pay, to sellers in exchange for goods or services that sellers provide to them or to other institutional units designated by the buyers" (European Commission and others, 2009, p. 183).

The goods and services that households acquire to meet their needs may be obtained in the market, from self-production or social transfers in kind from the government of from non-profit institutions. The sum of the expenditures associated with these three sources is termed actual final consumption of households.

Although this concept of expenditure is the broadest, it is complex to measure using household surveys, because of the challenges of placing a value on social transfers in kind. For that reason, surveys of household expenditure usually concentrate on final consumption expenditure, which excludes social transfers in kind (European Commission and others, 2009, p. 184). It should be noted that the reference to expenditure on "consumption" excludes spending on fixed assets in the form of dwellings or valuables (European Commission and others, 2009, p. 186). And, because it is final consumption, it also excludes spending on intermediate consumption, i.e. goods and services that are used to produce other goods and services (European Commission and others, 2009, p. 184). The concept of final consumption expenditure is consistent with the notion of disposable income often used to measure poverty, since both exclude social transfers in kind (see chapter V).

In the region, expenditure surveys are carried out less regularly than household surveys measuring income, so there can be several years of difference between the periods corresponding to the most recent surveys available in each country. The 18 surveys used were carried out between the mid-2000s and the mid-2010s. Of these, 16 have national coverage, whereas the other 2 cover urban areas only (see table I.3).

■ Table I.3
Latin America (18 countries): surveys used to calculate poverty lines

Country	Name	Coverage	Period	Observations (number of households)		
				Total	Urban areas	Rural areas
Argentina	Encuesta Nacional de Gastos de los Hogares	National	2012–2013	20 693	20 693	...
Bolivia (Plurinational State of)	Encuesta Continua de Hogares	National	2013	9 553	7 236	2 317
Brazil	Encuesta de Presupuestos Familiares	National	2008–2009	53 154	41 086	12 068
Chile	VII Encuesta de Presupuestos Familiares	Urban	2011–2012	10 502	10 502	...
Colombia	Encuesta Nacional de Ingresos y Gastos	National	2006–2007	35 775	32 360	3 415
Costa Rica	Encuesta Nacional de Ingresos y Gastos de los Hogares	National	2012–2013	5 627	3 706	1 921
Dominican Republic	Encuesta Nacional de Ingresos y Gastos de los Hogares	National	2006–2007	8 358	5 372	2 986
Ecuador	Encuesta de Condiciones de Vida (ECV)	National	2013–2014	28 970	13 908	15 062
El Salvador	Encuesta de Ingresos y Gastos de los Hogares	National	2005–2006	4 368	3 237	1 131
Guatemala	Encuesta Nacional de Condiciones de Vida	National	2014	11 536	5 246	6 290
Honduras	Encuesta Nacional de Condiciones de Vida	National	2004	8 155	5 564	2 591
Mexico	Encuesta Nacional de Ingresos y Gastos de los Hogares	National	2012	9 000	4 384	4 616
Nicaragua	Encuesta Nacional de Hogares sobre Medición de Nivel de Vida	National	2014	6 851	5 530	1 321
Panama	Encuesta de Ingresos y Gastos de los Hogares	Urban	2007–2008	8 895	8 895	...
Paraguay	Encuesta de Ingresos y Gastos y de Condiciones de Vida	National	2011–2012	5 417	3 446	1 971
Peru	Encuesta Nacional de Hogares sobre Condiciones de Vida y Pobreza	National	2014	30 848	19 067	11 781
Uruguay	Encuesta Nacional de Gastos e Ingresos de los Hogares	National	2005–2006	7 024	5 778	1 246
Venezuela (Bolivarian Republic of)	IV Encuesta Nacional de Presupuestos Familiares	National	2008–2009	36 718	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

Income and expenditure surveys yield data on households' monthly spending on each good or service. In the case of food, surveys also provide information on the quantities acquired and the measurement unit in which they are expressed. The price at which each household acquires each product is obtained indirectly as the ratio between expenditure and the amount acquired.

Sound information on quantities is essential for the process of estimating apparent intake of calories and nutrients, and for calculating price per kilocalorie. Income and expenditure surveys in the countries of the region provide that information in different ways:

(a)   Quantities expressed in grams or litres, or in units of measure that can be converted in a standard manner into grams or litres (for example, in pounds, which are equivalent to 454 grams).

(b)   Quantities registered in units of measure for which there is no standard conversion into grams or litres (such as "unit", "piece", "bunch", "handful", "glassful", etc).

(c)   No register of quantities.

The ideal situation is the first case (a), in which full information is available on quantities, presented in standard units of measure, since this information can be used directly. A large number of products may be found corresponding to case (b), in which quantities are registered in units of measure that do not have a standard conversion to kilograms or litres. In this case, different procedures have to be applied. One possibility is to adopt an average weight for the unit on the basis of external information (for example, assuming an average weight of 60 grams for an egg). Another possibility is to calculate the quantity using the implicit price of another product with characteristics that are similar (in culinary and nutritional terms) or taking an average (weighted by the net quantity consumed) of the foods that make up the group of foods corresponding to the product whose quantity is to be ascertained.[4]

When the survey does not enquire into the quantities consumed and thus does not provide the means to calculate implicit prices, external information must be used on product prices, usually the prices that national statistical offices compile for the consumer price index (CPI). The quantities are obtained as the ratio between spending on each product and its respective price. This process is not error-free, however, because the products listed in the survey do not often match up fully with those used for the CPI.

Two processes must be carried out to calculate apparent intake of calories and nutrients. The first is to convert the quantities obtained in the previous stage —termed gross quantities— into net quantities, i.e. discounting the non-edible part of foodstuffs. This is done using the edible portion factors shown in the nutrient composition tables of foods. These net figures represent the quantities required to estimate the nutrient content of each product.

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4   For example, the price implicit in the weighted average of the fruit for which data are available is used to allocate a quantity to "other fruit (not specified)".

The next step is to calculate household actual calorie consumption on the basis of the net quantities. This is done using energy supply coefficients (usually expressed per 100 grams of food) from various national and international nutrient composition tables. Those factors, and the data on nutrients (proteins, vitamins and minerals, among others) are obtained from the database constructed in the framework of a joint project between ECLAC, the Pan-American Health Organization (PAHO) and the Institute of Nutrition of Central America and Panama (INCAP), which compiles mainly the most recent data from the United States Department of Agriculture Nutrient Data Laboratory and the INCAP/PAHO food composition table for Central America (2007). The nutrient database used, compiled in 2008, contains information on 770 products, including staples which are part of the basic food baskets in the countries of the region.

In order to use these nutrient tables, a correspondence must be established between the description of the products they include and the descriptions of products in expenditure surveys. The accuracy that can be achieved in this depends on the degree of specification of the products registered in the survey, which tends to be less rigorous than the information provided in food composition table. This can particularly affect data on some nutrients that have a high degree of variability among similar products.

The category of foods consumed "outside the home" —food acquired from restaurants, street stalls and canteens— is a special case. Surveys do not usually report on the quantities acquired of such products and, when they do, these are not readily convertible into standard units. Moreover, the descriptions in these cases, mostly of prepared meals, do not have corresponding entries in nutrient supply tables.

For that reason, a special procedure is applied to this group of foods. The quantities and their energy supply are estimated on the basis of two assumptions: that the cost (per kilogram and per kilocalorie) of foods consumed outside the home is higher than foods consumed in the home and that the ratio between the two rises with the economic resources of household. The first assumption is consistent with the fact that the price paid to acquire pre-prepared foods carries costs additional to the value of the raw foodstuffs, relating to food preparation, use of commercial premises and staff wages, among others. The second assumption reflects the fact that as people's income rises, the type of premises in which they acquire pre-prepared foods represents a growing share of these additional costs. The two suppositions are applied to the poverty lines presented in this document by allocating to consumption outside the home a cost 50% higher than consumption in the home for households in the first per capita income quintile, 75% higher for those in the second quintile, 100% higher for those in the third quintile, 150% higher for those in the fourth quintile and, lastly, 250% higher for those in the richest quintile.[5] It is also supposed that the macronutrient and micronutrient supply per kilocalorie is similar to the average for products consumed in the home (that is, nutrient density is assumed to be the same for consumption in and outside the home).

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[5]   In the case of Costa Rica, the database of the expenditure survey itself contained information on the nutrient supply of all products consumed outside the household, so it was not necessary to apply the cost ratio mentioned.

Information on the level and distribution of the cost per kilocalorie of food consumed outside the home is scarce in the region and not easy to generalize across countries. Some countries have performed analyses on the nutrient composition of the main foods consumed outside the home, usually as an input for the construction of basic food baskets, which provide information on how per-kilocalorie costs of consumption outside the home compare with consumption in the home and, in some cases, on how this relationship varies by household income level.

Costa Rica carried out a nutrient analysis of products regularly acquired by households in its national household income and expenditure surveys of 2004 and 2013. According to the information processed from the database, in 2004 food consumed outside the home cost 2.5 times more per kilocalorie, on average, than food consumed in the home. The information from 2013 showed this multiple at 3.7. A similar study was carried out in Uruguay in the national household income and expenditure survey of 2006. In this case, the data published (INE, 2007) showed an average ratio of the cost per kilocalorie in and outside the home of 2.3 to 1.0 in urban areas and 2.7 to 1.0 in rural areas. In the case of Guatemala, Monroy, Monroy and Toledo (2015) analysed dishes commonly purchased for lunch and breakfast. Lunches consumed outside the home cost 2.7 times more per kilocalorie than the national basic food basket, while breakfasts cost 4.0 times more. In the case of Peru (Farfán, Genoni and Vakis, 2015), the ratio between the cost per kilocalorie of consumption outside and in the home was 1.75 to 1.0.

The studies for Costa Rica and Uruguay both have information on the cost of consumption outside the home disaggregated by household income deciles. The ratio between costs of consumption outside and in the home shows no upwards tendency in either case. However, this could be because the establishments and pre-prepared dishes analysed do not necessarily reflect the costs of the strata at the extremes of the income distribution. For that reason, these cases were not considered sufficient evidence to change the assumption of rising cost in the estimation of poverty lines.

3. Income measurement surveys

Once the extreme poverty and poverty lines have been constructed, the quantification of poverty is based on the comparison of those thresholds with households' income. Income and expenditure surveys are carried out approximately every five or ten years in most of the countries of the region, so they are not a suitable instrument for regular monitoring of poverty. For that reason, household income measurement is carried out using household surveys that are taken more regularly. These tend to be employment surveys, multipurpose surveys or surveys on living conditions (except in the case of Mexico, where the regular survey for measuring poverty is an income and expenditure survey), most of which are carried out annually by national statistical offices or central banks and processed by ECLAC for this purpose (see table I.4).

■ Table I.4
Latin America (18 countries): surveys used to measure income and poverty, 2000–2016

Country	Survey	Geographical coverage	Year[a]
Argentina	Encuesta Permanente de Hogares (EPH)	Urban	2000-2016
Bolivia (Plurinational State of)	Encuesta de Hogares	National	2002
	Encuesta Continua de Hogares	National	2004-2016
Brazil	Encuesta Nacional de Hogares (PNAD)	National	2000-2015
Chile	Encuesta de Caracterización Socioeconómica Nacional (CASEN)	National	2001-2015
Colombia	Encuesta Continua de Hogares	National	2002-2005
	Gran Encuesta Integrada de Hogares	National	2008-2016
Costa Rica	Encuesta de Hogares de Propósitos Múltiples	National	2000-2009
	Encuesta Nacional de Hogares (ENAHO)	National	2010-2016
Dominican Republic	Encuesta Nacional de Fuerza de Trabajo (ENFT)	National	2000-2016
Ecuador	Encuesta de Empleo, Desempleo y Subempleo (área urbana)	Urban	2000-2002
	Encuesta de Empleo, Desempleo y Subempleo (área urbana y rural)	National	2004-2016
El Salvador	Encuesta de Hogares de Propósitos Múltiples	National	2000-2016
Guatemala	Encuesta Nacional de Condiciones de Vida (ENCOVI)	National	2000, 2006 y 2014
Honduras	Encuesta Permanente de Hogares de Propósitos Múltiples	National	2000-2015
Mexico	Encuesta Nacional de Ingresos y Gastos de los Hogares (ENIGH)	National	2000-2006
	Módulo de Condiciones Socioeconómicas (MCS) de la ENIGH	National	2008-2014
	Encuesta Nacional de Ingresos y Gastos de los Hogares (ENIGH) nueva serie	National	2016
Nicaragua	Encuesta Nacional de Hogares sobre Medición de Nivel de Vida	National	2001, 2005, 2009 y 2014
Panama	Encuesta de Hogares	National	2000-2016
Paraguay	Encuesta Integrada de Hogares	National	2001
	Encuesta Permanente de Hogares	National	2004-2016
Peru	Encuesta Nacional de Hogares sobre Condiciones de Vida y Pobreza	National	2000-2016
Uruguay	Encuesta Continua de Hogares	Urban	2000-2016
Venezuela (Bolivarian Republic of)	Encuesta de Hogares por Muestreo	National	2000-2014

Source: Economic Commission for Latin America and the Caribbean (ECLAC).
[a] Refers to the first and last year. Surveys are not necessarily available for every year in the period covered.

Chapter II
Selection of the reference population

A. A new approach for the selection of reference populations

The selection of a reference group is one of the main steps involved in constructing a poverty line. The reference population is the group that provides the information on consumption patterns and prices that is needed to build a basic food basket and to determine the ratio between total expenditure and expenditure on food of the poverty line. Despite the importance of this step, relatively little has been said in the specialized literature about what traits a reference group should have or about how to go about selecting one. Basically, there are two types of approaches that can be used, both of which are based on the empirical information provided by household surveys.[1]

Before actually selecting a reference population, the households have to be arranged in ascending order based on their economic status as defined by their per capita incomes. Once this has been done, they can be divided into groups of equal size (e.g. deciles or quintiles) or, if greater accuracy is required, into "moving quantiles" — contiguous percentiles of households that are usually equivalent to 20% of the total household population (in which case they are referred to as "moving quintiles").[2]

There are two ways to identify the moving quintile that will serve as the reference population. One is to use a proxy variable for households' standard of living for which a

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[1]   The use of any predominantly subjective approach, such as selecting a quintile that has been "determined on the basis of the commitment the governments want to make in terms of allocating resources to poverty reduction programs", as proposed by Kakwani (2010), has been ruled out.

[2]   The reader should note that, unlike traditionally defined quintiles, moving quintiles are not mutually exclusive; in fact, 95% of the households in adjacent quintiles overlap. The idea is to find a reference population of a size that strikes a balance between the need to have a sufficiently representative number of survey observations and the need to have a group of households that have similar per capita incomes.

criterion of "sufficiency" has been defined. What is being sought is a group whose consumption habits reflect household decisions arrived at within a framework that is presumably free of significant resource constraints (ECLAC, 1991). This is the method that the Economic Commission for Latin America and the Caribbean (ECLAC) has traditionally used, in which the group whose apparent caloric intake (the proxy for standard of living) is similar to the recommended caloric intake (sufficiency threshold) is selected.

The other way is to choose a reference population that matches the final poverty rate (Ravallion, 1998). More specifically, Pradhan and others (2001) state that the most suitable reference group is one whose mean consumption level is equal to the poverty line. In this case, the proxy for the standard of living is the level of economic resources (as measured by income or consumption), and the sufficiency threshold is the poverty line. Since the poverty line is not known in advance, an iterative procedure must be used whereby a succession of reference groups has to be chosen until one whose mean income is similar to the poverty line is found.

In order to obtain a consistent and regionally comparable measurement, a procedure is needed that can be applied uniformly across the countries of the region. Although both of these methods are based on reasonable assumptions, their application to the expenditure survey data used in this study does not yield sufficiently consistent or regionally comparable results (see annex A2). The first method, which is based on caloric intake, has two drawbacks. One is that it can generate inconsistent results for the reference groups and thus end up with country rankings that are not in line with the countries' relative levels of development.[3] The other is that the significant reduction in undernutrition and substantial increase in obesity in low-income households casts doubt upon the validity of using caloric intake as a sole poverty indicator. As for the second method, the selection of a reference group based on its alignment with the poverty line is a procedure that lacks any exogenous criterion for determining the sufficiency of the reference population's living standards and thus does not provide a way of verifying whether the group actually has enough purchasing power to meet a given category of needs.

The updated methodology presented in this study is based on a procedure for the selection of reference populations that seeks to make the process more robust by taking advantage of the strengths of the existing approaches while avoiding some of their weaknesses.

The first procedural innovation is to supplement the caloric insufficiency criterion with other indicators of critical deprivations in order to gain a broader picture of the extent to which the reference population is meeting its basic needs. Critical deprivation indicators have been in use for a long time in Latin America as one of the components of the unmet basic needs method. The introduction of indicators for deprivations in the areas of housing, basic services and education to supplement the food insufficiency

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[3]   This happened when an attempt was made to use expenditure survey data as inputs for the preparation of this study; this does not mean that this methodology might not yield good results under other circumstances. In fact, it was used successfully in an earlier study (ECLAC, 1991).

indicator provides a broader spectrum of information for assessing the reference population's living conditions while at the same time reducing the procedure's reliance on calorie measurements (and their associated biases).

The second innovation is to introduce an iterative procedure. If the reference population is identified solely on the basis of a set of critical deficiencies, there is no way to be sure that the selected group has an expenditure pattern that is in keeping with the poverty line that is being drawn. In order to strike that balance, the next step is to see if the mean expenditure of the reference group selected on the basis of the critical deprivations approach is above, below or equal to the poverty line that has been established. If the level of expenditure is below the poverty line, then the reference population has to be shifted upward in the income distribution until it matches the poverty line.[4]

With this method, then, the reference population that is selected is the first group of households in the per capita income distribution that meets two requirements: it exhibits a basic set of non-monetary deprivations and has an average level of expenditure that is equal to or greater than the poverty line.

B. Procedure for the selection of the reference population

The procedure for selecting a reference population can be divided into four stages:

(i)   Arranging households in ascending order by per capita income and then dividing them into moving quintiles.

(ii)   Determining the percentage of households with two or more critical deprivations in each moving quintile and selecting the first quintile in which 10% or fewer households are in that position (criterion 1).

(iii)   Applying the rest of the procedure for constructing a basic food basket and a poverty line.

(iv)   Comparing the reference population's per capita level of expenditure with the poverty line obtained upon completion of the procedure. If the reference population selected on the basis of the first criterion has a level of per capita expenditure that is equal to the poverty line or above it, then the process is complete. If, on the other hand, the level of expenditure is below the poverty line, then the reference population should be shifted upward in the income distribution by one centile at a time, with a new basic basket and poverty line being constructed with this new reference population each time, until the level of per capita expenditure matches the poverty line and the concordance criterion has therefore been met (criterion 2).

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4   If the average level of expenditure is above the poverty line, the reference population is not shifted downward because this would entail raising the percentage of critical deficiencies above the threshold.

The selection of the reference population should be carried out at the national level, and this population should include both urban and rural households. As will be explained in a later section, a spatial price deflator is used to correct for any differences in the purchasing power of income between different geographic areas. This is done in order to ensure that the households making up the reference population have similar living standards, regardless of their location.

This does not mean that poverty lines and extreme poverty lines have to be calculated at the national level, however. Since, in most of the countries of the region, the consumption structures of urban and rural areas differ quite strikingly, it is usually better to construct different thresholds for each area. Separate poverty lines are therefore constructed for each geographic area using the urban or rural households in the national reference population, as appropriate.

These four stages in the procedure for the selection of a reference population are depicted schematically in diagram II.1.

1.   Moving quintiles and spatial price deflators

Households are ranked and moving quintiles are calculated on the basis of the per capita household income data gathered in each country's income and expenditure survey (listed in table I.3). The income measurements obtained from these surveys may differ in terms of level and structure from those obtained from the household surveys used to measure poverty (see table I.4). Because the income measurements obtained from income and expenditure surveys are used only for ranking the households and creating the mobile quintiles, however, any differences between the income measurements of these two kinds of surveys have no significant impact on the results.

Before proceeding to rank the households, a spatial price deflator is constructed for use in correcting any differences between geographic areas in terms of the purchasing power of income. In most of the countries of the region, price information is not gathered in rural areas or is not disaggregated by item, so the price deflator is estimated using information from household budget surveys.

In order to calculate the deflator, information is needed on the amounts purchased and their unit values, and this type of information is readily available only in the case of food items. The representativeness of deflators calculated in this way will depend on how similar the differences between urban and rural food prices are to the differences between the prices of non-food items. Given the fact that housing costs in urban and rural areas often differ sharply, the deflators may overestimate the cost of living in rural areas relative to the cost of living in urban areas.

■ Diagram II.1
Selection of the reference population

Moving quintiles (MQ)

- Households are ranked in ascending order of per capita income
- Moving quintiles are established

Criterion 1: critical deprivations

- The percentage of households with critical deprivations in each moving quintile is calculated
- The first moving quintile in which no more than 10% of households have two or more critical deficiencies is selected

Poverty line

- The poverty line is constructed on the basis of the reference population

Criterion 2: concordance with the poverty line

- The ratio between average per capita expenditure in the reference population (PCE) and the poverty line (PL) is calculated

PCE/PL is equal to or greater than 1?

NO

YES

- The reference population is shifted upward one income distribution centile at a time

- The reference population is selected for use

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

The results show that, although prices in rural areas tend to be lower than in urban areas, the differential is usually less than 10% (see table II.1). Therefore, this procedure, although necessary for reasons of conceptual consistency, does not have an appreciable influence on the selection of the reference population.

■ Table II.1
Latin America (14 countries): ratio of rural to urban food prices

Country	Ratio
Bolivia (Plurinational State of), 2013	0.954
Brazil, 2008	0.973
Colombia, 2007	0.967
Costa Rica, 2013	0.968
Dominican Republic, 2007	0.982
Ecuador, 2014	0.939
El Salvador, 2006	1.000
Guatemala, 2014	0.943
Honduras, 2004	1.000
Mexico, 2012	0.959
Nicaragua, 2014	0.926
Paraguay, 2011	0.965
Peru, 2014	0.876
Uruguay, 2006	0.961

Source: Economic Commission for Latin America and the Caribbean (ECLAC).
Note: The expenditure surveys conducted in Argentina, the Bolivarian Republic of Venezuela, Chile and Panama do not provide information on rural areas.

2. Criterion 1: critical deprivations

The indicators used in the unmet basic needs method are the main source of data for the selection of a basic set of deprivations. These indicators of deprivation fit in with the notion of absolute poverty and can generally be obtained from household expenditure surveys.

Four types of deficiencies are used as a basis for the selection of a reference population: housing, basic services, education and food. Housing needs can be represented by the use of substandard building materials or overcrowding. Shortfalls in basic services can be gauged using an indicator of access to water or of access to sanitation. Education is represented by school attendance, and access to food is represented by the usual criterion of insufficient caloric intake or by an indirect indicator based on the share of total household expenditure represented by expenditure on food (see table II.2).

The conceptual justification for using these indicators has been extensively developed both for the unmet basic needs method (Kaztman, 1995) and for multidimensional poverty measurements (ECLAC, 2013 and 2014). In the case of housing, the use of substandard building

materials (dwellings with dirt floors or whose roof or walls are built out of flimsy materials) signals insufficient protection from the natural and social environment. Overcrowding, which in this context is defined as more than three persons per room, reflects an inadequate degree of privacy and comfort for the performance of basic biological and social activities (ECLAC, 2014).

Access to water and sanitation is internationally recognized as a human right and is considered to be essential in order to prevent or reduce malnutrition, communicable diseases and high rates of maternal and infant mortality. Households are regarded as being deprived of access to water when they must obtain it from public standpipes located off the premises (in urban areas), unprotected wells (when they can be individually identified), mobile sources (village tanks, tank carts, tanker trucks, etc.) or unprotected sources (rivers, streams, rainwater, etc.). In the case of sanitation, a household is said to be deprived if the waste system is not connected to a sewerage system or septic tank (in urban areas), the dwelling does not contain a toilet, or untreated waste is deposited on the ground or in rivers or the sea.

■ **Table II.2**
Indicators of deprivation used in the selection of a reference population

Dimensions and deprivation indicators	Type of deprivation
Housing	
Substandard building materials	Dwellings with dirt floors or with roofs or walls made of flimsy materials
Overcrowding	Dwellings in which three or more people share a room
Basic services	
Lack of improved water sources	Households that obtain their water supply from one of the following sources: - Public standpipes located off the premises (in urban areas) - Unprotected wells - Mobile sources (village tanks, tank carts, tanker trucks, etc.) - Rivers, streams, rainwater, etc.
Lack of improved sanitation facilities	Households in any of the following situations: - Waste system is not connected to a sewerage system or septic tank (in urban areas) - Dwelling does not contain a toilet - Untreated waste is deposited on the surface of the ground or in rivers or the sea
Education	
School non-attendance	Households with at least one child of primary or secondary school age (7–15 years of age) who does not attend school
Food	
Insufficient caloric intake	Households in which the per capita caloric intake is below the average requirement
Excessive share of total income is spent on food	Households in which the purchase of food represents more than three fourths of total household expenditure

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

One of the two available indicators for the dimension of housing and one of the two indicators for access to basic services are selected, depending on their variability along the income distribution. Preference is given in each case to the indicator of deprivation that has a high incidence in the lower percentiles and a low incidence in the higher quintiles (the indicators of deprivation used for each country are identified in table II.3). This is necessary in order to identify the group that is the most representative of a situation of sufficiency. Since there is not always a clear correspondence between the available variables for housing and basic services and situations of deprivation, some indicators may reflect similar degrees of deprivation across several quintiles, which makes it difficult to select a satisfactory reference population.

In the case of education —a fundamental right whose realization enables a person to gain the skills and abilities needed to play a satisfactory role in production and in social affairs— the usual practice is to use school non-attendance as the indicator of deprivation. Here, deprivation is said to exist if in a household there is at least one child or adolescent of an age corresponding to primary or lower secondary school (7–15 years of age) who is not attending school. Other indicators, such as insufficient educational attainment of adults, are not used because it is less likely that this kind of deprivation can be resolved by monetary means.

In the case of food supply, there are two indicators. One is apparent caloric intake, which is the indicator used by ECLAC in the selection of reference populations for the construction of poverty lines in the early 1990s (ECLAC, 1991). With this indicator, deprivation is considered to be present when the household's average caloric intake is below the applicable requirement. Information on caloric intake in the context of an indicator of deprivation at the household level must be dealt with somewhat differently. Unlike with the critical deficiencies described earlier, the information on spending levels gathered in income and expenditure surveys is not appropriate for use at the level of individual households. Especially in the case of frequent expenditures, such as the purchase of food, the period during which household information is compiled may not match up with the timing of purchases. For example, if a household purchased a large amount of groceries a few days before the week covered in the survey and during that week bought fairly few groceries, the level of expenditure recorded for that week will translate into an underestimation of the household's monthly expenditure on food. Thus, measuring caloric intake on the basis of expenditures on food may yield values that do not accurately reflect the situation in a given household (see annex figure A2.2). However, the design of the sample populations for income and expenditure surveys is such that these samples are distributed over different weeks and days of the week, so that any discontinuity between the data collection period and the purchasing pattern of a given household will be counterbalanced when the information is aggregated, which is how these surveys are customarily used. Thus, in constructing the deprivation indicator, each household is assigned the average value for per capita caloric intake of the group to which it belongs. Households are grouped into 20 clusters of the same size, ranked by per capita income, while outlier observations are excluded.[5] This method of constructing a deprivation indicator on the basis of the average caloric intake of households grouped by per capita income is in line with the approach used by ECLAC (1991) for selecting reference populations.

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[5]   Calorie intakes of less than 200 kilocalories or more than 10,000 kilocalories per person per day.

The information from expenditure surveys used in this study indicates that the average caloric intake may be under- or overestimated, which undermines the usefulness of this indicator for identifying situations of deprivation (see annex A2). In those instances in which the indicator of caloric insufficiency is unsatisfactory, the other available indicator for this variable is used, namely the share of total expenditure devoted to the acquisition of food. In keeping with Engel's law, it is assumed that households that use a very large proportion of their total budget to buy food do not have enough income to fully meet their dietary needs. The possible presence of food deprivation can therefore be identified indirectly on this basis (75% or more of total household expenditure being used to purchase food).

In the light of the earlier observations regarding the measurement of apparent caloric intake, a clarification is called for regarding how this information is used. At different stages in the process of constructing a poverty line, data on food expenditure obtained from income and expenditure surveys come into play. Not all the possible ways of using these data are equally robust, however, and it is therefore important to distinguish between uses that rely primarily on expenditure levels and those that focus on the structure of expenditure. The information compiled in the course of this study shows that average caloric intake can be underestimated or overestimated. As part of this methodology, a number of precautions are taken in order to minimize the impact of these possible biases in poverty measurements. In turn, the processes of constructing poverty lines and estimating the Orshansky coefficient are based on information about food expenditure structures. The cost of the basic food basket is the sum of the cost per kilocalorie, which is derived from the structure of food expenditure and calorie requirements; by the same token, the Orshansky coefficient expresses the structural relationship between total expenditure and food expenditure. Throughout this study, household expenditure surveys are used as a source of suitable measurements of the structure of expenditure, and these measurements can then be employed to build poverty lines in much the same way as they are used for other purposes, such as constructing baskets for use in plotting the consumer price index (CPI) or as an input for national accounts.

Much like the multidimensional poverty measurement methods which involve counting the number of dimensions in which people are experiencing deprivation (Alkire, 2007), once the deprivation indicators have been selected, the next step is to count the number of critical deficiencies present in each household. There are various options for defining how many critical deficiencies will classify a household as being in a situation of deprivation. In the union approach, which is used in the traditional unmet basic needs methodology, a household is classified as being deprived if it has even one critical deficiency. The intersection method, on the other hand, categorizes a household as being deprived if it has deficiencies in all dimensions. It is also possible to choose some number of deprivations between these two extremes as the threshold.

In this case, a threshold that is between the two extremes associated with the union and intersection approaches will be used. A household is considered to be deprived if it exhibits two or more critical deficiencies. The reasons for this choice are similar to those given by ECLAC (2014) in relation to the calculation of a multidimensional poverty index for the region.

In the union approach, the indicators have to reflect deficiencies that have been analysed with a very high degree of accuracy in order to minimize the risk of erroneously identifying given households as experiencing deprivation when they are actually not doing so (inclusion error). This degree of accuracy is difficult to achieve when working with household survey data, since the multiple-choice responses to the survey questions may not be sufficiently clear to permit the identification of situations of deprivation (for example, the possible responses may not distinguish between protected and unprotected wells as a source of drinking water). Yet another factor is the imprecise design of some of the variables (as in the case of using expenditure as a basis for estimating caloric intake). In light of these factors, a threshold that reflects the simultaneous presence of a number of deficiencies provides a more accurate tool for the identification of deprived households. Requiring two critical deficiencies is enough to accomplish this and avoids any unnecessary increase in the exclusion error.

■ Table II.3
Latin America (18 countries): deprivation indicators used in selecting reference populations, by dimension

Country	Housing	Basic services	Food	Education
Argentina	Overcrowding	Sanitation	Caloric intake	School attendance
Bolivia (Plurinational State of)	Building materials	Sanitation	Share of expenditure on food	School attendance
Brazil	Building materials	Sanitation	Caloric intake	School attendance
Chile	Building materials	Water	Caloric intake	School attendance
Colombia	Building materials	Sanitation	Caloric intake	School attendance
Costa Rica	Building materials	Sanitation	Caloric intake	School attendance
Dominican Republic	Building materials	Sanitation	Caloric intake	School attendance
Ecuador	Building materials	Sanitation	Share of expenditure on food	School attendance
El Salvador	Overcrowding	Water	Caloric intake	School attendance
Guatemala	Building materials	Water	Share of expenditure on food	School attendance
Honduras	Overcrowding	Water	Share of expenditure on food	School attendance
Mexico	Overcrowding	Sanitation	Caloric intake	School attendance
Nicaragua	Overcrowding	Water	Share of expenditure on food	School attendance
Panama	Overcrowding	Sanitation	Share of expenditure on food	School attendance
Paraguay	Overcrowding	Sanitation	Share of expenditure on food	School attendance
Peru	Building materials	Water	Share of expenditure on food	School attendance
Uruguay	Building materials	Sanitation	Caloric intake	School attendance
Venezuela (Bolivarian Republic of)	Overcrowding	Sanitation	Share of expenditure on food	School attendance

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

Table II.4 shows the percentages of households that are experiencing deprivation (i.e. that exhibit two or more critical deficiencies) in 18 Latin American countries. As can be seen, as income levels rise, the incidence of critical deficiencies diminishes, which indicates that this approach is a suitable one for selecting the reference population.

■ Table II.4
Latin America (18 countries): households exhibiting two or more critical deficiencies,
by moving income quintiles
(Percentages)

Country	Moving quintiles (based on the included percentiles)								
	1–20	11–30	21–40	31–50	41–60	51–70	61–80	71–90	81–100
Argentina, 2012	37.5	27.6	18.1	10.4	4.7	0.0	0.0	0.0	0.0
Bolivia (Plurinational State of), 2013	42.9	31.3	19.6	11.6	10.2	9.7	6.2	4.5	3.6
Brazil, 2008	25.6	14.8	9.6	4.3	3.0	2.2	0.2	0.1	0.0
Chile, 2012	2.9	1.9	1.1	0.8	0.6	0.0	0.0	0.0	0.0
Colombia, 2007	29.4	19.8	13.9	8.6	5.1	2.4	0.5	0.5	0.3
Costa Rica, 2013	6.8	3.3	2.3	1.0	0.0	0.0	0.1	0.2	0.1
Dominican Republic, 2007	24.4	21.4	15.5	11.2	7.7	1.5	0.4	1.8	1.6
Ecuador, 2014	7.3	4.9	3.4	2.4	1.8	1.5	1.3	1.0	0.6
El Salvador, 2006	26.7	21.9	17.3	10.6	7.0	5.1	3.1	1.3	0.4
Guatemala, 2014	33.9	26.3	19.3	15.2	11.5	7.5	4.2	2.3	0.8
Honduras, 2004	26.0	24.0	19.1	15.5	11.3	6.7	4.1	2.6	1.2
Mexico, 2012	36.5	20.6	16.9	9.6	2.3	0.3	0.1	0.1	0.0
Nicaragua, 2014	25.8	19.9	16.2	13.0	9.1	5.1	3.0	3.3	2.3
Panama, 2007	13.2	4.3	2.2	1.5	1.2	0.8	0.1	0.0	0.0
Paraguay, 2011	28.3	12.5	6.7	5.8	2.5	0.6	0.8	0.8	0.2
Peru, 2014	13.0	9.0	6.0	3.8	2.9	2.4	1.6	0.8	0.4
Uruguay, 2006	20.8	9.4	1.1	1.0	0.5	0.1	0.2	0.1	0.1
Venezuela (Bolivarian Republic of), 2008	18.0	11.2	8.3	6.4	4.6	3.5	2.8	2.4	1.3

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of expenditure surveys from the respective countries.

The reference population is identified by selecting the first moving quintile in which the percentage of households experiencing critical deficiencies is 10% or less. In theory, it would be best if the percentiles selected to serve as the reference population had 0% of households with critical deficiencies, but consideration has been given to the fact that the monetary and non-monetary variables captured in household surveys are not perfectly correlated, and households with deficiencies may be found even in the richest quintile.

3. Criterion 2: concordance with the poverty line

Even when the selected population has a low incidence of non-monetary deprivations, its consumption pattern may not match up with the standard of sufficiency (i.e., the poverty line) that is being established. It is therefore advisable to supplement the procedure described above with an evaluation of the concordance between the selected group's resources and the resulting poverty line.

In order to do so, the poverty line is calculated using the information on the selected reference population derived from the critical deprivations criterion, and the procedure described in chapters III and IV is then applied. It will then be evident whether or not the resulting poverty line is equal to or less than the average expenditure level of the selected reference population. If it is, then the reference population meets the concordance criterion. If it is not, a reference population that is higher up in the income distribution will need to be chosen (for example, by shifting the original reference population up by one centile), and the poverty line will need to be recalculated and compared with the average expenditure of the new reference population. This process can be repeated as many times as necessary until the resulting poverty line is equal to or less than the reference group's average expenditure level.

As it happened, the reference populations of all the countries covered in this study that were selected on the basis of the critical deprivations criterion also fulfilled the poverty line concordance criterion, so the final reference population is the same as the original one. The reference populations for the 18 Latin American countries covered here are shown in table II.5.

In short, the reference population is made up of a group of households having two characteristics: no more than 10% of those households exhibit two or more non-monetary deficiencies, and the group's level of expenditure is equal to or greater than the resulting poverty line.

■ Table II.5
Latin America (18 countries): position of the reference group in the per capita income distribution

Country	Percentiles
Argentina, 2012	32–51
Bolivia (Plurinational State of), 2013	46–65
Brazil, 2008	21–40
Chile, 2012	1–20
Colombia, 2007	29–48
Costa Rica, 2013	1–20
Dominican Republic, 2007	38–57
Ecuador, 2014	1–20
El Salvador, 2006	33–52
Guatemala, 2014	45–64
Honduras, 2004	43–62
Mexico, 2012	31–50
Nicaragua, 2014	40–59
Panama, 2007	4–23
Paraguay, 2011	15–34
Peru, 2014	9–28
Uruguay, 2006	11–30
Venezuela (Bolivarian Republic of), 2008	14–33

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of expenditure surveys from the respective countries.

Chapter III
The basic food basket and the extreme poverty line

A. Product selection

Basic food baskets provide a monetary reference that serves to evaluate whether people have enough resources to acquire foods to meet their needs and are defined on the basis of the consumption patterns observed in the reference population. Accordingly, in order to construct a basic food basket, information is needed on expenditure and the quantities of food acquired by the population, as well as their caloric and nutrient supply. On the basis of that information, an initial list is made of all the goods acquired by the households making up the reference group, including the quantities and caloric supply acquired and the price[1] of each product.[2] The data in this list are expressed in per capita values, so the quantities and calories are divided by the number of people making up the reference population, regardless of whether they consume every individual product.

For the purposes of constructing a basic food basket, products are initially classified in 14 groups, in order to evaluate the nutrient supply of the basket properly: 1. Grains; 2. Breads and cereals; 3. Legumes; 4. Vegetables and green vegetables; 5. Roots and root crops; 6. Fruits; 7. Sugars; 8. Oils and fats; 9. Milk and dairy products; 10. Meat, poultry, fish, shellfish and eggs; 11. Non-alcoholic beverages; 12. Alcoholic beverages; 13. Food products not specified elsewhere; 14. Food and beverages outside the home (including food and beverages to take away).

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[1]   Given that the survey from which the data are obtained does not contain direct information about prices, these are obtained by dividing expenditure by the quantity acquired, for each household in the reference group.

[2]   Observations corresponding to the lowest and highest percentiles of the distribution of quantities and per-product prices, respectively, were eliminated in order to minimize the impact of extreme values on the structure and valuation of the food basket.

The basic food basket is obtained by selecting a small number of products that includes those usually consumed by the population and excludes goods that are not representative of general habits or are not consistent with the notion of "basic basket". The product selection is based on the percentage of households that acquire them. Specifically, it includes foods that are acquired by at least x% of the households in the reference population, where x is a value established in each country such that all the basic baskets contain a similar number of products (around 60). In practice, this means using values of x that range from 2% to 25% in the different countries depending on the characteristics of each information source (see table III.1).

■ **Table III.1**
Latin America (18 countries): minimum percentage of households of the reference population acquiring the products included in the basic food basket
(Percentages)

	Urban areas	Rural areas
Argentina, 2012	10	...
Bolivia (Plurinational State of), 2013	8	13
Brazil, 2008	5	5
Chile, 2012	19	...
Colombia, 2007	20	22
Costa Rica, 2013	7	7
Dominican Republic, 2007	11	10
Ecuador, 2014	25	19
El Salvador, 2006	14	13
Guatemala, 2014	21	14
Honduras, 2004	21	14
Mexico, 2012	9	8
Nicaragua, 2014	3	2
Panama, 2007	16	...
Paraguay, 2011	15	9
Peru, 2014	25	23
Uruguay, 2006	10	9
Venezuela (Bolivarian Republic of), 2008	8	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC) on the basis of expenditure surveys from the respective countries.
Note: In the cases of Argentina, Chile and Panama, data are not available for rural areas because the expenditure surveys do not include information on these areas. In the case of the Bolivarian Republic of Venezuela, the data are national, because the survey does not distinguish between urban and rural areas.

To complement the criterion of percentage of households, the basket always includes the two products with the greatest frequency of consumption in each category, even if the percentage of households acquiring them is below the established threshold. This ensures that all the food categories are represented in the basic food basket.

The procedure described for the initial selection of goods is a simplification of the procedure proposed in ECLAC (1991) and Menchú and Osegueda (2002). In those cases, additional criteria were used to include products that represent a certain proportion of spending on food and of the total caloric supply (for example, at least 5% of expenditure or 5% of calories). However, those criteria are made redundant by the inclusion of percentage of households and add little to the fine-tuning of the selection of representative products in the basket, and are accordingly omitted.

The construction of the baskets used in the previous round of poverty line estimates (ECLAC, 1991) excluded alcoholic beverages and consumption outside the home. Alcoholic beverages were excluded from the basic basket on the basis that their consumption is considered socially undesirable, and that their intake is associated more with social than nutritional habits, albeit they provide calories. By the same token, consumption outside the home is also associated more with social than nutritional habits, even though it provides calories. In this case, the arguments for exclusion proposed in ECLAC (1991) indicated that consumption in restaurants, diners and street stalls was often a recreational activity with an excessive per-calorie cost for the notion of a basic food basket. It has also been argued that consumption outside the home for reasons of work could be substituted by food prepared in the home and taken to the placed of work.

Alcoholic beverages are excluded from the basic baskets presented here for all the countries, given that their excessive consumption is socially undesirable and that their status as a staple is open to discussion. In any case, they represent a small proportion of food expenditure in the reference population, so their exclusion or inclusion has no great impact on the overall cost of the basic food basket.

Conversely, the basic food baskets presented here do include costs associated with food purchased and consumed outside the home, given that this type of consumption is a deeply ingrained habit in the population and its exclusion could therefore make the food basket less representative. In any case, the lists of the basic food basket items do not specify products consumed outside the home, because the quantities, composition and nutritional characteristics are estimated in an aggregate manner and not by product. The estimate is based on a predetermined ratio between the per-kilocalorie costs of food consumed outside and inside the home (see chapter I).

B. Nutritional quality of the basic food basket

Even though the purpose of the basic food basic is not to offer food consumption recommendations for educational purposes, the basket does need to provide enough nutritional balance to provide adequate dietary quality (Menchú and Osegueda, 2002). Both

the basic food baskets used by ECLAC (1991) and some of those prepared by the countries of the region or their poverty measurements include considerations of this sort.[3]

In particular, it is important to consider the distribution of calorie-supplying nutrients (macronutrients), according to the nutritional goals shown in table I.2. An adequate balance is needed in the supply of calories from different nutrients, in particular proteins (between 10% and 15%), carbohydrates (between 55% and 75%) and fats (between 15% and 30%).

The energy supply of each of the basic baskets of the countries and geographical areas can be estimated on the basis of the Atwater system, which uses an equivalence factor for each macronutrient, regardless of the type of food in which it is found. The energy values are 4.0 kilocalories per gram for proteins and carbohydrates, and 9.0 kilocalories per gram for fats.

Having obtained the information on nutritional quality, the food basket (which, up to this point, has been based solely on observed habits) may be modified in order to cover any deficit that may have arisen. This raises a dilemma between the representativeness of consumption habits and fulfilment of diverse nutritional criteria.

How this dilemma is resolved depends on the purpose of the basic food basket. In the context of poverty measurement, the purpose of the basic food basket is to enable the determination of the cost of acquiring food that meets nutritional needs. In this case, regulatory modifications to the basic food basket are important only if they affect its cost. Insofar as the total cost of the basket allows the acquisition of different baskets with a better nutritional profile, normative modifications are not relevant for poverty measurements. On the other hand, basic food baskets may aim to provide consumption recommendations for the population or to set a standard by which to evaluate type of food consumption. In these cases, the consumption habits identified in household surveys are less relevant than nutritional recommendations.

Accordingly, the criterion applied in this document is to modify the observed food baskets in order to fulfil macronutrient recommendations, providing that this does not reduce their cost. Any change to the composition of the basket must leave the total quantity of calories constant (since this quantity is equal to the calorie requirement), so that an increase in the quantity of any product group must be offset by a decrease in other groups. In order to minimize discretionality in the modification of the food basket, nutritional adjustments have been made by changing the share of food groups, not of specific products. An increase in proteins is done by proportional increases in products classified as legumes; meat, poultry, fish and eggs; and dairy products. In the case of carbohydrates, the items modified are grains; breads and cereals; and root vegetables. Fats are modified directly in the category of fats and oils. Variations in the quantities and calories resulting from these adjustments are offset by proportional variations in the other items.

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[3]   The criteria used were: at least 10% of calories from proteins and between 15% and 25% from fats; cereals and legumes not to make up more than 60% of total calories; and at least 35% of proteins to be animal proteins (ECLAC, 1991).

The nutritional evaluation of basic food baskets may also encompass micronutrients (vitamins and minerals). The factors for estimating apparent nutrient intake based on the description of foods reported in the survey are available in the same databases used for data on calories. The estimated average requirement (EAR) of the various micronutrients is also available.[4] Application of these data and criteria to the basic food baskets presented in this document shows a mixed situation in terms of vitamin and mineral supply. Although most of the micronutrients evaluated easily comply with recommended levels, certain deficits occur across most baskets, particularly of calcium and iron.

The methodology proposed here avoids making changes to the structure of the basic food basket at the micronutrient level for two reasons. First, micronutrient content depends greatly on a product's specification, which is not sufficiently detailed in surveys, so that a coefficient assignment error could affect the results quite significantly (for example, consider the great difference in iron or folic acid content between fortified and unfortified flour). The second reason, relating to earlier observations concerning the purpose of the basic food basket, is that the composition of baskets can be modified to fulfil micronutrient requirements without affecting the total cost. Insofar as the basket includes some products with low nutrient content whose cost exceeds the average for the basket, the share of these can be reduced to increase the share of other foods which are rich in deficient nutrients. An exercise of this type is ruled out not only because it is highly discretional, but also because it could produce food baskets that differ noticeably from the population's food purchase habits.

C. Valuation of the basic food basket

The food basket is valued by applying the median price observed in the reference population to each of the products selected. Median prices are preferred because they are less sensitive than mean prices to the presence of extreme values.

The price of the products obtained in expenditure surveys is obtained indirectly, as the ratio between the household expenditure on that product and the number of units acquired. As a result, the implicit price of products could be affected by errors of recording of either expenditure or quantities. For this reason, it is advisable to verify whether the food prices obtained via the survey are consistent with those from other data sources.

In this case, the data sources used to evaluate the product prices from the survey were the prices compiled by the countries for calculating the consumer price index (CPI). For a

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[4]   The estimated average requirement indicates the daily nutrient intake level that meets requirements for healthy individuals by sex and stage of the life cycle (National Academy of Sciences, 2000, p. 3). According to this source, this is the indicator to be used for estimating prevalence of inadequate intake in a group of individuals and for analysing the probability of individual inadequate nutrient intake (Bermúdez and others, 2008).

number of reasons, the comparability between the two sources is limited. First, CPI data do not always include prices for the products captured in the survey and, even where they do, the product varieties may be different. In addition, the prices of some products vary considerably over the year, especially in the case of seasonal products such as fruits and vegetables. A further consideration is that different reference populations are used to calculate the CPI and to construct the basic food basket, so the quality of the products acquired and the type of establishment in which they are purchased also differ. Finally, in the Latin American countries, the prices collected for calculating the CPI correspond to urban areas only.

Despite these limitations, most of the baskets evaluated had similar total costs when calculated using either price vector (data from the survey or from the CPI), so that the implicit prices obtained from the survey were considered adequate. Only in the cases of El Salvador and Honduras, the prices captured in the survey were replaced by a combination of CPI prices (for the products for which these were available) and price relations implicit in the survey (for the remaining products).

D. Basic food baskets

The basic food baskets resulting from the selection method described contain around 60 products for consumption inside the home, classified in 13 categories (alcoholic beverages are excluded). The quantity of goods included in each category depends on the habits observed and the level of disaggregation of the survey's questions concerning food purchases. Tables III.2 and III.3 present a summary of the main characteristics of the basic food baskets obtained as a result of this process.

■ Table III.2
Latin America (18 countries): number of goods and nutritional structure of basic food baskets

	Urban areas					Rural areas				
	Number of goods	Kilocalories per capita	Kilocalories by origin (percentages)			Number of goods	Kilocalories per capita	Kilocalories by origin (percentages)		
			Proteins	Carbohydrates	Fats			Proteins	Carbohydrates	Fats
Argentina, 2012	59	2 130	14.6	55.9	30.0	...	...	...	...	...
Bolivia (Plurinational State of), 2013	60	2 013	14.9	61.0	26.1	60	2 126	14.5	63.0	24.5
Brazil, 2008	58	2 080	11.6	58.7	30.0	57	2 212	11.1	59.4	30.0
Chile, 2012	62	2 130	11.6	59.7	29.1	...	...	...	...	...
Colombia, 2007	62	2 030	11.0	60.0	29.7	61	2 161	11.0	63.6	26.2
Costa Rica, 2013	62	2 141	11.0	66.8	22.3	61	2 280	11.0	66.6	22.3
Dominican Republic, 2007	61	2 102	11.0	62.2	28.2	59	2 255	11.0	61.7	28.3
Ecuador, 2014	61	2 097	14.0	68.6	21.4	61	2 207	12.3	71.5	19.9
El Salvador, 2006	60	2 046	11.5	64.7	24.4	61	2 159	11.0	70.2	20.4
Guatemala, 2014	61	1 987	11.2	69.7	21.8	62	2 039	11.0	74.4	17.7
Honduras, 2004	61	2 028	11.0	63.6	26.5	61	2 126	11.0	65.7	23.9
Mexico, 2012	61	2 101	14.0	58.8	29.2	60	2 214	11.8	62.1	28.2
Nicaragua, 2014	61	2 027	11.0	61.1	29.0	61	2 128	11.0	66.3	24.3
Panama, 2007	61	2 042	11.0	61.4	27.1	...	...	...	...	...
Paraguay, 2011	60	2 109	12.2	61.1	28.2	60	2 269	11.5	61.0	30.0
Peru, 2014	63	2 105	13.4	68.2	19.4	62	2 181	11.0	71.9	19.0
Uruguay, 2006	60	2 099	12.1	58.3	30.0	60	2 305	12.3	58.3	29.9
Venezuela (Bolivarian Republic of), 2008	61	2 042	12.1	58.7	29.9	...	...	...	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC) on the basis of expenditure surveys from the respective countries.
Note: In the cases of Argentina, Chile and Panama, data are not available for rural areas because the expenditure surveys do not include information on these areas.
In the case of the Bolivarian Republic of Venezuela, the data are national, because the survey does not distinguish between urban and rural areas.

■ **Table III.3**
Latin America (18 countries): cost structure of the basic food basket
(Percentages)

	A. Urban areas												
	Grains	Breads and cereals	Legumes	Vegetables	Root crops	Fruits	Sugars	Fats	Dairy products	Meat, poultry and eggs	Non-alcoholic beverages	Products not specified elsewhere	Food outside the home
Argentina, 2012	2	15	0	7	3	4	2	2	11	33	14	1	6
Bolivia (Plurinational State of), 2013	6	10	2	7	5	7	2	2	8	25	9	1	16
Brazil, 2008	9	15	3	4	1	3	3	2	11	18	7	1	23
Chile, 2012	3	24	1	9	4	4	4	4	7	25	11	3	1
Colombia, 2007	8	7	4	3	4	3	6	5	10	29	3	2	17
Costa Rica, 2013	14	12	6	5	2	2	4	3	8	22	11	5	7
Dominican Republic, 2007	11	7	3	5	3	7	3	3	4	24	9	4	17
Ecuador, 2014	11	9	2	8	3	10	3	3	9	26	3	1	11
El Salvador, 2006	3	21	3	4	1	2	2	2	10	16	8	3	24
Guatemala, 2014	5	30	3	8	2	4	4	2	6	19	3	6	8
Honduras, 2004	8	11	6	6	0	4	3	4	14	27	13	4	2
Mexico, 2012	1	16	2	6	1	2	1	1	9	20	7	1	33
Nicaragua, 2014	9	14	6	6	2	7	4	3	14	22	6	3	5
Panama, 2007	15	8	3	2	1	2	3	6	7	26	9	4	13
Paraguay, 2011	4	13	1	10	4	6	5	2	16	26	6	2	5
Peru, 2014	14	9	2	9	6	9	4	3	12	25	3	2	1
Uruguay, 2006	4	18	1	5	5	4	5	3	12	25	15	3	0
Venezuela (Bolivarian Republic of), 2008	8	10	1	7	2	4	2	3	11	32	8	3	7
Simple average	7	14	3	6	3	5	3	3	10	24	8	3	11

Table III.3 (concluded)

B. Rural areas

	Grains	Breads and cereals	Legumes	Vegetables	Root crops	Fruits	Sugars	Fats	Dairy products	Meat, poultry and eggs	Non-alcoholic beverages	Products not specified elsewhere	Food outside the home
Bolivia (Plurinational State of), 2013	9	9	2	7	7	7	2	3	7	28	9	1	8
Brazil, 2008	16	11	4	4	2	2	4	4	9	25	6	0	11
Colombia, 2007	12	6	7	5	5	4	9	6	9	33	3	1	0
Costa Rica, 2013	18	6	6	3	2	2	6	4	10	26	10	4	3
Dominican Republic, 2007	14	6	3	4	3	7	3	4	4	27	7	5	13
Ecuador, 2014	13	8	3	8	5	11	3	3	7	22	2	1	13
El Salvador, 2006	10	15	4	5	2	3	3	2	9	15	9	4	19
Guatemala, 2014	8	33	4	7	1	3	5	2	4	16	5	6	5
Honduras, 2004	13	6	8	6	0	4	3	4	15	29	8	3	1
Mexico, 2012	3	14	3	7	1	2	2	2	6	16	8	1	34
Nicaragua, 2014	14	9	11	7	2	6	5	4	14	23	5	2	0
Paraguay, 2011	5	11	1	9	6	6	5	3	14	29	6	2	4
Peru, 2014	19	6	3	10	17	6	4	4	10	19	2	2	0
Uruguay, 2006	5	16	0	6	5	4	7	2	14	25	15	3	0
Simple average	11	11	4	6	4	5	4	3	10	24	7	2	8

Source: Economic Commission for Latin America and the Caribbean (ECLAC) on the basis of expenditure surveys from the respective countries.

Note: In the cases of Argentina, Chile and Panama, data are not available for rural areas because the expenditure surveys do not include information on these areas. In the case of the Bolivarian Republic of Venezuela, the data are national, because the survey does not distinguish between urban and rural areas.

Table III.4 shows the cost of the basic food basket, that is, the value of the extreme poverty line in each of the countries included, calculated as a product of two factors: the average calorie requirement and the cost per kilocalorie.[5] The average calorie requirement is the result of the process described in section B of chapter I and is determined in a strictly normative manner, on the basis of energy intake recommendations. The cost per kilocalorie is the main result of the construction of the basic food basket. This value summarizes the different choices made during the process concerning the goods making up the basket and their physical quantities, prices and calorie supplies.

In those countries where expenditure surveys did not provide data on rural areas, the cost per kilocalorie in those areas was estimated on the basis of the average ratio between rural and urban areas for that cost in the other countries, which was 0.85.

■ **Table III.4**
Latin America (18 countries): cost of the basic food basket or extreme poverty line

	Urban areas			Rural areas		
	Requirement (daily kilocalories per person)	Cost per 1,000 kilocalories (national currency)	Extreme poverty line (national currency, monthly)	Requirement (daily kilocalories per person)	Cost per 1,000 kilocalories (national currency)	Extreme poverty line (national currency, monthly)
Argentina, 2012[a]	2 130	7.78	497	...	...	...
Bolivia (Plurinational State of), 2013	2 013	6.03	364	2 126	5.20	332
Brazil, 2008	2 080	1.55	97	2 212	1.20	79
Chile, 2012[a]	2 130	593.85	37 947	2 281	504.78	34 542
Colombia, 2007	2 030	1 404.04	85 506	2 161	1 141.28	73 989
Costa Rica, 2013	2 141	522.39	33 553	2 280	442.96	30 299
Dominican Republic, 2007	2 102	23.74	1 497	2 255	21.44	1 450
Ecuador, 2014	2 097	0.86	54	2 207	0.72	48
El Salvador, 2006	2 046	0.63	38	2 159	0.53	34
Guatemala, 2014	1 987	4.95	295	2 039	4.15	254
Honduras, 2004	2 028	9.28	565	2 126	7.08	452
Mexico, 2012	2 101	14.49	913	2 214	11.28	749
Nicaragua, 2014	2 027	19.46	1 183	2 128	15.35	980
Panama, 2007[a]	2 042	0.72	44	2 281	0.61	42
Paraguay, 2011	2 109	3 277.75	207 383	2 269	2 912.50	198 254

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[5]   In practice, the daily requirement per person is multiplied by 30 to express it in monthly terms.

Cuadro III.4 (concluded)

	Urban areas			Rural areas		
	Requirement (daily kilocalories per person)	Cost per 1,000 kilocalories (national currency)	Extreme poverty line (national currency, monthly)	Requirement (daily kilocalories per person)	Cost per 1,000 kilocalories (national currency)	Extreme poverty line (national currency, monthly)
Peru, 2014	2 105	2.04	129	2 181	1.64	107
Uruguay, 2006	2 099	13.30	837	2 305	12.68	877
Venezuela (Bolivarian Republic of), 2008[b]	2 042	2.85	175	...	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC) on the basis of expenditure surveys from the respective countries.

[a] In the case of Argentina, the estimate is not performed for rural areas because there is no survey to measure income in these areas. In the case of the Bolivarian Republic of Venezuela, the data are national, because the survey does not distinguish between urban and rural areas. Because the expenditure surveys of Chile and Panama do not include information on rural areas, the cost per kilocalories is considered to be equal to 85% of the value obtained for urban areas, since this is the (simple) average percentage of the values observed in the other countries.

[b] The values refer to the national level, because the survey does not distinguish between urban and rural areas.

Chapter IV
The non-food component of the poverty line

A. The Orshansky coefficient

Determining the cost of non-food goods and services is a key element when estimating poverty lines. Unlike the situation with food products, for which energy and nutrient requirements serve as exogenous criteria for the determination of the sufficiency of a basic food basket, there is no such clear-cut normative parameter for the consumption of non-food items.

In the method used by the Latin American countries and ECLAC, the cost of the non-food component of the poverty line is determined on the basis of the ratio of food expenditure to total expenditure for the reference population. The poverty line is then obtained by multiplying the extreme poverty line by that figure, which is generally referred to as the Orshansky coefficient. The cost of the non-food component of the poverty line is then the difference between the poverty line and the extreme poverty line.

The usual practice is to estimate Orshansky coefficients on the basis of the same reference population as was used to construct the basic food basket. As long as the reference population is representative of a sufficient standard of living, it is reasonable for both the basic food basket and the non-food component to be based on the same population group.[1]

In calculating the Orshansky coefficient, in order to ensure that the poverty line will be representative of the population's purchasing and consumption habits, it is advisable to

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[1] The use of a different reference population for determining the non-food component was proposed by Ravallion (1998) for locating the upper and lower bounds of the poverty line. The lower bound is equivalent to the non-food expenditure of households whose total income (or total expenditure) is equal to the extreme poverty line. The upper one corresponds to the non-food expenditure of households whose expenditure on food is equal to the extreme poverty line. Kakwani (2010) contends that the use of different reference populations runs counter to the standard theory of utility, since the two components of the poverty line would reflect different levels of well-being.

analyse the relevance of non-food expenditures and, if necessary, to screen out any of them that are not in keeping with those habits or with the notion of a basic basket. Although the methodology outlined by ECLAC in 1991 did not include this type of analysis or screening procedure, a number of countries in the region have used different criteria to select items for inclusion in the non-food component of the poverty line.[2]

As is also true of the procedure used to construct the basic food basket, the selection of non-food goods and services focuses on household items that are acquired regularly. These goods and services fall into seven categories: housing, health, clothing and footwear, transportation, furnishings and appliances, education and other items of expenditure. In the present case, goods and services that were acquired by at least 10% of the households in the reference population were included in the basket. In order to ensure that essential items of expenditure were included, a lower threshold —1% of the households— was used for the rental of a housing unit (either paid or imputed),[3] basic utilities, primary and secondary schooling, and public transportation.

The resulting non-food baskets have different sizes in each country, owing to the differing levels of disaggregation with which items are recorded in the household surveys. The relevance of the products that were included and those that were excluded was checked in order to ensure that all categories of expenditure were properly represented in the non-food component of the basket.

In earlier studies (Altimir, 1979; ECLAC, 1991), the Orshansky coefficient was calculated separately for each country based on the information that was available at that time, but a single Orshansky coefficient was used to calculate all the countries' poverty lines based on the average observed values (2.0 in urban areas and 1.75 in rural areas).

A single coefficient made it possible to construct poverty lines for the various countries even when no recent, reliable household budget survey data were available (Altimir, 1979) and helped to diminish the biases deriving from the different accuracy of household surveys across countries to measure expenditures.[4]

However, a single coefficient does not reflect the cross-country differences between the relative prices of food products and non-food goods and services, the availability of non-food goods and services, or the supply of public goods that enable households to

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[2]   For example, criteria have been used to exclude expenditures on goods and services which are not frequently acquired (Chile and the Dominican Republic) and to exclude expenditures on the basis of their income elasticity and the perception of need (Mexico). Exogenous coefficients have been used (Colombia), as have unmodified observed coefficients (Uruguay). See annex A1.

[3]   In the countries whose surveys did not include an estimated imputed rent for households that owned their dwelling, the cost of housing was estimated by extrapolating the value of the rents paid by all the households in the reference population that did not own their dwellings.

[4]   The information on caloric intake given in annex A2 demonstrates the fact that figures on the ratio of food expenditure to total expenditure for the different countries may not be entirely comparable. The underestimates of caloric intake in some countries is presumably associated with an overestimate of the Orshansky coefficient.

meet certain needs at no cost or at a below-market cost. As was recognized in the studies in which a single Orshansky coefficient was first applied, this approach will tend to result in an underestimation of the poverty line in relatively more developed countries or areas and an overestimation in relatively less developed countries (Altimir, 1979; ECLAC, 1991).

The measurements presented here have been produced under different conditions than those from earlier studies, as data from income and expenditure surveys or living standards surveys are available for all of the 18 countries covered in this study. Consequently, the use of a single coefficient would not afford the advantages cited in those studies and would fail to accurately reflect each country's prevailing expenditure and price structures.

This is why the poverty lines presented in this study have been constructed on the basis of observed Orshansky coefficients for each country's urban and rural areas (see table IV.1). These coefficients are considerably higher than the ones used in past ECLAC studies.

■ Table IV.1
Latin America (18 countries): Orshansky coefficients for the year in which expenditure surveys were conducted

	Urban areas	Rural areas
Argentina, 2012[a]	2.3	...
Bolivia (Plurinational State of), 2013	2.0	1.6
Brazil, 2008	2.5	2.1
Chile, 2012[a]	2.5	...
Colombia, 2007	2.2	1.7
Costa Rica, 2013	2.3	2.1
Dominican Republic, 2007	2.1	1.8
Ecuador, 2014	1.8	1.7
El Salvador, 2006	2.2	2.1
Guatemala, 2014	2.5	2.5
Honduras, 2004	2.1	2.1
Mexico, 2012	2.2	2.0
Nicaragua, 2014	2.0	1.8
Panama, 2007[a]	2.1	...
Paraguay, 2011	2.0	1.8
Peru, 2014	2.2	1.8
Uruguay, 2006	2.5	2.3
Venezuela (Bolivarian Republic of), 2008[b]	2.0	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of expenditure surveys from the respective countries.
[a] Data on rural areas are not available for Argentina, Chile or Panama because those countries' expenditure surveys do not cover rural areas.
[b] The data for the Bolivarian Republic of Venezuela correspond to the entire country, as the corresponding survey does not differentiate between urban and rural areas.

Although the non-food component is aggregated, its composition can be analysed by item of expenditure by referring to the list of the goods and services that were included during the selection process. An analysis of this sort shows that housing (including rent and basic utilities) accounts for the largest share of the non-food basket, with that share amounting to between 36% and 64% in urban areas and between 28% and 58% in rural areas (see table IV.2).

The other two items that account for a sizeable share of the non-food component of the poverty line are transportation (an average of 13% in urban areas and 15% in rural areas) and "other" (which includes expenditures on communications, personal articles, recreation and cultural endeavours). The percentage of expenditure devoted to transportation ranged between 9% and 18% in urban areas and between 7% and 25% in rural zones.

■ Table IV.2
Latin America (18 countries): structure of the non-food component of the poverty line
(Percentages)

	A. Urban areas						
	Housing	**Health**	**Clothing and footwear**	**Transport**	**Furnishings and appliances**	**Education**	**Other**
Argentina, 2012	61	3	5	10	4	3	15
Bolivia (Plurinational State of), 2013	43	17	5	13	4	9	8
Brazil, 2008	52	5	10	15	6	2	11
Chile, 2012	63	2	2	15	2	3	13
Colombia, 2007	54	2	5	16	4	3	16
Costa Rica, 2013	64	1	6	11	4	2	11
Dominican Republic, 2007	44	5	7	16	4	3	20
Ecuador, 2014	41	6	8	11	10	8	15
El Salvador, 2006	42	5	6	10	9	4	23
Guatemala, 2014	41	5	4	12	6	16	16
Honduras, 2004	37	26	4	10	6	4	13
Mexico, 2012	45	2	7	18	6	4	19
Nicaragua, 2014	49	10	5	11	6	6	13
Panama, 2007	37	2	14	17	7	5	18
Paraguay, 2011	37	21	6	12	7	3	13
Peru, 2014	37	16	8	9	6	14	10
Uruguay, 2006	57	6	6	9	4	1	17
Venezuela (Bolivarian Republic of), 2008	37	4	8	15	4	3	29
Simple average	47	8	6	13	6	5	16

Table IV.2 (concluded)

	B. Rural areas						
	Housing	**Health**	**Clothing and footwear**	**Transport**	**Furnishings and appliances**	**Education**	**Other**
Bolivia (Plurinational State of), 2013	33	26	7	16	4	6	7
Brazil, 2008	40	6	9	25	8	2	10
Colombia, 2007	54	5	7	10	7	1	16
Costa Rica, 2013	58	1	7	14	5	2	13
Dominican Republic, 2007	34	5	9	25	6	1	22
Ecuador, 2014	38	8	8	18	8	7	14
El Salvador, 2006	41	7	8	11	9	1	23
Guatemala, 2014	46	6	7	9	7	12	15
Honduras, 2004	39	23	4	9	8	4	14
Mexico, 2012	38	4	8	24	7	3	16
Nicaragua, 2014	38	24	7	10	5	3	13
Paraguay, 2011	36	20	7	13	9	3	13
Peru, 2014	28	17	13	7	9	16	10
Uruguay, 2006	48	7	7	17	4	1	15
Simple average	41	11	8	15	7	4	14

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of expenditure surveys from the respective countries.
Note: Data on rural areas are not available for Argentina, Chile or Panama because those countries' expenditure surveys do not cover rural areas. The data for the Bolivarian Republic of Venezuela correspond to the entire country, as the corresponding survey does not differentiate between urban and rural areas.

Reported expenditures on health and education varied more sharply across countries, with these variations corresponding, among other factors, to the coverage of free or subsidized public services in these areas. For both urban and rural areas, the proportions of total expenditure devoted to health care ranged from 1% to 26% and, in the case of education, from 1% to 16%.

The procedure for determining the cost of meeting basic food needs under this methodology is more solidly grounded than the procedure for characterizing non-food needs (ECLAC, 1991). The non-food component of the poverty line is not associated with the satisfaction of specific needs but instead shows the expenditure on non-food goods and services that, given prevailing consumption habits, is consistent with households purchasing the basic food basket.

There are some instances in which minimum standards for the most important non-food needs have been set on the basis of expert opinions.[5] However, the highly discretionary nature of this method for determining quantities, varieties and prices for a wide range of products and the high degree of specificity involved in applying these standards in each country and geographic context limit the usefulness of this approach for arriving at comparable measurements for a diverse group of countries, such as those needed by ECLAC to arrive at poverty estimates for Latin America.[6]

B. Updating poverty lines

As explained earlier, poverty lines are computed by multiplying the cost of the basic food basket, or the extreme poverty line, by an Orshansky coefficient. The extreme poverty lines and poverty lines that are calculated in this way correspond to the year that the underlying income and expenditure survey of each country was conducted (see table IV.3). As was done when estimating the basic food basket, when the expenditure survey does not provide data on rural areas, the Orshansky coefficient for these areas is obtained using the average urban to rural ratio in the other countries, which is 0.80.

In order to obtain the extreme poverty lines and poverty lines for different time periods, the base value is adjusted using the variation in prices recorded for the period between the base year and the year for which the poverty estimate is needed.

In line with the approach adopted by ECLAC in 2008 for the preceding series of poverty measurements, different factors are used to update the extreme poverty line and the non-food component of the poverty line. For the extreme poverty line, the consumer price index (CPI) for food products is used, while the CPI for all other products and services is used for the non-food component of the poverty line. This approach has at least two implications. The first is that the changes in the poverty lines will not exactly match the variation in the overall CPI, since greater weight is given to the cost of foodstuffs in the determination

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[5]   Some of the basic baskets constructed in this manner include the normative basket of essential needs in Mexico (COPLAMAR, 1982; Boltvinik and Marin, 2003), the budget standards set by the Social Policy Research Centre in Australia (Saunders, 1998 and 2004; Saunders and Bedford, 2017) and the Market Basket Measure used by Statistics Canada (Hatfield, 2002; Hatfield, Pyper and Gustajtis, 2010). The use of this type of methodology is not without its critics, however, and its adoption has been quite limited.

[6]   It should be noted that expert opinions are not unrelated to observed spending patterns either. When detailed budgets are used, the problem of specifying a multiplier (which inevitably involves using observed spending patterns as a reference) does not arise. Preparing those budgets entails making a large number of decisions about many different goods and services, however. And in arriving at those decisions, reference is inevitably made to observed spending patterns, as opposed to standards that are strictly based on physiological requirements. This holds true even when the budgets are based on expert standards obtained from other sources (Citro and Michael, 1995).

of the poverty line than to the variation in the total CPI. The second is that the Orshansky coefficient will vary over time in step with the variation in relative prices in each country (see table IV.4). Another factor to be taken into consideration is that, although the price indices of the countries of the region refer only to their urban areas, they are used to update the poverty lines for both urban and rural areas.

■ **Table IV.3**
Latin America (18 countries): poverty lines

	Urban areas			Rural areas		
	Extreme poverty line *(local currency, per month)*	**Orshansky coefficient**	**Poverty line** *(local currency, per month)*	**Extreme poverty line** *(local currency, per month)*	**Orshansky coefficient**	**Poverty line** *(local currency, per month)*
Argentina, 2012[a]	497	2.3	1 133	...	...	...
Bolivia (Plurinational State of), 2013	364	2.0	722	332	1.6	522
Brazil, 2008	97	2.5	238	79	2.1	170
Chile, 2012[b]	37 947	2.5	93 519	34 542	2.0	68 101
Colombia, 2007	85 506	2.2	184 708	73 989	1.7	122 646
Costa Rica, 2013	33 553	2.3	77 320	30 299	2.1	63 926
Dominican Republic, 2007	1 497	2.1	3 102	1 450	1.8	2 634
Ecuador, 2014	54	1.8	100	48	1.7	79
El Salvador, 2006	38	2.2	86	34	2.1	73
Guatemala, 2014	295	2.5	726	254	2.5	630
Honduras, 2004	565	2.1	1 208	452	2.1	940
Mexico, 2012	913	2.2	2 031	749	2.0	1 519
Nicaragua, 2014	1 183	2.0	2 371	980	1.8	1 734
Panama, 2007[b]	44	2.1	94	42	1.7	71
Paraguay, 2011	207 383	2.0	419 362	198 254	1.8	347 415
Peru, 2014	129	2.2	283	107	1.8	189
Uruguay, 2006	837	2.5	2 115	877	2.3	2 054
Venezuela (Bolivarian Republic of), 2008[a]	175	2.0	346	...	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of expenditure surveys from the respective countries.

[a] Data on rural areas are not available for Argentina or the Bolivarian Republic of Venezuela.

[b] Since the expenditure surveys conducted in Chile and Panama do not provide information on rural areas, the Orshansky coefficient for these areas has been set at 80% of the value for the corresponding urban areas, which is the simple average of the values observed in the rest of the countries.

■ Table IV.4

Latin America (18 countries): Orshansky coefficients for urban areas from around 2002 to around 2016

	Around 2002	Around 2008	Around 2012	Around 2016
Argentina	3.0	2.5	2.3	2.4
Bolivia (Plurinational State of)	2.6	2.1	2.1	1.9
Brazil	2.6	2.5	2.3	2.2
Chile	3.1	2.7	2.4	2.2
Colombia	2.3	2.1	2.1	2.0
Costa Rica	2.7	2.3	2.3	2.3
Dominican Republic	2.1	2.0	2.0	1.9
Ecuador	2.1	1.9	1.8	1.8
El Salvador	2.3	2.1	2.2	2.1
Guatemala	3.5	3.0	...	2.5
Honduras	2.0	2.0	2.1	2.2
Mexico	2.6	2.4	2.2	2.2
Nicaragua	2.1	2.1	...	2.0
Panama	2.3	2.1	2.0	2.0
Paraguay	2.6	2.1	2.1	2.0
Peru	2.5	2.3	2.2	2.2
Uruguay	2.6	2.3	2.3	2.2
Venezuela (Bolivarian Republic of)	2.8	2.0	1.8	...
Simple average	2.5	2.3	2.2	2.1

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of expenditure surveys from the respective countries.

Chapter V
Household income

A. The concept of household income for the purposes of poverty measurement

In modern economies, income is the main means by which people access goods and services that are essential for material well-being. For that reason, income, understood as the flow of resources that a household receives over a given period, is the means normally used to express that household's capacity to consume goods and services. As noted in the introduction, given the close link between income and material well-being, income insufficiency usually indicates a situation of poverty.

The concept of income that is recommended for the purposes of measurement in household surveys is that adopted at the 17th International Conference of Labour Statisticians (ICLS) and in the Canberra Group Handbook on Household Income Statistics (UNECE, 2011). Both these sources define income as consisting of all receipts whether monetary or in kind (goods and services) that are received by the household or by individual members of the household at annual or more frequent intervals, but excluding windfall gains and other such irregular and typically one-time receipts.[1]

This definition is consistent with that given by the 2008 System of National Accounts (SNA), which defines household income as measuring the maximum value of the final consumption goods or services that it can afford to consume in the current period without having to reduce its cash, dispose of other assets or increase its liabilities for the purpose (European Commission and others, 2009, p. 161). According to SNA 2008, the income received by a household is the fruit of two processes, primary distribution between the factors of production (labour and assets) and secondary distribution in the form of transfers and subsidies.

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[1] A broader discussion of the concept of income may be found in ILO (2003).

Primary income includes two main categories:

(i)   Income as a consequence of the production process. This includes returns from wage employment and self-employment (income from use of labour) and imputed income from housing services provided by owner-occupied dwellings; and

(ii)   Income as a consequence of ownership of assets. This includes the rewards of using the asset, either in production or from leasing it for the use of other agents, or the proceeds from financial assets.

Imputed income from services produced for own consumption includes housing services when the dwelling is occupied by its owner, care services and services provided by consumer durables. SNA does not include the latter two in income. The 17th International Conference of Labour Statisticians and the Canberra Group (UNECE, 2011) do include the value of the production of household services and the value of services provided to the household by consumer durables in the concept of income. However, owing to the difficulties involved in quantifying the value of these services, they are not included in the operating definition of income under the respective recommendations.

The main income source in the secondary distribution process is current transfers, understood as all cash or in-kind items received by the household for which it does not provide anything to the counterpart in return.[2] They thus correspond to transfers and subsidies provided by the government to households and transfers received from other households or from non-profit institutions. This concept does not include social transfers in kind such as health, education, justice and personal safety and that of property, or defence, among others.

Total household income is defined as the sum of primary income and current transfers. This income and its components are counted in gross terms, i.e. before the deduction of direct taxes and rates, the payment of social security contributions and transfers from the household to other agents (for example, alimony or child support payments).

Disposable income is obtained by subtracting from total income payments of direct taxes, social security contributions and current transfers to other households (payment of alimony, child support or other court-mandated payments, for example). This concept of income come closer to representing the array of resources available to households to finance consumption on an ongoing basis.

The most comprehensive concept of income for the purpose of measuring well-being is adjusted disposable income, which is the sum of disposable income and the valuation of social transfers in kind. However, in estimates based on household surveys the application of this concept is limited by the lack of information with which to reliably estimate the amounts received and the distribution of social transfers in kind among households.[3]

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[2]   This is regardless of whether transfers are subject to some sort of conditionality, for example, children's attendance at school, as in the case of transfers made in the framework of poverty reduction programmes.

[3]   Using of the concept of adjusted disposable income for poverty measurement would mean applying it not only to income, but also to the poverty line, which should include an estimate of the value of free or subsidized benefits.

In practice, data on income collected in the household surveys conducted in the countries of the region serves to construct aggregates that are equivalent to the notion of total income. Several countries also collect data that come close to the notion of disposable income, although often in an incomplete manner, since the information on taxes and contributions is usually for wage employees only and payments to other households are not captured.

Consequently, the household income aggregate used by the Economic Commission for Latin America and the Caribbean (ECLAC) for its poverty and inequality estimates corresponds mainly to total income, complemented by the use of information on wages and salaries net of taxes where available. This is the aggregate that allows greatest possible comparability between countries in the region, at least until household surveys advance towards full measurement of disposable income.

It should be recalled that the components of total income include imputed rental value for the use of owner-occupied housing, as an income in kind. In terms of the measurement of well-being, the inclusion of this item derives from the need to standardize the situation among households of different housing ownership status.[4] ICLS, the Canberra Group and SNA 2008 all recommend that the value imputed for this service should be equivalent to the rent that would be paid in the market for a dwelling similar to the one occupied, net of maintenance costs, taxes, contributions and interests paid. However, because detailed information on such costs is lacking, in practice imputed rental value is measured as gross imputed rent. The following section offers a more detailed description of imputed rent in the construction of the income aggregate.

Diagram V.1 shows the income aggregates that can be measured using the household surveys carried out in the countries of the region. Each income aggregate is composed of the sum of the following group of aggregates. In turn, the more disaggregated categories in each group of the diagram correspond to main sources of income for the purposes of analysis: wages and salaries, income from self-employment (own-account workers), property income, pensions and retirement benefits, other public and private transfers and imputed rent. In practice, labour income (from both dependent and independent work) is further disaggregated to distinguish between proceeds from the main occupation or the secondary occupation, and whether it is income in cash or in kind.

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[4]   In the case of two households with identical total income and consumption expenditure, but one of which rents the dwelling while the other owns it, non-imputation of rental value in the case of the owner-occupied dwelling would generate differences in consumption expenditure structures, where none should exist.

■ Diagram V.1

Income aggregates measured in household surveys
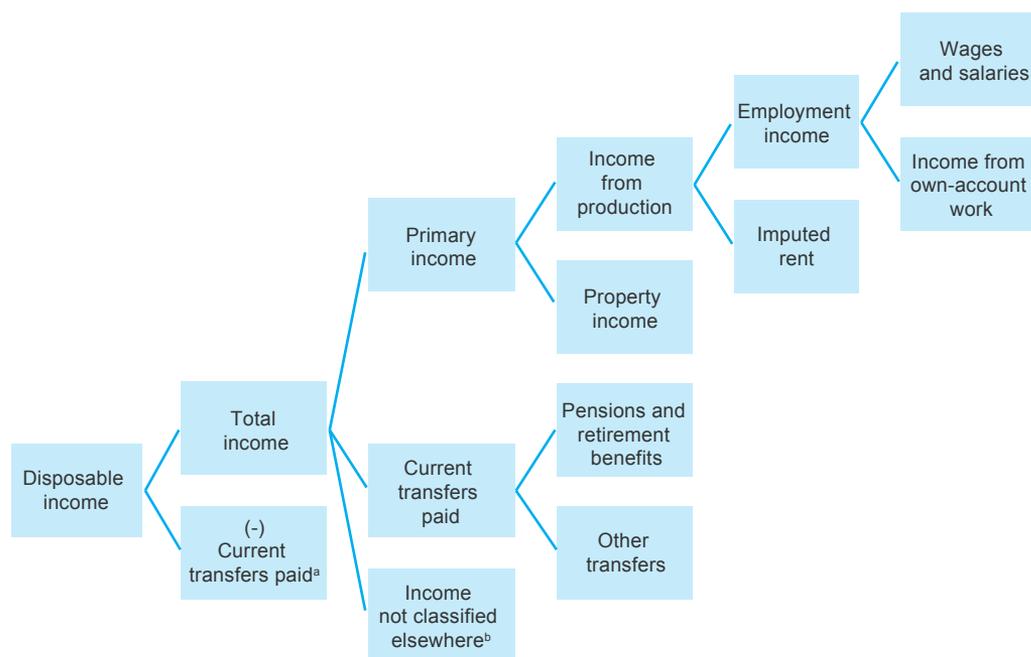
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Economic Commission for Europe (UNECE), *Canberra Group Handbook on Household Income Statistics, Second Edition 2011*, Geneva, 2012.

[a] Current transfers paid represent an outlay, which should be subtracted from total (gross) income to estimate the disposable (net) income. In the usual practice of household surveys in Latin America, these variables are not registered directly; rather, items that could be affected by taxes and contributions are captured net (e.g. wages and salaries are registered after the deduction of contributions to social security, instead of being registered gross before these items are deducted).

[b] Although, from the conceptual point of view, total income corresponds strictly speaking to the sum of primary income and transfers received, in practice some household surveys enquire into "other income" that does not correspond precisely to either of these concepts.

B. Considerations on imputed rent for poverty measurement

As with other types of income in kind, the inclusion of imputed rent poses a challenge for poverty measurement. On the one hand, the inclusion of this item is justified by the need to make households that own the home in which they reside comparable with those which do not. If the components of the poverty line include the cost of renting a dwelling, not including this component would produce an overestimation of poverty among households that own the dwelling in which they reside.

On the other hand, this item can generate a bias in poverty measurement, insofar as there is a discrepancy between imputed rent and the implicit cost of the dwelling in the poverty line. Because it is a resource that the household cannot use to pay for goods or services other than the dwelling they own, an imputed value that exceeds the cost of the dwelling implicit in the poverty line would lead to an underestimation of poverty among households residing in owner-occupied dwellings. This consideration is especially important for estimating extreme poverty, since the income associated with the service provided by the occupation of the household's own dwelling cannot be used to acquire a basic food basket.

For the poverty measurements presented in this document, imputed rent is considered part of household income, given the need to establish equivalences between owning and renting households. However, in order to lessen the risk of erroneously classifying (via excessive non-monetary income) households that should be considered poor, a ceiling is applied to imputed rent, thereby yielding better concordance with cash income received. Thus, reported imputed rent is added as part of household income up to 100% of total income not including imputed rent (i.e. 50% of total income).

For household surveys that do not collect information on imputed rent, this is estimated as a percentage of total income. The percentage is calculated on the basis of the income and expenditure survey or other data sources from the respective country. In this case, a minimum value is applied for imputed rent, equivalent to the cost of rental value implicit in the poverty line of the corresponding year (providing that value does not exceed the ceiling mentioned in the preceding paragraph).

C. Imputation of income for non-response

Total non-response is a fairly common occurrence in household surveys. If it were to occur randomly —or, more precisely, if it were not associated with income level or with any of the income-related attributes included in the sampling frame— it would not affect the average income level. However, the experience of the Latin American countries is that total non-response is positively correlated with the socioeconomic status of the households being surveyed, which generates a bias in the estimates unless properly addressed. The countries of the region deal with this problem by totally or partially replacing households that do not respond to the survey, which tends to translate into an expansion factor adjustment.[5]

Partial non-response, or non-response to the income questions only, is another possible source of error in average income estimates. This occurs when responses are

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[5] National statistical offices or entities responsible for carrying out surveys can deal with total non-response in different ways. They can fully or partially replace selected households that have not responded to the survey using pre-established rules and procedures and on the basis of the sample design, which normally translated into the adjustment of expansion factors. However, it should be noted that the countries make available to ECLAC the databases in which the problems of total non-response has already been addressed.

obtained for different sections of the questionnaire during the interview process, but not for personal income. Given that, in this case, some of the non-income-related socioeconomic and demographic attributes of the interviewees are known, non-response to the income question is usually found to be higher among those who, to judge by those other attributes, have higher incomes. This generates a bias towards underestimation of average income.

Non-declaration of information concerning main sources of income needs to be corrected, because it affects the level and distribution of total household income and, thus, the estimates of poverty incidence. This is done using the hot deck method, which consists of forming different sample partitions on the basis of the income-correlated variables and imputing data to the omitted observations (recipients) on the basis of random observations (donors) in the same partition.[6]

To apply this methodology, the missing income is imputed to the omitted observations in two categories:

(i)   paid employees who do not report income from their main employment; and

(ii)   retirees or pensioners who do not report the amount of their retirement benefit or pension.

In the case of employees, missing values are imputed separately for wage workers, own-account workers and employers. Donor observations are selected on the basis of eight, usually income-related, variables: geographic area (two categories), household head (two categories), sex (two categories), age (six categories), level of education (three categories), occupational category (five categories), branch of economic activity (four categories) and establishment size (three categories).

In the case of retirees and pensioners, the imputation procedure is similar to the case of employed persons, but five variables are used for the partition: geographic area, household head, sex, age and level of education.

When the imputation of any of these income variables yields a high number of cases in which data were not imputed, a second imputation is used for cases still pending, using a shorter list of variables to select the donor observations.

ECLAC applies an imputation procedure for non-response only for those databases that do not already have missing values corrected. The procedure described is thus usually applied to the household survey series for Ecuador, El Salvador (retirement benefits only), Panama, the Plurinational State of Bolivia and Uruguay. Corrections have been applied in for some years in the series from Argentina (from 2016 on), the Bolivarian Republic of Venezuela (up to 2007) and Costa Rica (up to 2009).

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[6]   ECLAC used to employ the "conditional means" method, by which the missing observation is replaced by the average value of the partition, rather than a random value. However, this practice was discontinued, because it had the disadvantage of artificially reducing data dispersion.

D. Possibilities concerning adjustments for income underreporting[7]

ECLAC poverty estimates have typically applied a correction procedure known as "income adjustment" to income captured in the survey. This procedure, described in Altimir (1979), has sought to minimize the underreporting bias in the income variable, taking as a comparison framework the household income and expenditure accounts of the System of National Accounts.

The starting point for this adjustment is the empirical observation of a gap between income recorded in the surveys and income captured in the national accounts aggregates. The methodology consisted of comparing the two incomes in per capita terms, on the basis of compatible definitions from the different items they comprise. The discrepancy observed in income measured in the survey and the estimation from the national accounts for the main categories of income (wages and salaries, income from independent work, property income, pensions and retirement benefits and imputed rent) was translated into an "adjustment factor" by which the values corresponding to each income sources were multiplied (Altimir, 1987; Feres and León, 1992).

The adjustment procedure was based on three fundamental suppositions:

(i)   That the information in the household income and expenditure accounts of the system of national accounts is more complete and reliable than that from surveys;

(ii)   That the gap between the income aggregates in the survey and in the national accounts reflects the failure of the survey to adequately capture income; and

(iii)   That underreporting is associated more with type than with level of income and has a constant income elasticity, except in the case of property income.

The information built up over recent decades calls into question the validity of these assumptions, making it necessary to reconsider whether this procedure fulfilled the purposes for which it was adopted.

With regard to the first assumption, although the national accounts have a solid conceptual framework and conciliation processes aimed at ensuring consistency, it must be considered that the household sector account (the instrument used for the adjustment) is constructed regularly in less than half of the Latin American countries, so in much of the region its reliability cannot be evaluated. In addition, in some countries the household accounts are constructed with several years' lag with respect to the data captured in the household surveys.[8]

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[7]   This section gives a summary of the arguments and evidence set forth in annex A4.
[8]   See annex table A4.1.

In cases where the household account does exist, some of the data requirements under international standards for national accounts exceed the capacities of the respective national statistical systems. This could lead to the use of indirect estimation methods, increasing the risk of measurement errors.[9] Another difficulty of the information on which the national accounts are based is time lag in some technical parameters and data sources. In turn, the national accounts aggregates are heterogenous from one country to another in relation to the registration of income from the informal sector, shadow economy and illegal activities, the coverage of payment in kind, donations and the production of non-traded goods and services.

On the other hand, although household surveys in the Latin American countries are still heterogenous, they have overcome several of the limitations they showed in the 1980s. In particular, most of the countries now have regular surveys for measuring income, which are usually national in coverage. They have also made gradual improvements to the questionnaires, which have enabled progress towards increasingly comprehensive recording of income, with stable series that are consistent with international recommendations.[10]

Consistently with these considerations, the international literature tends to support the idea that there is no reason to treat the national accounts as any more reliable, on the whole, than household surveys, since both sources are exposed to errors (Anand, Segal and Stiglitz, 2010; Bourguignon, 2015; Bravo and Valderrama, 2011; Leyva-Parra, 2004; Paraje and Weeks, 2002).[11]

With regard to the second supposition, there are various reasons why there could be a gap between income aggregates in the survey and those in the national accounts, without there necessarily being a problem of income underrecording in the former. These reasons have to do with differences in the purpose of each instrument (estimation of macroeconomic aggregates as against the distribution of income of individual households); in the construction of concepts of income;[12] in coverage (national accounts include non-profit organizations, as well as the population not residing in private households, which tends not to be captured in surveys); and in the implicit number of recipients of each income source (unknown in the national accounts). In particular, it must also be borne that the comparison of income between sources is highly sensitive to the change in the base year of the national accounts.[13] For that reason, it is to be expected that differences will arise between the two sources of information, even if neither of them suffer from measurement errors (Deaton, 2005; Anand, Segal and Stiglitz, 2010).

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[9]   Bourguignon (2015) notes that the income estimations in household surveys and national accounts tend to be more consistent with each other when national accounts estimates are based on household survey estimates. This implies some circularity in the method of calculating adjustment factors.

[10] Given the lack of reliable information from the household income account, ECLAC adopted constant adjustment factors from the mid-2000s, respecting the variations registered in the surveys.

[11] See a more extensive review of the bibliography on income adjustment in Villatoro (2015).

[12] Feres (1998) reports on some of these difficulties for the case of Chile, and addresses issues relating to the distribution of the operating surplus in the national accounts between own-account workers and employers, as well as the lack of conceptual compatibility between current transfers and donations in the two sources.

[13] See the case of Chile, described in annex box A4.1.

With respect to the way in which undercounting of income is distributed in the survey, the information indicates that this is far from being proportionate to household income. Comparison of survey data with data from administrative records shows that undercounting is greater at the higher extremes of the distribution, which may be attributed to the lack of high-income earners in the sample (truncation) (Alvaredo and Londoño, 2013; Alvaredo and Gasparini, 2013; Burdín, Esponda and Vigorito, 2015; Bourguignon, 2015). Accordingly, allocating the entire difference observed between the two sources of income to households that do report income would lead to an overestimation of the lower-income households' income.

In more general terms, this assumption generates distortions in the values reported when undercounting of a category of income originates in inadequate capture of earners in the sample rather than underreporting of the amount received. When there is no information on the number of recipients and any difference in income is allocated to amounts not reported in the surveys, the amounts effectively received by households are overestimated. Lastly, given that the adjustment factors vary by source and that not all sources are adjusted, the adjustment distorts the structure of household income.

The arguments and information set forth would thus indicate that income adjustment does not improve the plausibility, comparability or reliability of poverty measurements, and the procedure has accordingly been left out of the present update. In fact, the poverty measurements generated in this update lead to plausible results in terms of both levels and trends, despite having dispensed with the income adjustment procedure, so its application would not appear to be justified in that light either.[14]

This is not to say that the contrast between survey data and data obtained from the national accounts or administrative records is not useful for analytical purposes.[15] On the contrary, the measurement of inequality is a fruitful field for this type of application, since there is considerable evidence that surveys are not adequately capturing very high-income households and are thus underestimating inequality (ECLAC, 2018). Far from assuming that it is enough to equalize survey aggregates with data from other sources, the road to developing more comprehensive measurement of inequality requires a better understanding and tracking of the differences in income measurement between surveys and national accounts.

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[14] If an adjustment to survey income is made, the reconciliation of sources with the national accounts should also be applied to household consumption, which means employing supply and use tables by institutional sector in each country. This would increase the demand for information from the national accounts in a context in which, as noted, very few countries have accounts by institutional sector and those that do issue them with a significant lag with respect to surveys.

[15] The Commission on Global Poverty reaches a similar conclusion, since it advises against proportionate adjustments to income categories. At the same time, it does not suggest abandoning research on this topic, since it provides valuable information for appraising data quality.

Chapter VI
Findings

This chapter outlines some of the main results of the extreme poverty and poverty measurements obtained using the methodology described in the preceding chapters.

The figures show that the incidence of absolute poverty in Latin America is quite high, although the levels vary sharply from one country to the next. The simple averages of the observed values for extreme poverty and poverty in the 18 countries covered in this study as of 2016, or the most recent year before that for which information is available, are 9.1% and 28.6%, respectively. At the country level, the extreme poverty rate ranges from 1% to 19%, while the poverty rate varies between 4% and 53% (see figure VI.1 and annex A7).

In line with the trends reported in the various editions of the *Social Panorama of Latin America* published by ECLAC, poverty has declined in Latin America since the start of the 2000s, with the decrease being steeper up to the start of the 2010s than latterly. As a point of reference, the simple average of the countries' extreme poverty rates had fallen from 15.7% around 2002 to 9.9% by around 2012 and to 9.1% by around 2016. In the case of poverty rates, the simple average went from 45.8% around 2002 to 31.4% around 2012 and then to 28.6% around 2016.

In order to compare the extreme poverty and poverty lines of the different countries, they must be expressed in the same unit (in this case the United States dollar). This procedure has its limitations, since the official exchange rate may not reflect the actual equivalence between currencies, and values expressed in current dollars do not reflect differences between prices levels in different countries. Nevertheless, this approach does provide a rough idea of the amount of money required to meet people's basic needs in each country.

■ Figure VI.1

Latin America (18 countries): persons living in extreme poverty and in poverty from around 2002 to around 2016[a]

(Percentages)
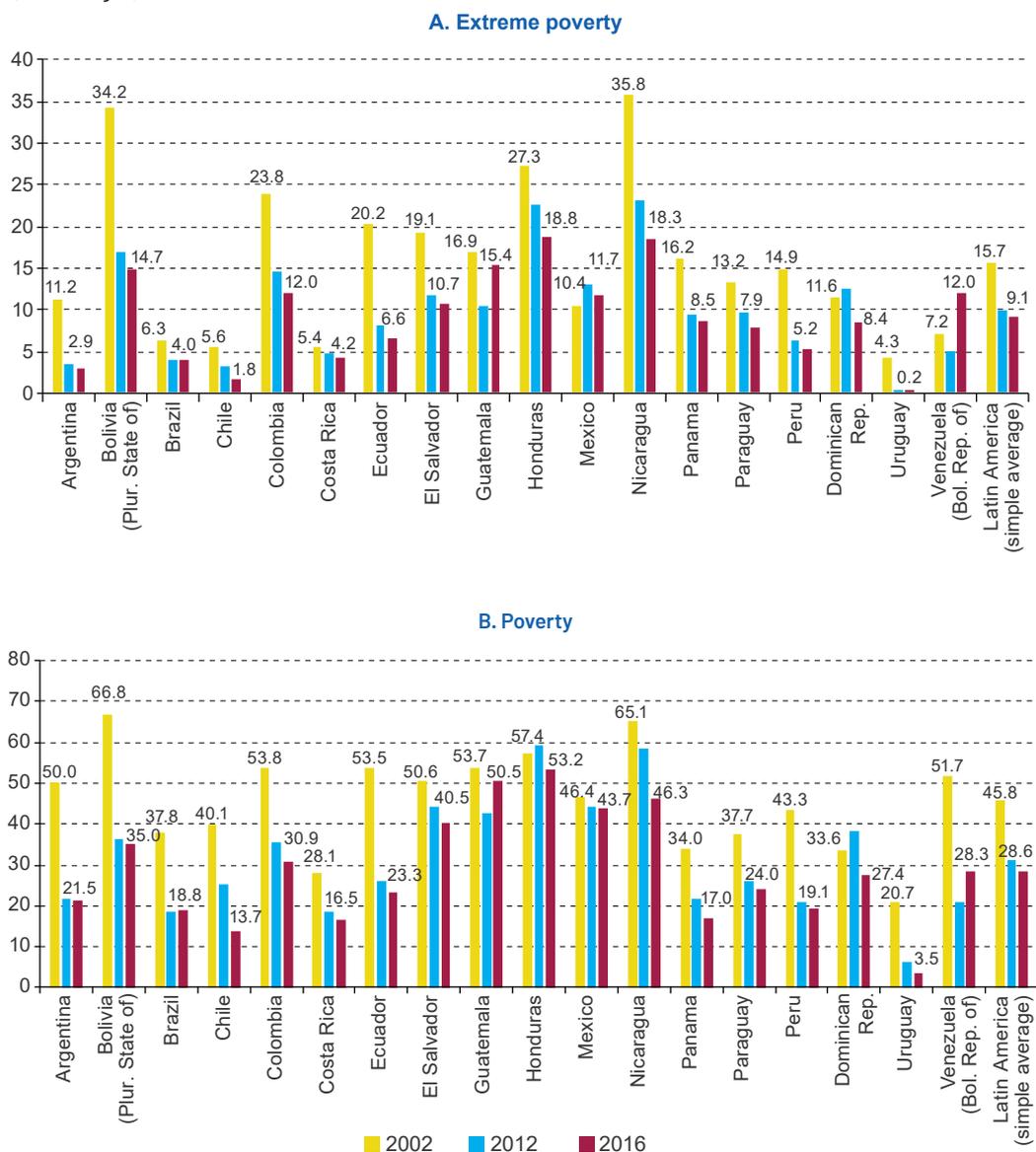
A. Extreme poverty

B. Poverty

■ 2002   ■ 2012   ■ 2016

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of household surveys from the respective countries and Household Survey Data Bank (BADEHOG).

[a] The information for the above countries corresponds to the following years: Argentina, 2003, 2012 and 2016; Bolivia (Plurinational State of) and Brazil, 2002, 2012 and 2015; Chile, 2003, 2011 and 2015; Colombia, Costa Rica, Dominican Republic, Mexico, Peru and Uruguay, 2002, 2012 and 2016; Ecuador and Paraguay, 2001, 2012 and 2016; El Salvador and Honduras, 2001, 2013 and 2016; Guatemala, 2000, 2006 and 2014; Nicaragua, 2001, 2009 and 2014; Panama, 2002, 2013 and 2016, and Venezuela (Bolivarian Republic of), 2002, 2012 and 2014.

Around 2016, the simple average value of extreme poverty lines in the urban areas of these 18 countries was US$ 65 per person per month, while the average value of the poverty lines for these countries was US$ 132 per person per month. The figures were especially high in Argentina and the Bolivarian Republic of Venezuela; in both these cases, the exchange-rate distortions mentioned earlier were a factor. If the data for these two countries are excluded from the calculations, then the average extreme poverty line was US$ 54 per month —the simple average of values ranging from US$ 38 to US$ 74— and the average poverty line was US$ 114, with the range being between US$ 86 and US$ 166 (see figure VI.2 and annex A7). For rural areas, the average value of the extreme poverty lines for the 16 countries for which information on these areas is available was US$ 48 per person per month, while the corresponding average for the poverty lines was US$ 90 per person per month.

Purchasing power parity (PPP) indices are used to detect differences between relative price levels in different countries. While these indices are estimated on the basis of the consumption and price structures for the entire population, which may not accurately reflect those of the lower-income population, their use in comparing poverty lines can at least partially correct for the limitations of comparisons based on the current exchange rate. Calculations based on information for around 2016 indicate that the extreme poverty and poverty lines for urban areas are higher when expressed in PPP dollars than when they are expressed in current dollars, with the former averaging PPP$ 102 and PPP$ 209 per person per month, respectively. In rural areas, the average values are PPP$ 88 and PPP$ 161 per person per month, respectively (see figure VI.3).

The estimates given in this study have two points of reference for comparison: the poverty estimates calculated by ECLAC up to 2015 and the countries' official estimates.

Table VI.1 shows the results for the latest year for which ECLAC estimates calculated using the previous methodology are available. The new estimates yield lower extreme poverty and poverty rates than older estimates do in most of the countries. The largest reductions are found in cases where the previous estimates were not based on poverty lines derived from household expenditure surveys, as was the case in Paraguay and some Central American countries, while the largest increase corresponds to Argentina, where the use of official inflation figures resulted in the poverty rate being underestimated.

■ **Figure VI.2**
Latin America (18 countries): extreme poverty and poverty lines around 2016[a]
(Current dollars per person per month)
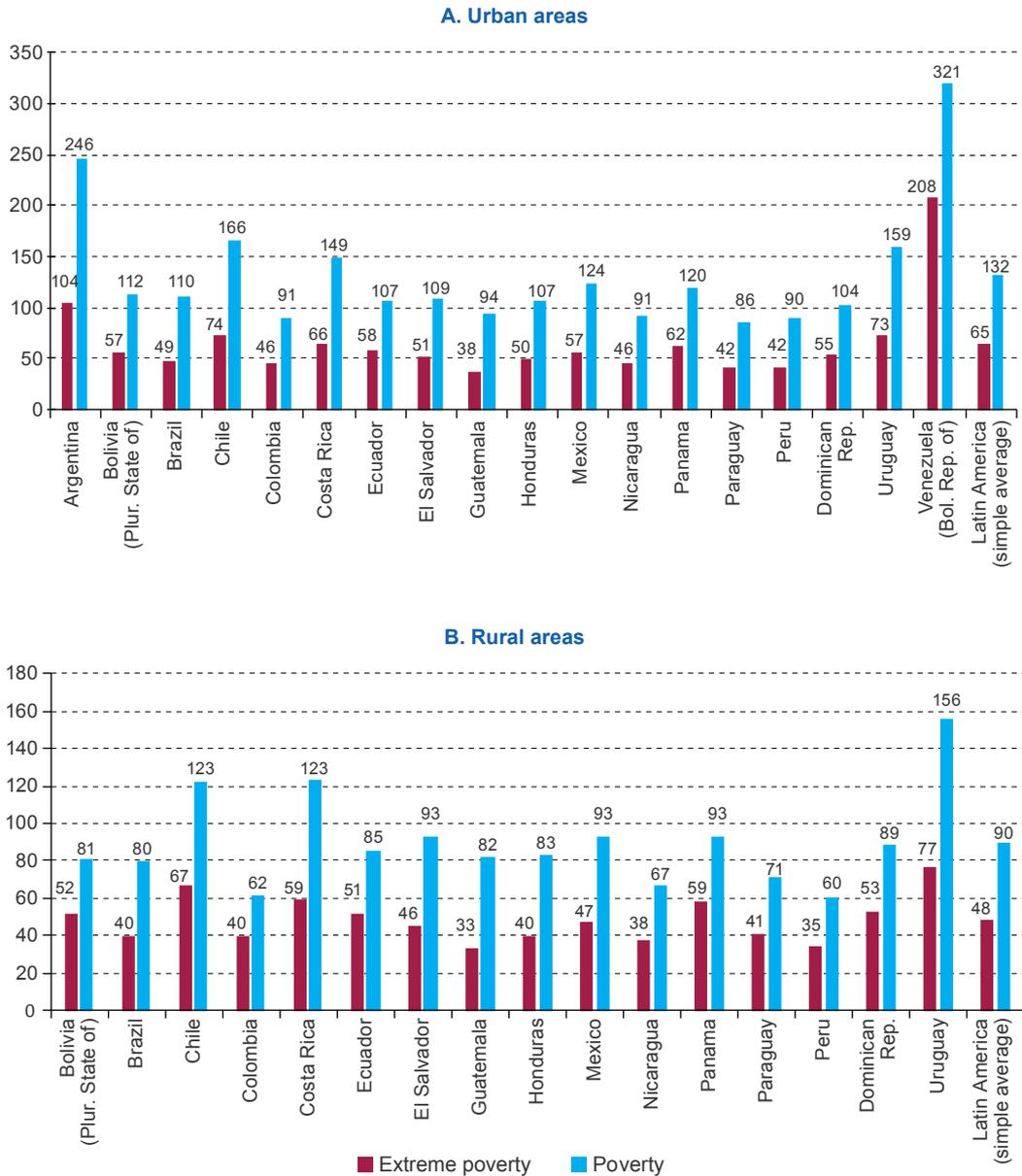
A. Urban areas

B. Rural areas

■ Extreme poverty   ■ Poverty

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of household surveys from the respective countries.
[a] The data are for 2016 except in the cases of Brazil, Chile and the Plurinational State of Bolivia (2015) and the Bolivarian Republic of Venezuela, Guatemala and Nicaragua (2014).

■ Figure VI.3

Latin America (17 countries): extreme poverty and poverty lines around 2016[a]

(Purchasing power parity dollars per person per month)

A. Urban areas

B. Rural areas

■ Extreme poverty   ■ Poverty
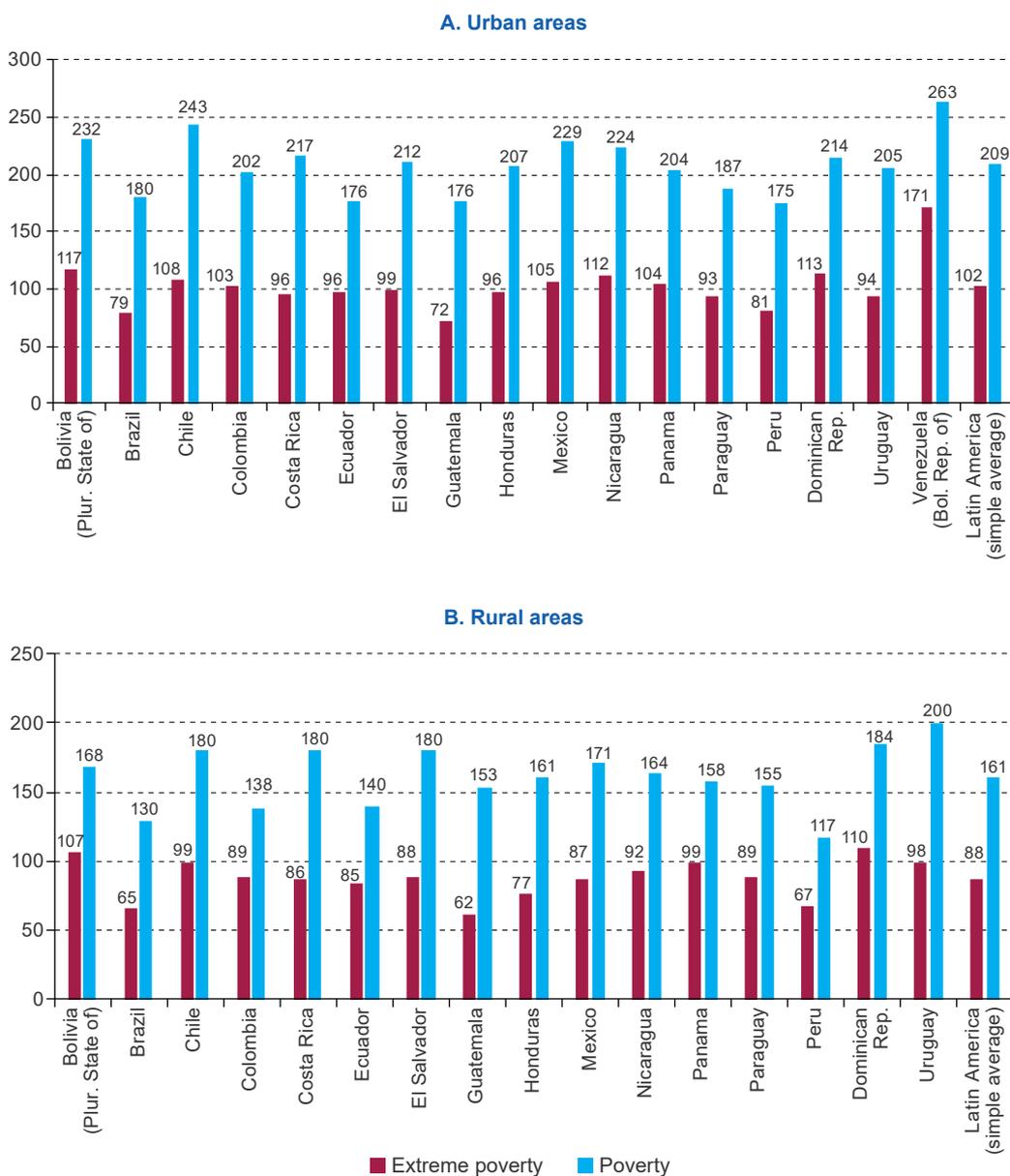
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of data from household surveys from the respective countries and World Bank Open Data [online] https://data.worldbank.org/indicator/pa.nus.prvt.pp.

[a] The data are for 2016 except in the cases of Brazil, Chile and the Plurinational State of Bolivia (2015) and the Bolivarian Republic of Venezuela, Guatemala and Nicaragua (2014). No purchasing power parity index is available for Argentina.

■ Table VI.1

Latin America (17 countries): comparison between the extreme poverty and poverty estimates calculated by ECLAC using the previous methodology and the new methodology
(Percentages and differences in percentage points)

	Extreme poverty			Poverty		
	Previous	**New**	**Difference**	**Previous**	**New**	**Difference**
Argentina, 2014	1.3	3.3	1.9	2.3	24.9	22.6
Bolivia (Plurinational State of), 2013	16.8	15.9	-0.9	32.7	34.5	1.8
Brazil, 2014	4.6	3.3	-1.2	16.5	16.5	0.0
Chile, 2013	2.5	2.0	-0.5	7.8	16.2	8.4
Colombia, 2014	8.1	12.0	3.9	28.6	31.1	2.5
Costa Rica, 2014	7.4	3.8	-3.6	18.6	13.8	-4.9
Dominican Republic, 2014	17.9	9.7	-8.2	37.2	32.9	-4.3
Ecuador, 2014	10.3	5.4	-4.9	29.8	22.9	-6.9
El Salvador, 2014	12.5	7.9	-4.6	41.6	33.8	-7.8
Guatemala, 2014	46.1	15.4	-30.7	67.7	50.5	-17.2
Honduras, 2013	50.5	22.7	-27.9	74.3	59.1	-15.2
Mexico, 2016	16.3	13.0	-3.3	41.2	45.2	3.9
Nicaragua, 2009	29.5	23.1	-6.4	58.3	58.3	0.0
Panama, 2014	11.5	9.2	-2.3	21.4	19.7	-1.8
Paraguay, 2014	20.5	7.7	-12.8	42.3	22.3	-19.9
Uruguay, 2014	0.8	0.2	-0.6	4.4	4.5	0.1
Venezuela (Bolivarian Republic of), 2013	9.8	9.0	-0.9	32.1	27.3	-4.8

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of household surveys from the respective countries and Household Survey Data Bank (BADEHOG).

The second relevant comparison is between the figures presented in this study and the poverty estimates of the countries themselves. The figures for 2016, or for the most recent year for which information is available, reflect four different situations. In nine of the countries (Argentina, Bolivarian Republic of Venezuela, Costa Rica, Guatemala, Honduras, Mexico, Panama, Plurinational State of Bolivia and Uruguay), the extreme poverty and poverty rates calculated by ECLAC are lower than the rates published by the countries. In three countries (Brazil, Chile and Ecuador), the extreme poverty rates calculated by ECLAC are lower, but the total poverty rates calculated by ECLAC are higher. In three other countries (the Dominican Republic, Paraguay and Peru), just the opposite is true (the extreme poverty rates estimated by ECLAC are higher but the total poverty rates computed by ECLAC are lower). Finally, in the last three countries (Colombia, El Salvador and Nicaragua), the ECLAC rates are higher for both indicators. A detailed examination of the possible reasons for these differences in the cases of those countries for which all the necessary information is available is presented in annex A8.

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Annexes

Annex A1

Summary of methodologies used at the national level for poverty measurement[1]

■ **Table A1.1**
Criteria for selection of the reference population

Country	Survey	Selection criterion	Position *(percentiles)*
Argentina	Survey of Household Expenditure and Income 1985–1986	Calorie intake	Percentile 21–percentile 40
Chile	Family Budgets Survey 2011–2012	Calorie intake	Percentile 1–percentile 20
Colombia	National Income and Expenditure Survey (ENIG) 2006–2007	Iterative method (starting point: poverty rate obtained using previous methodology)	Percentile 30–percentile 59
Costa Rica	National Household Income and Expenditure Survey 2004–2005	Calorie intake	Urban areas: decile 2–decile 3; rural areas: decile 4–decile 5
Dominican Republic	National Household Income and Expenditure Survey (ENIGH) 2007	Iterative method	Percentile 30–percentile 50

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[1] The information sources on the poverty measurement methodology in the respective countries are: Argentina: National Institute of Statistics and Censuses (INDEC) (2016); Chile: Ministry of Social Development (2015); Colombia: National Administrative Department of Statistics (DANE) and National Planning Department (DNP) (2012); Costa Rica: National Institute of Statistics and Censuses (INEC) (2010); Dominican Republic: National Statistical Office (ONE) (2012); Ecuador: National Institute of Statistics and Censuses (INEC) (2015); Mexico: National Council for the Evaluation of Social Development Policy (CONEVAL) (2014); Panama: Castillo, Y. and others (2015); Paraguay: Department of Statistics, Surveys and Censuses (DGEEC) (2016); Peru: National Institute of Statistics and Informatics (INEI) (2016); Uruguay: National Institute of Statistics (INE) (2007).

Table A1.1 (concluded)

Country	Survey	Selection criterion	Position (percentiles)
Ecuador	Survey of Living Conditions 2005–2006	Calorie intake	Quantile 12–quantile 27[a] for the extreme poverty line; Orshansky coefficient estimated using households with food expenditure of around 10% of the extreme poverty line
Mexico	National Household Income and Expenditure Survey (ENIGH) 2006	Calorie intake	Urban areas: percentile 41–percentile 60; rural areas: percentile 32–percentile 51
Panama	Household Income and Expenditure Survey, 2007–2008		Households of 2–6 members in deciles 1–9, different for urban and rural areas
Paraguay	Survey of Income and Expenditure and Living Conditions, 2011–2012	Iterative method (starting point: average poverty rate in estimates for 2011–2012 as the ceiling and excluding the poorest 5%)	Percentile 5–percentile 30 for the extreme poverty line; Orshansky coefficient estimated using households with food expenditure of around 10% of the extreme poverty line
Peru	National Household Survey-Living Conditions and Poverty 2010	Iterative method	Percentile 20–percentile 40
Uruguay	National Survey of Household Expenditure and Income (ENGIH) 2005-2006	Calorie intake	Montevideo: percentile 18–percentile 37; urban interior: percentile 19 – percentile 38; rural interior: percentile 3–percentile 22

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information on the methodology used for income poverty measurement in the respective countries.

[a] In this case quantiles are arrived at by dividing the consumption distribution in 40 equal parts, each equivalent to 2.5% of the population.

■ Table A1.2
Criteria for construction of the basic food basket

Country	Products included	Criteria for selecting products for the basic food basket	Total kcal provided by the basic food basket *(by area)*	Nutritional adjustments	Valuation
Argentina	27 products	Products that make up the population's usual diet	2,700 kcal (moderately active adult males aged 30–59 years)	To meet adult-equivalent calorie and protein requirements. Foods with a high per-calorie cost are excluded	Consumer price index (CPI). Average 1985 prices
Chile	80 products	Products consumed by the reference population	1,844 kcal (the remaining kcal are assumed to be supplied by the School Meals Programme (PAE))	To meet macronutrient requirements (calories, proteins, carbohydrates, saturated, monounsaturated or polyunsaturated fats, omega 3 and 6, cholesterol and fiber). The adjustment is made by increasing or reducing specific products	Consumer price index (CPI), taking the value corresponding to percentile 20 of the price distribution, for the lowest cost variety of the product
Colombia	39 products in urban areas and 42 products in rural areas	A product is included in the basket if: it is consumed by at least 30% of households, represents at least 1% of total food expenditure, and provides at least 1% of total calories consumed	2,090 kcal in urban areas; 2,049 kcal in rural areas	Adjustment to calorie requirements by applying the factor resulting from dividing the average calorie requirement by domain by the calorie content observed. The resulting adjustment factor was 1.97 for urban areas and 0.92 for rural areas	Implicit prices from the survey. Median of unit values per product
Costa Rica	52 products in urban areas and 44 products in rural areas	A product is included in the basket if: it is mentioned by at least 10% of households and provides at least 0.5% of total calorie consumption, or expenditure on it represents at least 0.5% of food spending	2,184 kcal in urban areas; 2,258 kcal in rural areas		Implicit prices from the survey
Dominican Republic	66 products	Products were selected whose number of cases was at least 30, including only those varieties that were consumed frequently enough to make up at least 0.5% of all purchases. Lastly, the range of products in the basic food basket had to represent over 80% of total food expenditure in the reference population	2,102 kcal in urban areas and 2,221 kcal in rural areas	Apparent calorie intake adjusted to energy requirements. Nutritionally evaluated and validated by the Ministry of Public Health and Social Welfare (MISPAS)	Implicit prices

Table A1.2 (continued)

Country	Products included	Criteria for selecting products for the basic food basket	Total kcal provided by the basic food basket (by area)	Nutritional adjustments	Valuation
Ecuador		The selection of items in the basket comprised food products that are common or similar in all rounds. A common item is defined as one for which the question is exactly the same in all rounds and similar items are defined as products that were grouped or itemized together in the different survey forms.	2,141 kcal	Adjusted to comply with World Health Organization (WHO, 2003) recommendations for a healthy diet in terms of maximum percentage of calories from fats (20%–30%), proteins (11%–14%) and carbohydrates (59%–69%)	Implicit prices (median of unit values) per effective calorie for each of the products
Mexico	37 products in urban areas and 33 products in rural areas	Products were selected that represented over 10% of consumption in the respective food group (by frequency) and over 0.5% of food expenditure	2,084 kcal	Two-part adjustment: products are included that do not meet the selection criteria, but belong to the food groups of fruits and leafy vegetables, cereals and legumes or root vegetables, or foods of animal origin (in accordance with Mexican official regulation No. NOM-043–SSA2–2005). Next, the consumption quantities of certain products are adjusted to meet intake requirements and recommendations	Implicit price in each category, calculated as the geometric average of the ratios between expenditure and quantity per category for all households
Panama	59 products in Panama City and Miguelito and 50 products in the rest of the country	Products were selected that are consumed by over 18% of households, those that contribute over 0.5% of calories and those to which households devote at least 1% of total expenditure. Five other products which met none of these criteria were also included[a]	2,339 kcal for Panama City and San Miguelito, and 2,327 kcal for the rest of the country	Different baskets (made up of different foods) and the quantities consumed were valued. This exercise was used to obtain the kilocalories to be supplied by each food to cover the daily per capita kcal requirement, ensuring that the kilocalorie content from carbohydrates, fats and proteins was within the limits set by the Food and Agriculture Organization of the United Nations (FAO) and the World Health Organization (WHO)	Prices corresponding to December 2014 collected by the National Institute of Statistics and Censuses

Table A1.2 (concluded)

Country	Products included	Criteria for selecting products for the basic food basket	Total kcal provided by the basic food basket (by area)	Nutritional adjustments	Valuation
Paraguay	82 products in urban areas and 77 products in rural areas		2,117 kcal for urban areas and 2,291 kcal for rural areas	Apparent calorie intake adjusted to energy requirements	Implicit prices. Median of unit values of urban and rural areas obtained from the same reference population
Peru	110 products	The 110 most consumed products were selected. This basket consists of 103 food products consumed in the home and 7 consumed outside the home			
Uruguay	60 products	Products consumed by at least 20% of the households in the reference population. Spending on the product must represent at least 1% of total food expenditure. If no product in the category meets these conditions, the most consumed (representing the highest expenditure of the group) is selected	2,167 kcal for Montevideo and the urban interior, and 2,313 kcal for the rural interior	No	Implicit prices. Constant May 2006 values

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information on the methodology used for income poverty measurement in the respective countries.

a These products are: sea bass, garlic, mayonnaise, cabbage and tea.

■ Table A1.3

Criteria for selection of the Orshansky coefficient and use of equivalence scales

Country	Orshansky coefficient observed in the survey or taken from another source	If observed, are any products excluded?	Value of Orshansky coefficient in the base year *(by area)*	Use of equivalence scales
Argentina	Observed	No	2.07	No
Chile	Observed	Excludes expenditure on alcohol and tobacco, and expenditures made by less than 10% of households (maintaining the "imputed rental value of main dwelling for households that pay reduced or no rent")	2.68	Lines expressed as adult-equivalent. Equivalence scale: (number of members in the household)^0.7
Colombia	Urban: exogenous Orshansky coefficient (average for Latin America, around 2005, ECLAC)	No	2.4 for urban areas; 1.74 for rural areas (applying the urban/rural proportionality observed in the exogenous Orshansky coefficients)	No
Costa Rica	Observed	No	2.50 for urban areas; 2.30 for rural areas	No
Dominican Republic	Observed	Products belonging to the category "other" were excluded, as were superfluous products in various goods and services groups; leisure, entertainment and culture; furniture and accessories; and clothing and footwear	2.2 for urban areas; 2.1 for rural areas	No
Ecuador	Observed	No	1.77	No
Mexico	Observed	Exclusions: goods with an income elasticity of 1 or less; goods or services which less than 50% of households perceived as necessary; goods on which expenditure accounted for average spending on all goods (0.16%) or less in the reference population; and goods or services consumed by less than 20% of households in the reference population. Imputed rent estimation is not included in income	2.2 for urban areas; 2.0 for rural areas (values updated in 2008)	Use of adult-equivalent income. Equivalence scales differentiated by age group

Table A1.3 (concluded)

Country	Orshansky coefficient observed in the survey or taken from another source	If observed, are any products excluded?	Value of Orshansky coefficient in the base year *(by area)*	Use of equivalence scales
Paraguay	Observed	No	2.6 for urban areas; 2.1 for rural areas	No
Peru	Observed	No	1.85 for the urban coast; 1.63 for the rural coast; 1.84 for urban sierra; 1.54 for rural sierra; 1.68 for urban jungle areas; 1.48 for rural jungle areas; and 1.93 for Metropolitan Lima[a]	No
Uruguay	Observed	Products in the least consumed 25% of spending are excluded	3.99 for Montevideo, 3.24 for other urban areas and 2.52 for rural areas	Adult-equivalent non-food basic basket. Equivalence scale: (number of members in the household) ^0.8

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information on the methodology used for income poverty measurement in the respective countries.

[a] The values of the Orshansky coefficient are maintained on the basis of the survey of 1996–1997 and are updated using the consumer price index (CPI).

Annex A2

Calorie intake measurements as a basis for selecting reference populations and their drawbacks

Reference populations are the groups that provide the information on consumption patterns and prices that is used to construct basic food baskets and to determine the ratio between total expenditure and food expenditure, which is an implicit factor in the poverty line.

Traditional approaches to measuring poverty identify the reference population in one of two ways. One is to use a proxy variable for households' standard of living based on a defined criterion of "sufficiency". This is the method that ECLAC has customarily used, where the reference population is a group whose apparent calorie intake (the proxy for standard of living) is similar to the recommended calorie intake (the sufficiency threshold). The other way is to choose a reference population that matches the resulting poverty measurement. In this case, the proxy for the standard of living is income, and the sufficiency threshold is the poverty line. Since the poverty line is not known in advance (since it is the end product of this process), an iterative approach must be used whereby successive reference groups are chosen until one whose mean income is aligned with the poverty rate is found.

However, these methods of selecting a reference population have certain drawbacks, which make it more difficult to arrive at sufficiently consistent and regionally comparable measurements when used with the most recent available expenditure survey data. Some of those limitations —which are the reason that neither of these methods has been used in this study—will be explored here.

The calorie intake method

The selection of a reference population based on a comparison between observed and recommended calorie intake levels is the method that ECLAC used in the early 1990s. This method involves arranging households in ascending order based on their level of economic resources, which is represented by per capita income. After this is done, they can be divided into moving quantiles, i.e. contiguous percentiles of households that are usually equivalent to 20% of the total household population (in which case they are referred to as "moving quintiles"). The reference group to be selected will then be the moving quintile whose apparent calorie intake matches up, on average, with the recommended calorie intake for the population. This approach can be viewed as a search for the group within the population that satisfies its calorie intake requirement in the most economically efficient way. Figure A2.1 illustrates this process using a hypothetical situation in which the nutritional requirement is 2,130 kcal per person per day.

◼ Figure A2.1
Selection of a reference population using the calorie intake method
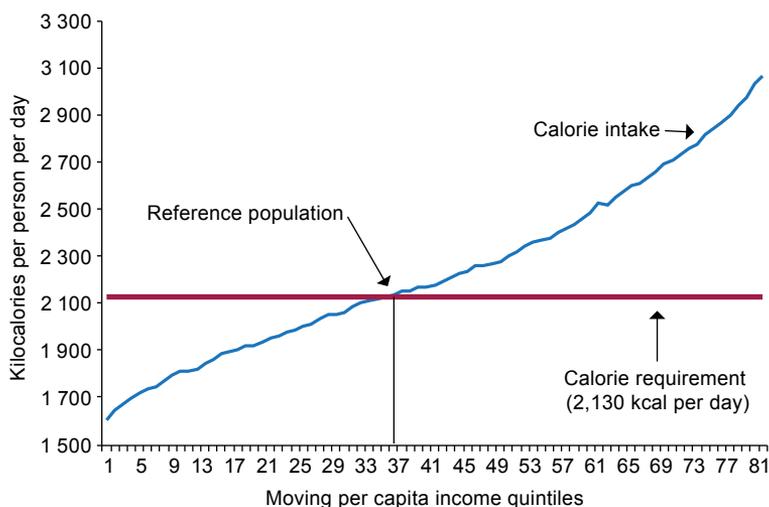
Source: Economic Commission for Latin America and the Caribbean (ECLAC).

With this procedure for selecting the reference population, the population's energy requirements act as an exogenous parameter of sufficiency. When calorie consumption correlates positively with household income, the latter serves as an indirect indicator of well-being, and the calorie requirement thus represents a clearly defined threshold level of well-being.

Separate reference groups are chosen for each geographic area for which a poverty line is to be drawn. During the 1990s, this meant that ECLAC had to select at least one reference group for urban areas and one for rural areas.

Apparent calorie intake is arrived at on the basis of the amount spent on food by households during a given reference period (ranging from a week to a month, depending on the survey). The determination of that variable involves a multi-step procedure that generally includes ascertaining the amounts of food acquired, converting those amounts into standard units (kilograms or litres) and then applying factors to determine the edible fraction and calorie content. Since the calculations are based on information on the amount spent on food rather than on actual food consumption, however, the resulting computations of estimated or apparent calorie intake do have some weaknesses.

Expenditure surveys are generally aimed at compiling information on the structure of household expenditure, which is needed to calculate the weightings for the consumer price index or for constructing the basic food basket used in poverty measurements. These structures are estimated for population groups, not individual households, because the reference period for which information is gathered may not be representative of the

consumption pattern of each respondent household. In some cases, households may not have purchased food because they had stocked up prior to the reference period; in others, households may have purchased food that will be consumed after the reference period has ended.

A comparison of apparent calorie intake and calorie requirements shows that, at all income levels, some percentage of the households have an apparent calorie intake level that falls outside biologically acceptable parameters and is therefore unlikely to be representative of actual calorie intake. Figure A2.2 shows the distribution of households in the first and fifth per capita income quintiles when they are divided into three groups based on the ratio of acquired calories to the required amount of food energy (0.5 times the requirement or less, between 0.51 and 2.0 times the requirement and over 2.0 times the requirement). While the situation varies across countries, the percentage of households whose apparent calorie intakes are in the first and third groups, which represent unviable situations, is significant.

Extremes in terms of apparent calorie intake are found in both the first and fifth per capita income quintiles. In the first quintile, the extreme values primarily correspond to excessively low calorie intake levels, whereas in the fifth quintile, more of the extreme values correspond to excessively high calorie intake levels. The percentages of usable observations for the two groups are quite similar, however (an average of 74% in the first quintile and 72% in the fifth quintile).

This indicates that data from household budget surveys at the individual household level may not be sufficiently representative and that it is therefore preferable to aggregate this information (e.g. by quintiles).

The surveys conducted in the region vary a great deal in terms of their ability to generate reasonably reliable estimates of calorie intake at an aggregate level. A comparison of the average calorie intake figures derived from these surveys with the levels extrapolated from the food balance sheets published by the Food and Agriculture Organization of the United Nations (FAO) illustrates this variability. Although these food balance sheets provide no more than an imperfect frame of reference that may not necessarily yield a more accurate estimate of the supply of kilocalories available for human consumption, the differences between the figures derived from this source and from national surveys are large enough that they should not be disregarded.

Figure A2.3 shows how the supply of available calories per person per day indicated on the FAO food balance sheets compares with the aggregate calorie intake figures obtained from survey data at the national level. (Extreme values have been excluded). While some surveys yield calorie estimates that exceed the values derived from the food balance sheets, in others the underestimation factor is over 30%.

■ Figure A2.2

Ratio of apparent calorie intake to the required amount of calories in the first and fifth per capita income quintiles
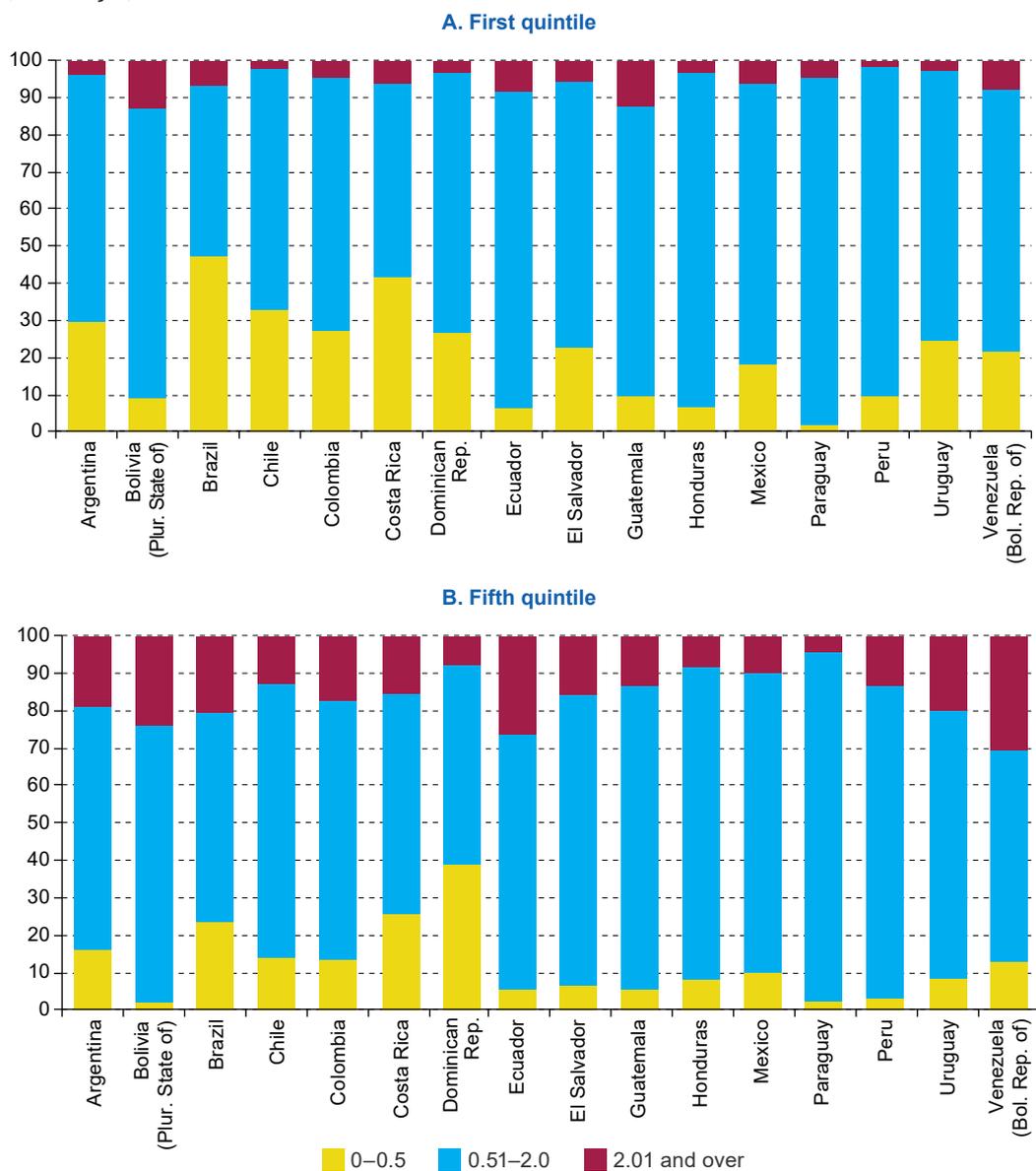
(Percentages)

A. First quintile

B. Fifth quintile

0–0.5   0.51–2.0   2.01 and over

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of expenditure surveys from the respective countries.

■ Figure A2.3

Apparent calorie intake derived from survey data and the available supply of calories shown on the food balance sheets of the Food and Agriculture Organization of the United Nations (FAO)[a]
(Percentages)
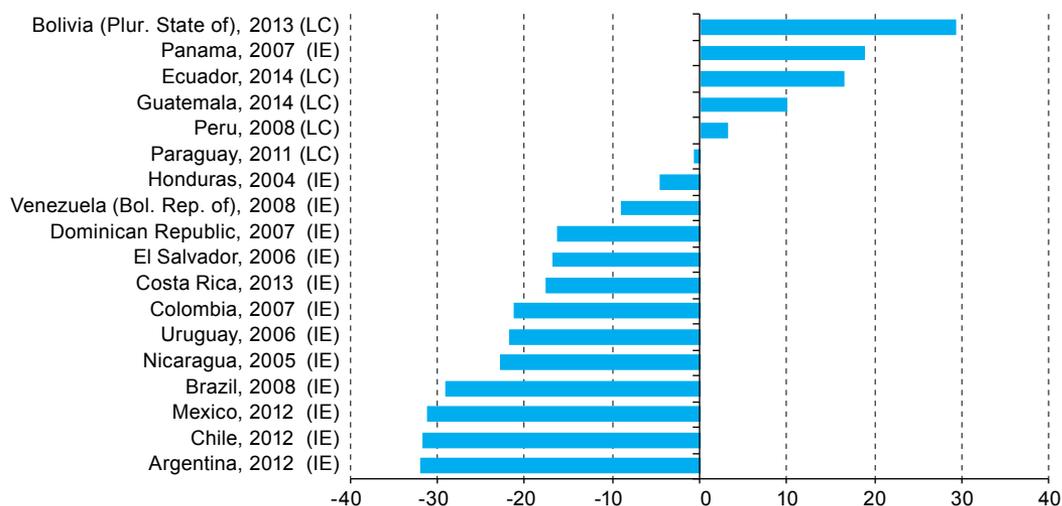
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of expenditure surveys from the respective countries; Food and Agriculture Organization of the United Nations (FAO), Corporate Database for Substantive Statistical Data (FAOSTAT), Rome [online] http://www.fao.org/faostat/en/#data.
Note: IE: income and expenditure survey; LC: living conditions survey.
[a] The calorie intake figures derived from survey data represent the total amount of calories divided by the total number of people after factoring out households with intake levels of less than 500 kcal per person per day or of over 10,000 kcal per person per day.

These differences in performance in terms of the measurement of food intake may have to do with the design of each survey and especially with the way in which information on food expenditure is collected. For example, it is interesting to note that the surveys that yield calorie intake figures that are lower than those derived from food balance sheets are all income and expenditure surveys, which draw information on food expenditure from the diaries kept by survey respondents, whereas almost all of the surveys that yield calorie intake figures that are higher than those derived from food balance sheets are based on what respondents recall having spent on food.

A number of studies have looked into how the way in which information on food expenditure is collected influences the total expenditure figures that are recorded. (See, for example, Deaton and Grosh, 2000; Beegle and others, 2012). There seem to be opposing views on the relative benefits of having respondents use diaries or rely on their memories. Although the traditional and widely held belief is that surveys that use diaries are a more reliable way of measuring household expenditure, some studies indicate that surveys based on respondents' recollections yield better estimates (or, at least, higher totals) than those based on the information on daily expenditures that people note down (Crossley and Winter, 2015).

Considerations of the possible reasons for this aside, the underestimation or overestimation of food expenditure and, hence, of calorie intake, is reflected in the estimates of average calorie intake by income level and therefore has a very strong influence on the selection of the reference population.

If calorie intake is an indirect indicator of a household's ability to escape poverty, then a positive correlation should exist between this indicator and per capita GDP. When the information provided on FAO food balance sheets is compared to GDP, there is in fact a positive correlation. However, in the case of the calorie intake figures derived from household surveys, no such positive correlation with per capita GDP is found (see figure A2.4).

■ **Figure A2.4**
Calorie intake and per capita GDP, 2012
(Kilocalories per day and constant 2010 dollars)
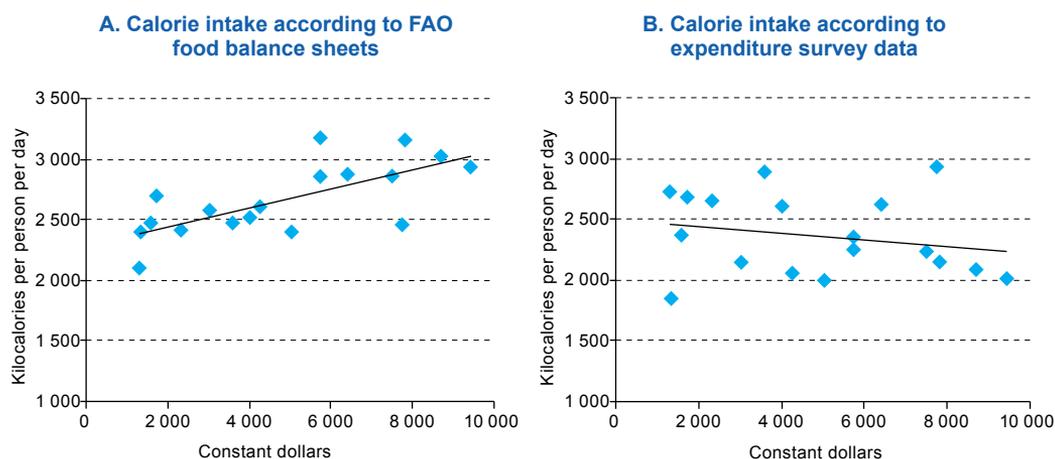
A. Calorie intake according to FAO food balance sheets

B. Calorie intake according to expenditure survey data

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of expenditure surveys from the respective countries.

Figure A2.5 shows the calorie intake curve for the per capita income moving quintiles. This curve can be used to approximate the position of the reference population that will be obtained if calorie intake is used as the selection criterion. If an approximate intake requirement of 2,100 kcal per person per day is used, then no population group is below the calorie intake requirement in the countries with the lowest per capita GDP in the region. Accordingly, the reference population for the poverty line should be the first household quintile, and the resulting poverty rate will not be above the first tercile in the income distribution. In the countries with the highest per capita GDP in the region, the first quintile of households is below the calorie requirement in all cases. Using a requirement of 2,100 kcal, the reference population would then be situated in the second quintile in Uruguay and in the fourth quintile, or even higher, in Argentina, Chile and Mexico.

■ Figure A2.5

Calorie intake, by per capita income moving quintile, urban areas

A. Countries with a per capita GDP of under US$ 2,500
(Constant 2012 dollars)

First percentile of the moving quintile

— Bolivia (Plur. State of), 2013 — Paraguay, 2011 — · Guatemala, 2014
— Honduras, 2004 — Reference threshold
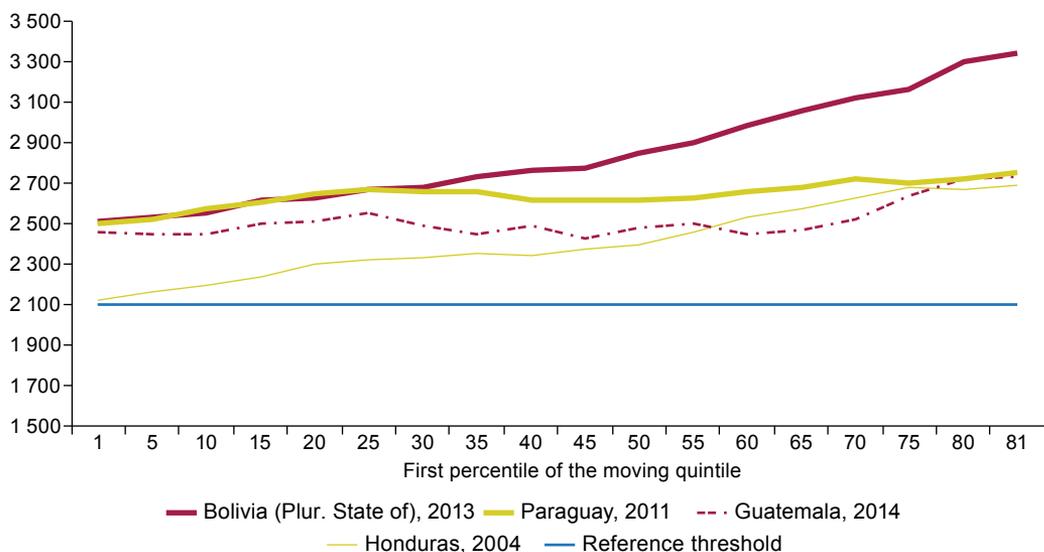
B. Countries with a per capita GDP of over US$ 6,000
(Constant 2012 dollars)
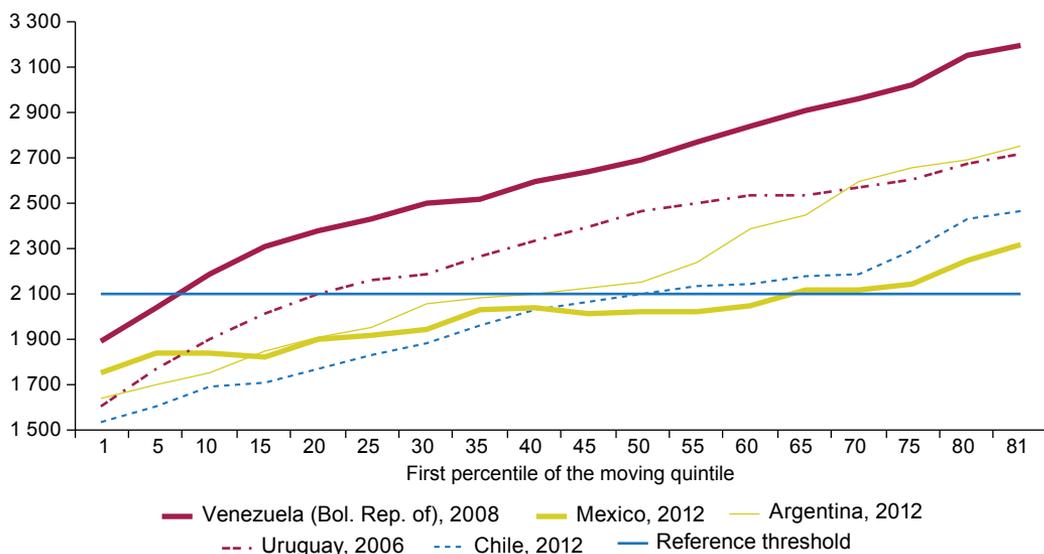
First percentile of the moving quintile

— Venezuela (Bol. Rep. of), 2008 — Mexico, 2012 — Argentina, 2012
— · Uruguay, 2006 --- Chile, 2012 — Reference threshold

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of expenditure surveys from the respective countries and CEPALSTAT.

The figures indicate that the use of calorie intake as the criterion for selecting the reference population may yield inconsistent results that are not fit for purpose. The inconsistencies are partly attributable to the fact that differing types of surveys have been used to compile the data, but they are also partly due to the nature of the surveys themselves.

In estimating these poverty lines, the option of modifying or correcting the survey data on food expenditure in some way has been ruled out. One of the reasons for this decision is that there is no way to verify the reliability of other external sources, such as food balance sheets, which are also subject to their own limitations. Another reason is that modifying these data would alter the share of total expenditure represented by food expenditure and would therefore alter the Orshansky coefficient that was implicit in the survey; this would introduce additional biases that could vitiate the survey data.

The possibility of using other options —such as diet quality indicators— in order to get around the shortcomings of the calorie intake approach were explored. Since such indicators reflect structures rather than absolute levels (e.g. the percentage of total calories coming from proteins or the ratio of iron intake to total calorie intake), they should not be subject to the same types of overestimation or underestimation problems. However, the results of these trials indicated that such yardsticks are not suitable for use in selecting reference populations.

A final consideration is that the use of calorie intake as the sole indicator for the selection of reference populations also runs into some conceptual difficulties. Ravallion (1998) points out the drawbacks to using calorie intake as a proxy for level of well-being, particularly when comparing urban areas with rural ones, and notes that, while urban areas may have a lower calorie intake level, this does not mean that they have higher poverty levels. In addition, the significant reduction in undernutrition and substantial increase in obesity in low-income households in recent years casts doubt upon the validity of using calorie intake alone as a poverty indicator.

The (iterative) poverty rate concordance method

While, in the previous method, the sufficiency of calorie intake is the criterion used to pinpoint the location of the reference population within the income distribution, it is also possible to use per capita income or the poverty rate itself for this purpose. This entails seeking out a reference population whose standard of living is close to the standard of sufficiency (the poverty line) that is being constructed.

Since the poverty rate is obtained as the end result of the process of identifying a reference group and constructing the basic food and non-food baskets, that rate is unknown at this stage in the process. Consequently, the identification of the reference group needs to take the form of an iterative process whereby that group is adjusted successively

as a function of the resulting poverty rate. This method, proposed by Ravallion (1998), entails choosing a reference group at a given location in the distribution a priori and then estimating the resulting poverty rate. If the result does not match the group's position in the income distribution, then the selection is adjusted as many times as necessary until the reference group and the poverty rate converge.[1] Pradhan and others (2001) characterize this iterative approach as the search for a reference group whose total expenditure is similar to the poverty line.

Unlike the first method discussed above, this iterative method lacks any exogenous criterion for determining the "sufficiency" of the reference group's living standard. Nevertheless, the results of this method are also dependent on the difference between the reference group's calorie requirements and calorie intake.

The following example may help to illustrate this:

The mean per capita expenditure level of any reference group can be expressed as:

$$epc_i = (CKC_i \times Kcal_i) \times CO_i, \tag{1}$$

where CKC_i is the cost of each calorie for the i-th group, $Kcal_i$ is the calorie intake and CO_i is the ratio between total expenditure and food expenditure (i.e. the Orshansky coefficient, or the inverse of the Engel coefficient).

The poverty line obtained by using the i-th group as the reference population can be expressed as:

$$PL = (CKC_i \times R) \times CO_i \tag{2}$$

where R is the calorie requirement.

It is also assumed, for simplicity, that the mean per capita income of group "i" is equal to its mean per capita level of expenditure and that the convergence of the chosen reference group and the resulting poverty rate occurs when the group's mean income is equal to the poverty line ($epc_i = PL$).

A comparison of equations (1) and (2) shows that the only difference between any subgroup's mean level of expenditure (or income) and the poverty line obtained using that subgroup as the reference population stems entirely from the difference between its calorie intake ($Kcal_i$) and calorie requirement (R). Implicitly, then, the appropriate reference group

---

[1] Convergence is considered to have occurred when the poverty rate is in the middle of the selected interval. For example, if the reference population is positioned at percentiles 20–39 and the resulting poverty rate is 50%, then a higher reference population should be chosen (e.g., percentiles 40–59). If the new poverty rate turns out to be near the midpoint of the interval corresponding to the reference population (for example, 49%), then this is a suitable reference group.

is the group whose calorie intake ($Kcal_i$) is equal to its calorie requirement (R), in much the same way as it is in the method that is explicitly based on calorie intake.

The link between the calorie intake measurement and the iterative method can be illustrated with a simulation of the reference population selection process under three different calorie intake scenarios (based on the parameters obtained from the budget survey of a country in the region). In the first scenario, the calorie intake (averaging 2,800 kcal) exceeds the calorie requirement (2,100 kcal) in all moving quintiles; in the second, the mean calorie intake (2,200 kcal) is just slightly above the requirement; and in the third (2,000 kcal), intake exceeds the calorie requirement only in the highest moving quintiles.

For simplicity, it is assumed that the cost of a kilocalorie remains constant in all three scenarios and that the difference in mean calorie intake is wholly attributable to how accurately a survey can measure food expenditure. In each of the scenarios, non-food expenditure remains constant, and a lower calorie intake therefore implies less expenditure on food, a lower level of total expenditure and a higher Orshansky coefficient.

The condition of convergence is satisfied at the point where the per capita expenditure curve (which, in this example, is equal to income) and the poverty line curve intersect. The lower the level of food expenditure measured in the survey, the further to the right the intersection will be. Thus, the lower the calorie measurement, the higher the poverty rate at which convergence with the selected group will occur: around the first moving quintile in 1, around the 11th moving quintile in scenario 2 and above the 40th moving quintile in scenario 3 (see figure A2.6).

■ Figure A2.6
Simulation of the iterative method under three different calorie intake scenarios
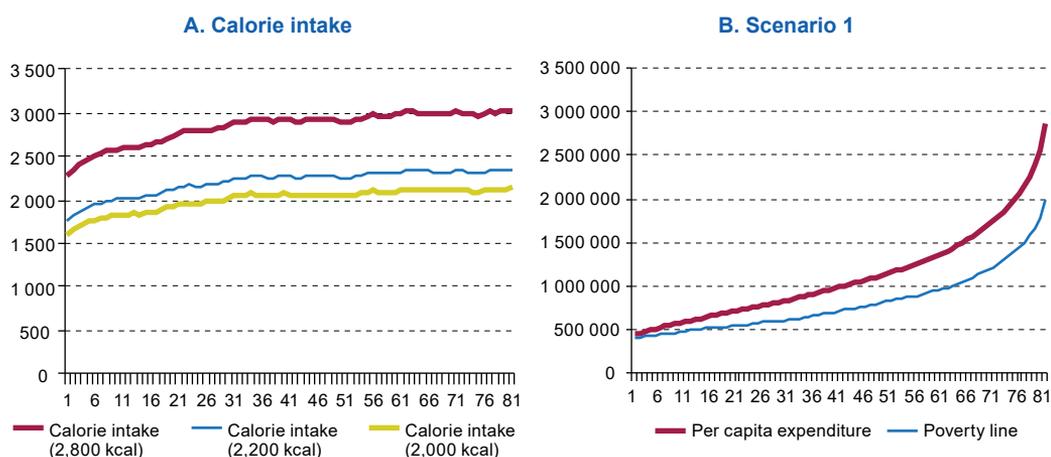
A. Calorie intake

Calorie intake (2,800 kcal)
Calorie intake (2,200 kcal)
Calorie intake (2,000 kcal)

B. Scenario 1

Per capita expenditure
Poverty line

Figure A2.6 (concluded)

C. Scenario 2

D. Scenario 3

— Per capita expenditure   — Poverty line
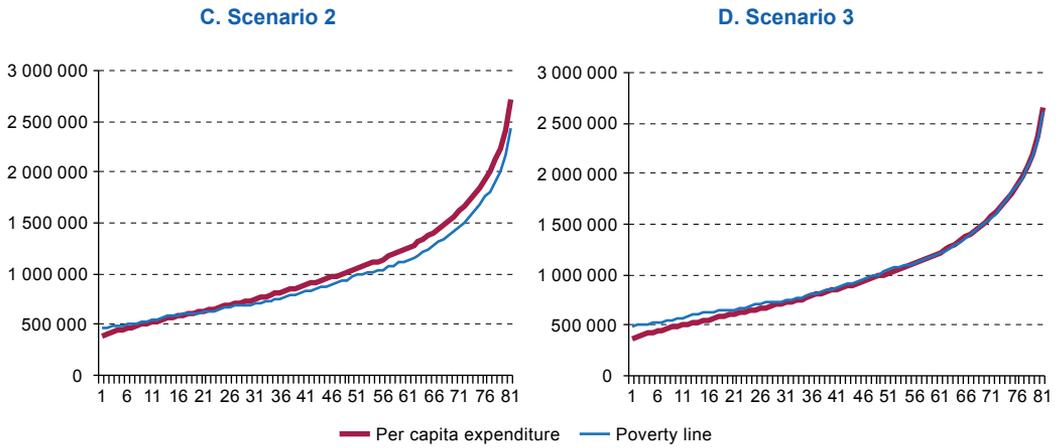
Source: Economic Commission for Latin America and the Caribbean (ECLAC).

In sum, the iterative method is also subject to differences in how well the household budget surveys capture food expenditure and its equivalent in calories. Consequently, while concordance between the reference group and the resulting poverty rate appears to be a reasonable basis for choosing that group, relying entirely on this method for selecting reference populations does not seem to be feasible in the regional context.

Annex A3

The selection of reference populations

■ Table A3.1
Argentina: working definitions of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (substandard materials used for floors or walls)		
Main material used for floors		
What is the flooring in this dwelling primarily made of?	1. Ceramic, tile, marble, wooden boards or carpeting	3. Dirt or loose bricks
	2. Cement or mortared bricks	4. Other (please specify)
Main material used for walls		
What is the main material that the exterior walls are made of?	1. Brick, stone, cinder blocks or cement	5. Woven mud and straw panels, cardboard, palm fronds, straw or discarded materials
	2. Adobe	6. Other (please specify)
	3. Wood	
	4. Metal sheeting or fibre cement	
Water supply (substandard in one of two ways)		
The household obtains water…	1. From pipes in the dwelling	3. A source outside of the property
	2. Outside the dwelling but on the property	
The water comes from…	1. The public water system	3. A well equipped with a manual pump
	2. A well equipped with an electric pump	4. A well
		5. A water truck
		6. Rainwater, rivers, canals, gullies, streams or irrigation ditches
Sanitation system (substandard in one of two ways)		
Does the dwelling have a washroom/latrine?	1. Yes	2. No
The toilet drains into…	1. A public sewerage system	3. A cesspit
	2. A septic tank and cesspit	4. A hole dug into the ground or other
School attendance		
Do you attend or have you attended school?	1. Attends a State school	3. Does not attend now, but attended in the past
	2. Attends a private school	4. Never attended
		9. Does not know/No answer

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Household Expenditure Survey, 2012–2013.

■ Figure A3.1
Argentina: critical deficiencies, by moving quintile
(Percentages of households)
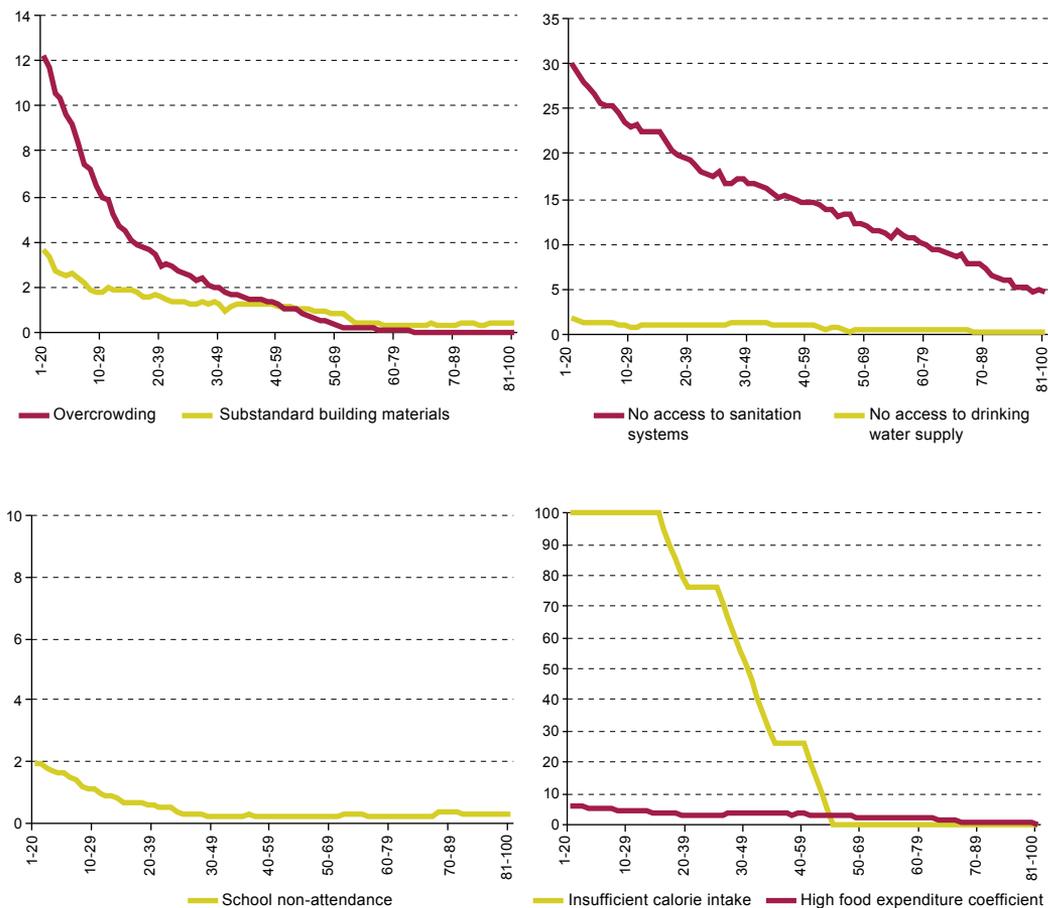
**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Household Expenditure Survey, 2012–2013.

■ Table A3.2
Plurinational State of Bolivia: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (substandard flooring if in urban areas; substandard flooring and substandard materials used in roof or walls if in rural areas)		
Main material used for floors		
What is the flooring in this dwelling primarily made of?	2. Wooden slats	1. Dirt
	3. Tongue-and-grooved slats/parquet	8. Other
	4. Carpeting	
	5. Cement	
	6. Tile	
	7. Brick	
Main material used for roofs		
What is the main material that the roof is made of?	1. Corrugated iron or tin	4. Straw/sugar cane/palm fronds/ mud
	2. Tiles (cement/clay/fibre cement)	5. Other (please specify)
	3. Reinforced concrete slabs	
Main material used for walls		
What is the main material that the walls are made of?	1. Bricks/cinder blocks/concrete	6. Cane/palm fronds/rammed earth
	2. Adobe/clay and straw	7. Other (please specify)
	3. Plasterboard/wattle and daub	
	4. Stone	
	5. Wood	
Water supply		
The main supply of drinking water is…	1. Running water in the dwelling	3. Public standpipe (R)
	2. Running water outside the dwelling but on the property or in the yard	4. Piped well or borehole (R)
		5. Protected dug well (R)
		6. Unprotected dug well
		7. Covered spring (R)
		8. River/stream/uncovered spring
		9. Bottled water
		10. Water truck
		11. Other

Table A3.2 (concluded)

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Sanitation system (insufficient in one of two ways)		
What type of toilet or latrine do the members of your household normally use?	1. Flush toilet	6. None
	2. Lined pit latrine	
	3. Open latrine (unlined pit latrine)	
	4. Ecological toilet (composting toilet)	
	5. Other	
The toilet or latrine drains into…	1. Sewerage system	2. Septic tank (R)
		3. Cesspit (R)
		4. Ground (street/ditch/river)
		5. Other
School attendance (not enrolled or not attending for unsound reasons)		
Have you enrolled or registered for a course or grade in school, an alternative education course or higher education course of study this year?	0. Not applicable	2. No
	1. Yes	
Are you now attending the grade in school or the course that you registered for in?	0. Not applicable (codes 0 and 2 of the variable INSCRIB)	2. No
	1. Yes	
Why did you not enrol/register or are not attending now?	1. Vacation	2. Lack of money
	6. Completed education	3. Work
		4. Illness/accident/disability
		5. Distance from educational establishment
		7. Too young/too old
		8. Not interested
		9. Housework/pregnancy/caring for children
		10. Other

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Continuous Household Survey, 2013.
Note: (R) denotes categories that are classified as sufficient in rural areas.

■ Figure A3.2

Plurinational State of Bolivia: critical deficiencies, by moving quintile
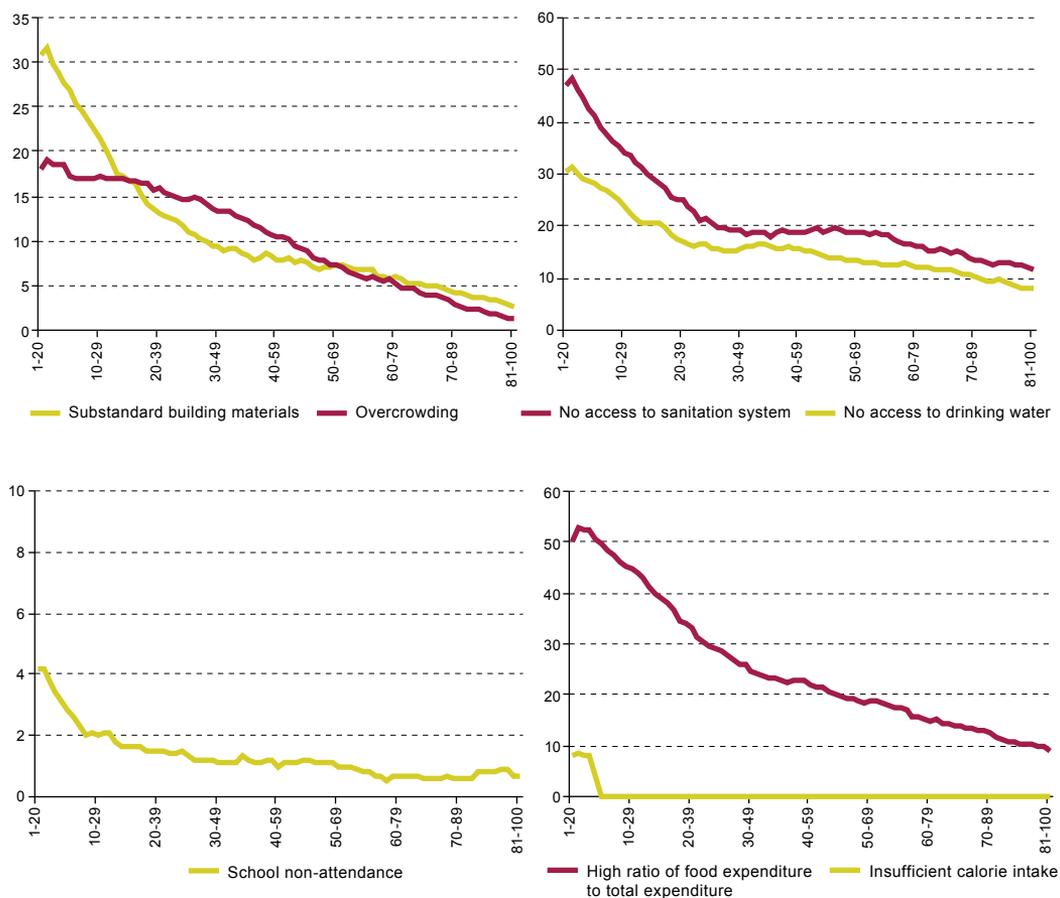
(Percentages of households)

| Substandard building materials | Overcrowding | No access to sanitation system | No access to drinking water |

| School non-attendance |

| High ratio of food expenditure to total expenditure | Insufficient calorie intake |

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Continuous Household Survey, 2013.

■ Table A3.3

Brazil: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (floors, roofs or walls)		
Main material used for floors		
What is the flooring in this dwelling primarily made of?	1. Carpeting	6. Dirt
	2. Tiles/stone	7. Other
	3. Wooden boards	
	4. Sheetmetal	
	5. Recycled wood	
Main material used for walls		
What are the exterior walls of this dwelling primarily made of?	1. Masonry	5. Straw
	2. Wooden boards	6. Other
	3. Exposed clay and straw	
	4. Recycled wood	
Main material used for roofing		
What is the main material that the roof is made of?	1. Shingles of any time	6. Straw
	2. Concrete tiles	7. Other
	3. Wooden boards	
	4. Sheetmetal	
	5. Recycled wood	
Water supply (insufficient in one of the two cases)		
Does this dwelling have running water?	1. Yes	2. No
The water used in this dwelling comes from…	1. Public water system	2. Well or spring (R)
		3. Other
Sanitation system (insufficient in one of the two cases)		
How many washrooms or toilets does this dwelling have for the exclusive use of the persons who live here?		Zero (0)
This (these) washroom(s) or toilet(s) drain into…	1. Sewerage or rainwater drain system	3. Pit (NM,R)
	2. Septic tank	4. Ditch (R)
		5. Directly into a river, lake or the sea
		6. Other
		7. Nowhere
School attendance		
Do you go to school or daycare?	1. Yes, a private one	3. No, but I used to
	2. Yes, a public one	4. Never have gone
		9. Do not know

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Household Budget Survey, 2008–2009.

Note: (R) denotes categories that are classified as sufficient in rural areas; (NM,R) denote categories that are classified as sufficient for non-metropolitan urban areas and rural areas.

■ Figure A3.3
Brazil: critical deficiencies, by moving quintile
(Percentages of households)
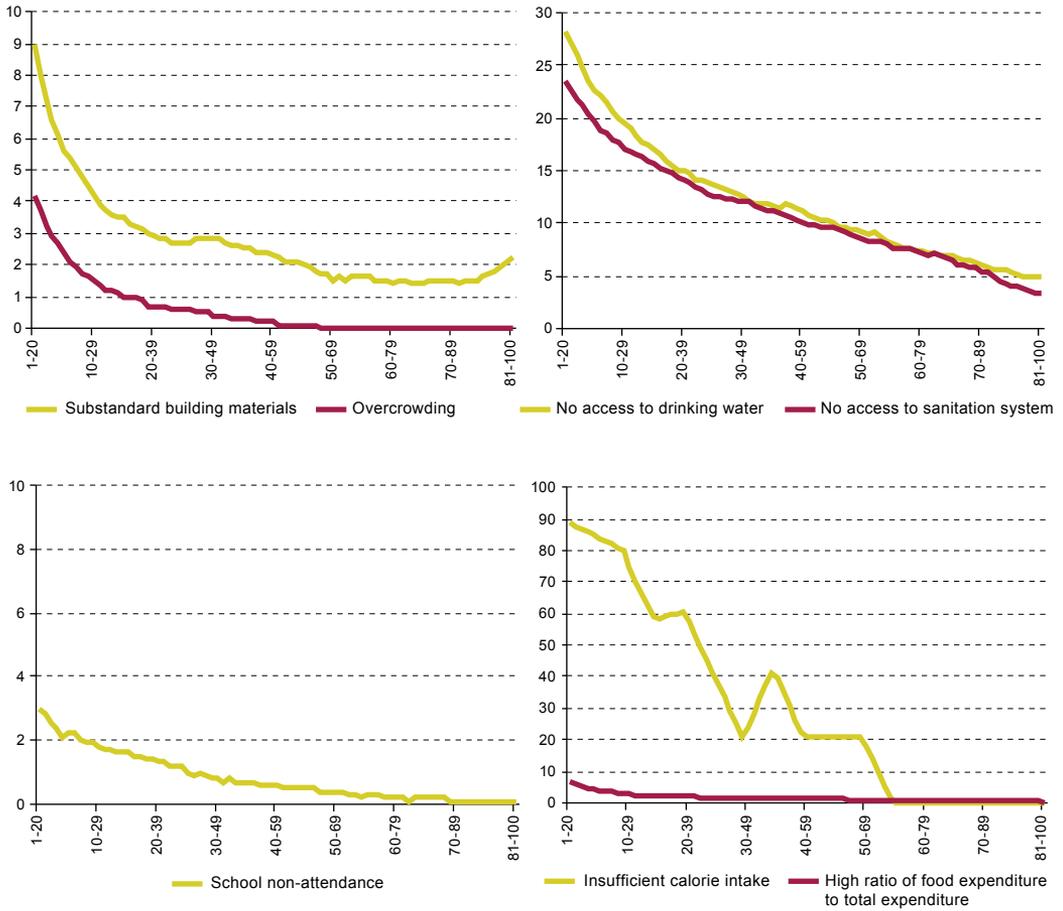
Substandard building materials — Overcrowding — No access to drinking water — No access to sanitation system

School non-attendance

Insufficient calorie intake — High ratio of food expenditure to total expenditure

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Household Budget Survey, 2008–2009.

■ Table A3.4

Chile: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (floors, roofs or walls)		
Main material used for floors		
What is the flooring in this dwelling primarily made of?	1. Parquet, wood, laminate or similar	7. Dirt
	2. Tile, linoleum or similar	
	3. Carpeting	
	4. Cement tile	
	5. Poured cement	
	6. Concrete veneer	
Main material used for roof		
What is the roof of this dwelling primarily made of?	1. Tiles or shingles (clay, metal, cement, wood, asphalt)	5. Straw, thatch, reeds or cane
	2. Flagstones	6. Discarded material
	3. Sheetmetal (zinc, copper or other) or fibre cement sheets	7. No roofing
	4. Phonolite slates	
Main material used for walls		
What are the exterior walls of this dwelling primarily made of?	1. Steel or reinforced concrete	6. Discarded material
	2. Bricks, cinder blocks or stone	
	3. Framed walls, panelled on both sides (wood or other)	
	4. Framed walls, panelled only on the outside (wood or other)	
	5. Adobe, mud, wattle and daub, rocks or other traditional craft materials	
Water supply (insufficient in one of the two cases)		
The water used in this dwelling comes from...	1. Municipal distribution system (individual meter)	4. Well or spring (R)
	2. Public water system (shared meter)	5. River, spring, lake or estuary
	3. Public water system (no meter)	6. Water truck
		7. Other (please specify)
What water delivery system is used?	1. Faucets in the dwelling	3. No system (water is carried) (R)
	2. Faucets on the premises but outside the dwelling	

Table A3.4 (concluded)

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Sanitation system		
Does your dwelling have a sewage disposal system?	1. Yes, a toilet that flushes into the sewerage system	3. Yes, a latrine that empties into a cesspit (R)
	2. Yes, a toilet that flushes into a septic tank	4. Yes, a pit latrine (R)
	7. Yes, a chemical toilet on site	5. Yes, a latrine that empties into a ditch
		6. Yes, a latrine connected to another system
		8. No system
School attendance		
Do you attend school?	1. Yes	2. No

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the VII Household Budget Survey.
Note: (R) denotes categories that are classified as sufficient in rural areas.

■ Figure A3.4

Chile: critical deficiencies, by moving quintile

(Percentages of households)

■ Table A3.5
Colombia: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (insufficient floor quality, if in an urban area; insufficient floor and wall quality, if in a rural area)		
Main material used for floors		
What is the flooring in this dwelling primarily made of?	1. Not applicable	1. Dirt, sand
	2. Cement, gravel	
	3. Rough wood, thin or thick planks, other material made of plant fibres	
	4. Tile, brick, vinyl, other synthetic materials	
	5. Marble	
	6. Finished lumber	
	7. Rugs or wall-to-wall carpeting	
Main material used for walls		
What is the main material that the exterior walls are made of?	1. Not applicable	4. Wattle and daub
	1. Brick, cinder blocks, prefabricated materials, Stone	5. Rough wood, thin or thick planks
	2. Finished lumber	6. Bamboo
	3. Covered adobe or clay and straw	7. Cane, rush matting, other material made of plant fibre
		8. Zinc, cloth, carboard, tin, discarded materials, plastic
		9. No walls
Water supply		
	1. Not applicable	4. Well without a pump, cistern pond or borehole (R)
Where does the household get most of its drinking water supply?	1. Public water system	5. Rainwater
	2. Piped in from another source	6. River, gully or spring
	3. Well with a pump	7. Public standpipe (R)
		8. Water truck (R)
		9. Water vendor (R)
Sanitation system		
The household's human waste disposal system is...	1. Not applicable	3. Toilet not connected to a sanitation system (R)
	1. Toilet connected to the sewerage system	4. Latrine (R)
	2. Toilet connected to a septic tank	5. Latrine draining directly into the sea (*bajamar*) (R)
		6. No human waste disposal system
School attendance		
Do you attend school or university?	1. Not applicable	2. No
	1. Yes	

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Survey of Income and Expenditure, 2006–2007.
Note: (R) denotes categories that are classified as sufficient in rural areas.

■ Figure A3.5

Colombia: critical deficiencies, by moving quintile
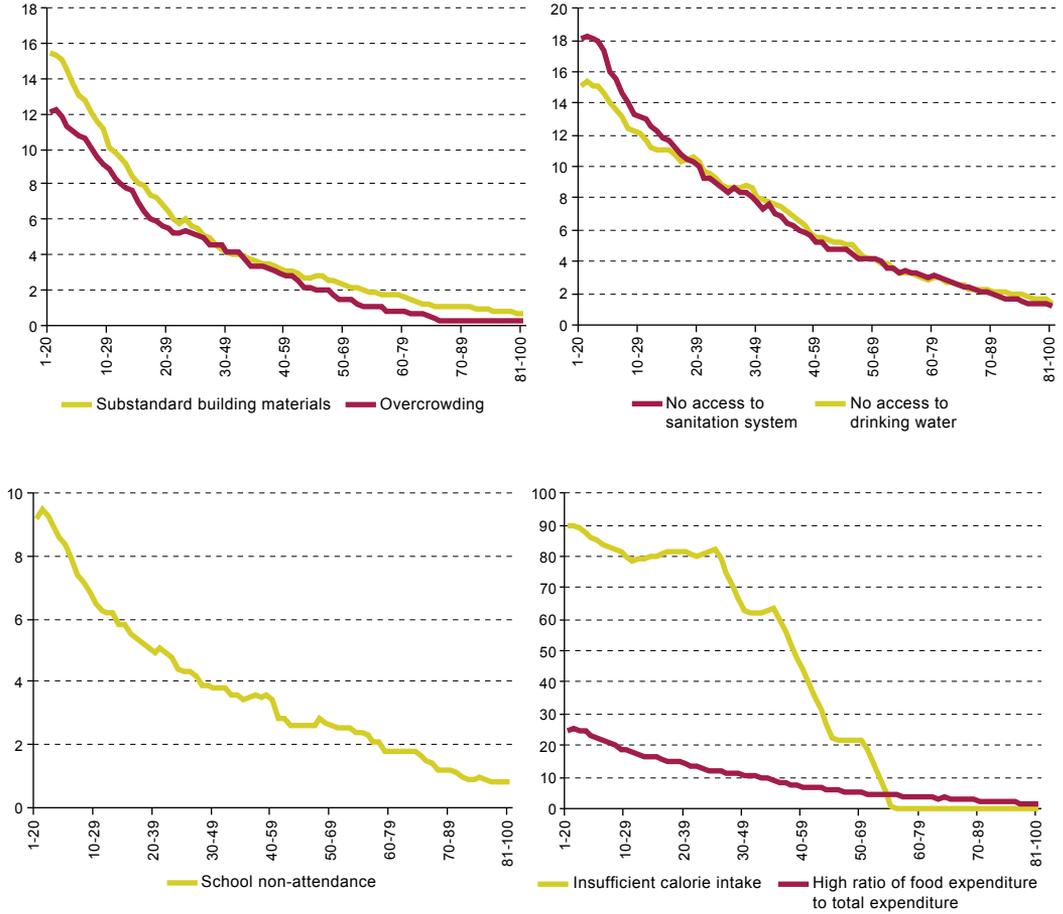
(Percentages of households)

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Survey of Income and Expenditure, 2006–2007.

■ Table A3.6
Costa Rica: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (insufficient floor quality and Insufficient floor or wall quality)		
Main material used for floors		
What is the flooring in this dwelling primarily made of?	1. Tile	0. Dirt/no flooring
	2. Cement (polished or unpolished)	5. Other
	3. Wood	
	4. Natural material (bamboo, cane, palm leaves)	
Main material used for roofing		
What is the roof primarily made of?	1. Tin or other metal sheeting	4. Natural fibres (bamboo, cane, palm leaves)
	2. Fibre cement sheets	5. Discarded material
	3. Floor of the dwelling above	6. Other
Main material used for walls		
What are the exterior walls primarily made of?	1. Cinder block or brick	7. Natural fibres (bamboo, cane, palm leaves)
	2. Baseboards (with wood, tin or fibre cement sheets)	8. Discarded material
	3. Wood	9. Other
	4. Prefabricated	
	5. Zinc/tin	
	6. Fibre cement sheets (Fibrolit, Ricalit)	
Water supply		
Drinking water comes from a...	1. Rural or communal water supply system	5. Well (R)
	2. Municipal water system	6. River, gully or spring
	3. Public water and sewerage utility	7. Other
	4. Corporate or cooperative water distribution system	
Sanitation system		
This dwelling's sanitation system is...	1. Connected to a sewerage system	0. No system
	2. Connected to a common septic tank	4. Pit latrine (R)
	3. Connected to a septic tank equipped with a waste treatment system (biological septic tank)	5. Drains directly into a stream, ditch, river or estuary
		6. Other type of system
School attendance		
Attends...	Level 1–9 (nursery school, kindergarten, elementary or secondary school, tertiary educational institution, university, special education, open education, another type of education)	0. Does not attend

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Survey of Income and Expenditure, 2012–2013.
Note: (R) denotes categories that are classified as sufficient in rural areas.

■ **Figure A3.6**
Costa Rica: critical deficiencies, by moving quintile
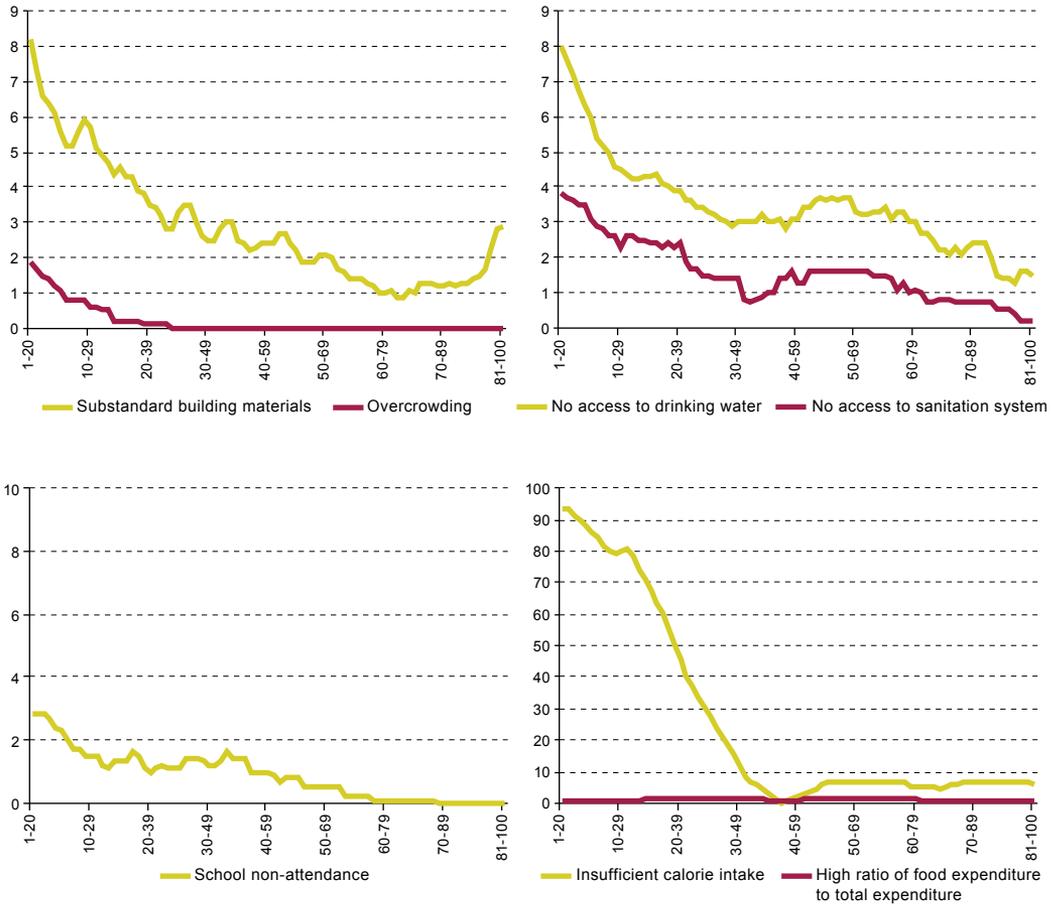
(Percentages of households)

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Survey of Income and Expenditure, 2012–2013.

■ Table A3.7
Ecuador: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (floors, roofs or walls)		
Main material used for floors		
The flooring in this dwelling is primarily made of…	1. Boards/parquet/planks/tongue-and-groove laminate	7. Dirt
	2. Tiles/vinyl	8. Other
	3. Marble/polished limestone	
	4. Cement/brick	
	5. Wooden sheets/unfinished planks	
	6. Cane	
Main material used for roof		
The roof of this dwelling is primarily made of…	1. Cement/cement tiles/flagstones	6. Palm fonds, straw, leaves
	2. Shingles (Eternit/Eurolit)	7. Other
	3. Zinc	
	4. Tiles	
	5. Wood	
Main material used for walls		
The walls of this dwelling are primarily made of…	1. Concrete	7. Uncoated cane
	2. Cinder block or brick	8. Other
	3. Fibre cement sheets (Fibrolit)	
	4. Adobe/clay and straw	
	5. Wood	
	6. Wattle and daub (cane or reeds — coated)	
Water supply		
What is the household's main source of water?	1. Public water system	3. Water truck /water vendor/ bulk water (R)
	2. Piped in from another source	4. Well or gully (R)
		5. River, spring, ditch or canal
		6. Other
Sanitation system		
The type of sanitation system in this household is…	1. Toilet flushing into a sewerage system	3. Toilet and cesspit (R)
	2. Toilet flushing into a septic tank	4. Latrine (R)
		5. None

Table A3.7 (concluded)

Question	Categories of deprivation	
	Sufficient	**Insufficient**
School attendance (did not enrol or stopped attending for unsound reasons)		
(For persons 5 years of age or older) Enrolled or registered this school year in...	1. Literacy centre 2. Early education 3. Primary education 4. Secondary education 5. Non-university tertiary education 6. University 7. Postgraduate course of study	8. Did not enrol
Why did you not enrol or register for this school year?	5. Completed education	1. Age 2. Lack of money 3. Work 4. Housework 6. Not interested 7. Illness 8. Pregnancy 9. Disability 10. Attendance at a remedial course
Why did you stop attending during the last month of classes?	1. Illness 2. Housework 3. Strike 4. Work 5. Not interested 6. Bad weather 7. Vacation 8. Other (please specify)	9. Dropped out

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Living Conditions Survey, 2013–2014.
Note: (R) denotes categories that are classified as sufficient in rural areas.

■ Figure A3.7
Ecuador: critical deficiencies, by moving quintile
(Percentages of households)
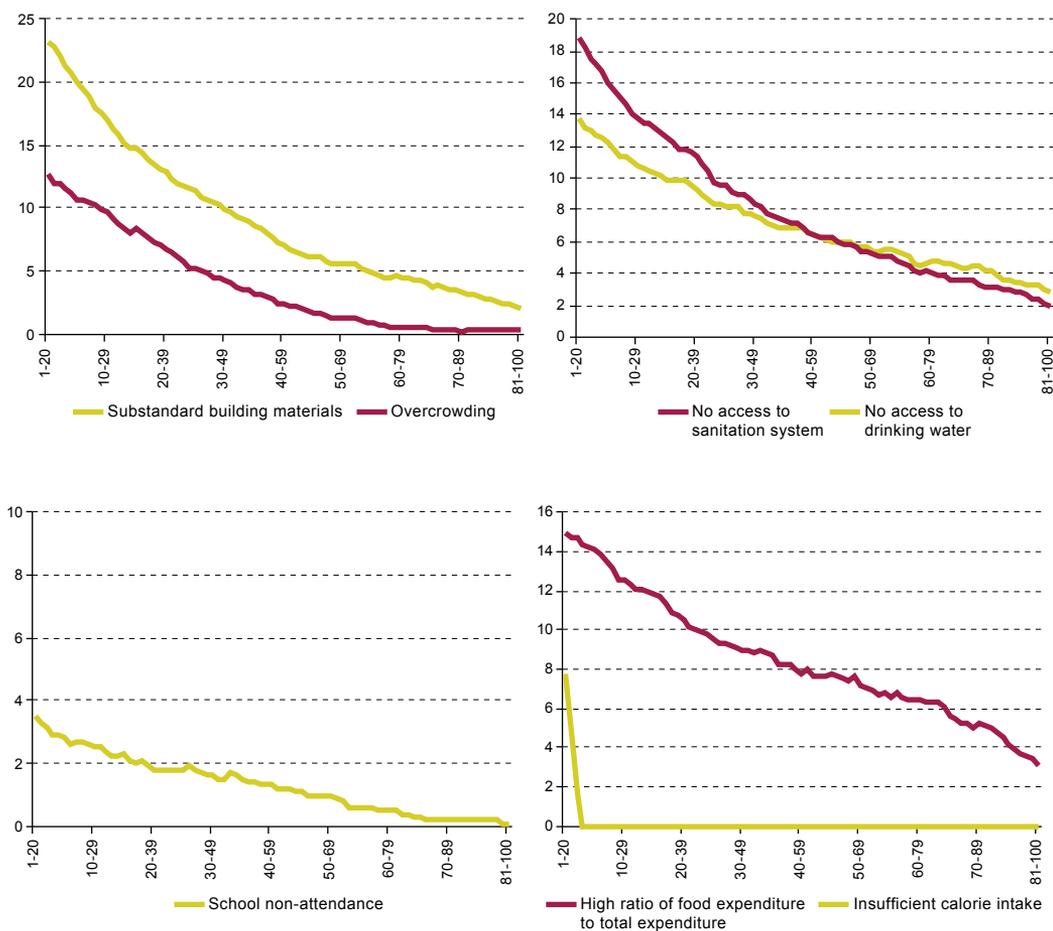
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Living Conditions Survey, 2013–2014.

■ Table A3.8

El Salvador: working definition of deprivation indicators

| Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (Insufficient in flooring category and in roofing or walls category)		
Main material used for floors		
What is the flooring in this dwelling primarily made of?	1. Cement bricks	4. Dirt
	2. Clay bricks	5. Other
	3. Cement	
Main material used for walls		
What are the walls primarily made of?	1. Concrete	5. Corrugated sheets
	2. Wattle and daub	6. Straw or palm fronds
	3. Adobe	7. Discarded material
	4. Wood	8. Other
Main material used for roof		
What is the roofing of this dwelling primarily made of?	1. Concrete slabs	4. Metal sheeting
	2. Clay or cement tiles	5. Straw or palm fronds
	3. Fibre cement sheets	6. Discarded materials
		7. Other
Water supply		
Does this dwelling have running water?	1. In the dwelling	3. No (NM,R)
	2. Outside the dwelling but on the property	4. It has water pipes, but they don't work (NM,R)
What is this household's source of water?	1. Neighbour's tap	2. Public standpipe or fountain (R)
	5. Well (individual or common)	3. Common fountain (R)
	8. Others	4. Water truck, water cart or cistern
		6. Spring, river or gully
		7. Rainwater
Sanitation system		
What sanitation system does this dwelling have?	1. Toilet flushes into a sewerage system	2. Toilet flushes into a septic tank (NM,R)
		3. Private latrine (NM,R)
		4. Shared toilet connected to sewerage system (NM,R)
		5. Shared toilet connected to a septic tank (R)
		6. Shared latrine (NM,R)
		7. Composting latrine (R)
		8. None
School attendance		
Do you go to school or to daycare?	0. Under 4 years of age	2. No
	1. Yes	

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Household Income and Expenditure Survey, 2005-2006.

Note: (R) denotes categories that are classified as sufficient in rural areas; (NM) denotes categories that are classified as sufficient for non-metropolitan urban areas and rural areas.

■ Figure A3.8

El Salvador: critical deficiencies, by moving quintile
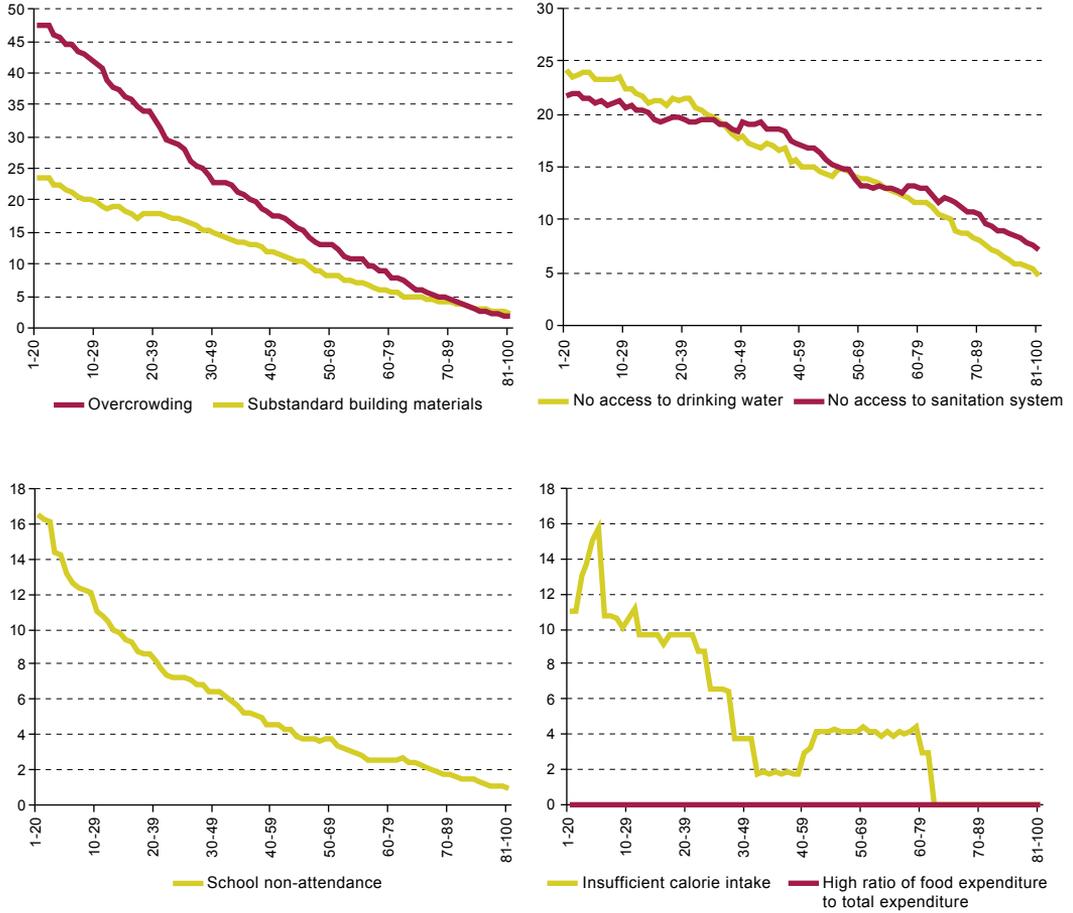
(Percentages of households)

Overcrowding — Substandard building materials

No access to drinking water — No access to sanitation system

School non-attendance

Insufficient calorie intake — High ratio of food expenditure to total expenditure

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Household Income and Expenditure Survey, 2005-2006.

■ Table A3.9
Guatemala: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (floors, roofs or walls)		
Main material used for floors		
What is the flooring in this dwelling primarily made of?	1. Firebricks	7. Dirt
	2. Cement bricks	8. Other
	3. Clay bricks	
	4. Cement slabs	
	5. Parquet	
	6. Wood	
Main material used for roof		
What is this dwelling's roof primarily made of?	1. Concrete	5. Straw, palm fronds or similar
	2. Metal sheeting	9. Other
	3. Fibre cement	
	4. Tiles	
Main material used for walls		
What are this dwelling's exterior walls primarily made of?	1. Brick	8. Scrap lumber, sticks or cane
	2. Cinder block	9. Other
	3. Concrete	
	4. Adobe	
	5. Wood	
	6. Metal sheeting	
	7. Wattle and daub	
Water supply		
Where does this household mainly get its water from?	1. Running water inside the dwelling	3. Public fountain (R)
	2. Running (piped) water outside the dwelling but on the property	4. Public or private drilled well (NM,R)
		5. River, lake or spring
		6. Water truck
		7. Rainwater
		8. Other
Sanitation system		
What kind of sanitation system does this dwelling have?	1. Flush toilet connected to drainage system	2. Flush toilet connected to septic tank (NM,R)
		3. Commode (NM,R)
		4. Latrine or cesspit (NM,R)
		5. None

Table A3.9 (concluded)

Question	Categories of deprivation	
	Sufficient	**Insufficient**
School attendance (Did not enrol for unsound reason or dropped out)		
Did you enrol in any type of school for this school year?	1. Yes	2. No
Why did you not enrol?	7. Completed education	1. Illness or disability
		2. The school does not offer my grade level
		3. The school did not have enough places available
		4. Housework
		5. Work
		6. Lack of money
		8. Not interested
		9. Distance/transportation
		10. Pregnancy
		11. Need special school
		12. Have to repeat grade
		13. Temporary migration
		14. There is no school
		15. Age
		16. Other
For this school year, did you drop out or are no longer attending the school that you enrolled in?	1. Am attending	2. Dropped out for good

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Survey of Living Conditions, 2014.
Note: (R) denotes categories that are classified as sufficient in rural areas; denote categories that are classified as sufficient for non-metropolitan urban areas and rural areas.

■ Figure A3.9

Guatemala: critical deficiencies, by moving quintile

(Percentages of households)

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Survey of Living Conditions, 2014.

■ Table A3.10

Honduras: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (Insufficient in flooring category and in roofing or walls category)		
Main material used for floors		
What is the flooring of this dwelling primarily made of?	1. Tile	7. Dirt
	2. Cement bricks	8. Other
	3. Granite bricks	
	4. Clay bricks	
	5. Cement slabs	
	6. Wood	
Main material used for walls		
What are the walls of this dwelling primarily made of?	1. Clay bricks	6. Wattle and daub, reeds or cane
	2. Quarried stones	8. Discarded materials
	3. Cinder blocks	9. Other
	4. Adobe	
	5. Wood	
	7. Prefabricated materials	
Main material used for roof		
What is this dwelling's roof primarily made of?	1. Clay tiles	6. Straw, palm fronds or similar
	2. Fibre cement sheets	7. Discarded materials
	3. Zinc sheets	8. Other
	4. Concrete	
	5. Wood	
Water supply		
Where does this household's main water supply come from?	1. Public water system	3. Public standpipe or tap (R)
	2. Private system	4. Well with a winch (R)
	5. Well with a pump	6. River, stream, lake, spring or pond
		7. Water truck (R)
		8. Truck delivering jugs or barrels
		9. Other

Table A3.10 (concluded)

| Question	Categories of deprivation	
	Sufficient	**Insufficient**
Sanitation system (Insufficient in one of the two cases)		
Does this dwelling have a sanitation system?	1. Yes	2. No (NM,R)
What type of system does it have?	1. Toilet that flushes into the sewerage system	3. Toilet that drains into a river, lake or the sea
	2. Toilet that flushes into a septic tank	4. Latrine that empties into a river, lake or the sea
	6. Latrine with a septic tank	5. Water-sealed toilet (R)
		7. Latrine that empties into a cesspit (R)
		8. Composting latrine (R)
School attendance (Insufficient in one of the two cases)		
Attended or is attending this year...	0. Not applicable	10. Enrolled but not attending
	1. Children's canteen	11. Not enrolled
	2. Nursery school, Centre for Comprehensive Child Care	12. None
	3. Daycare	
	4. Childcare centre	
	5. Kindergarten	
	6. Non-formal preschool education centre	
	7. Community centre for pre-basic education	
	8. Honduran Community Education Programme	
	9. School (primary)	
Did you enrol in any educational centre this year?	1. Yes	2. No

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Survey of Living Conditions, 2004.
Note: (R) denotes categories that are classified as sufficient in rural areas; denote categories that are classified as sufficient for non-metropolitan urban areas and rural areas.

■ Figure A3.10
Honduras: critical deficiencies, by moving quintile
(Percentages of households)
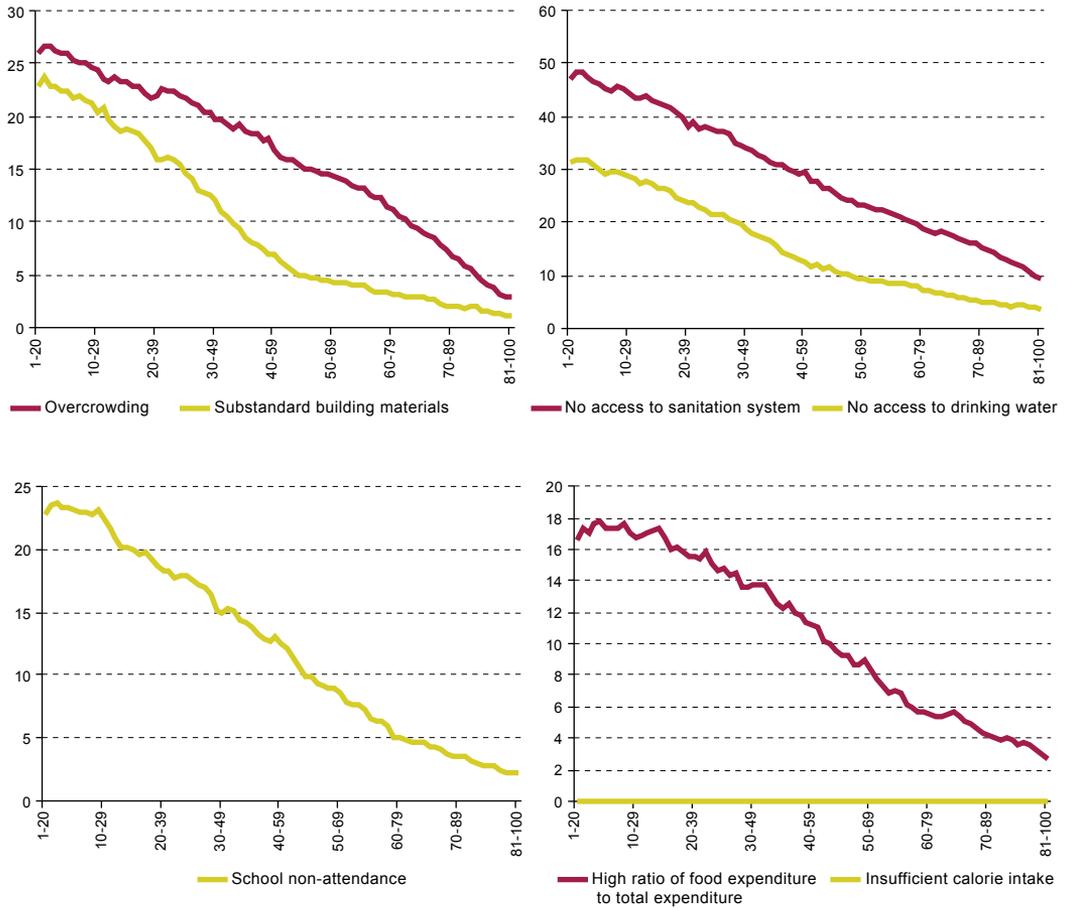
■ Table A3.11

Mexico: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (Insufficient in the flooring category)		
Main material used for floors		
What is the flooring of this dwelling primarily made of?	2. Concrete	1. Dirt
	3. Wood, tile or other covering	
Main material used for roof		
What is the roofing of this dwelling primarily made of?	2. Cardboard sheets	1. Discarded materials
	3. Metal sheeting	5. Palm fronds or straw
	4. Fibre cement sheets	
	6. Wood or wood shingles	
	7. Joists and beams	
	8. Tiles	
	9. Vaulted joist structure with concrete tiles	
Main material used for walls		
What are the walls of this dwelling primarily made of?	2. Cardboard sheets	1. Discarded materials
	3. Fibre cement or metal sheets	4. Reeds, bamboo or palm fronds
	5. Wattle and daub	
	6. Wood	
	7. Adobe	
	8. Plasterboard, brick, cinder blocks, quarried stone, cement or concrete	
Water supply		
This household's water supply comes from…	1. Indoor running water	3. Public standpipe (R)
	2. Running water outside the dwelling but in the yard	4. Piped water brought in from another dwelling (R)
		5. Cistern (R)
		6. Well, river, arroyo, lake or other
Sanitation system (Insufficient in one of the two cases)		
Does this dwelling have a flush toilet, other type of toilet, latrine or cesspit?	1. Yes	2. No
This dwelling has a drainage system connected to…	1. Public water system	3. Piping that drains into ravine or gully
	2. Septic tank	4. Piping that drains into a river, lake or the sea
		5. No drain system
School attendance		
Does… currently attend school?	2. Not applicable (children under 3 years of age)	2. No
	1. Yes	

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Household Income and Expenditure Survey, 2012.

Note: (R) denotes categories that are classified as sufficient in rural areas.

■ Figure A3.11
Mexico: critical deficiencies, by moving quintile
(Percentages of households)
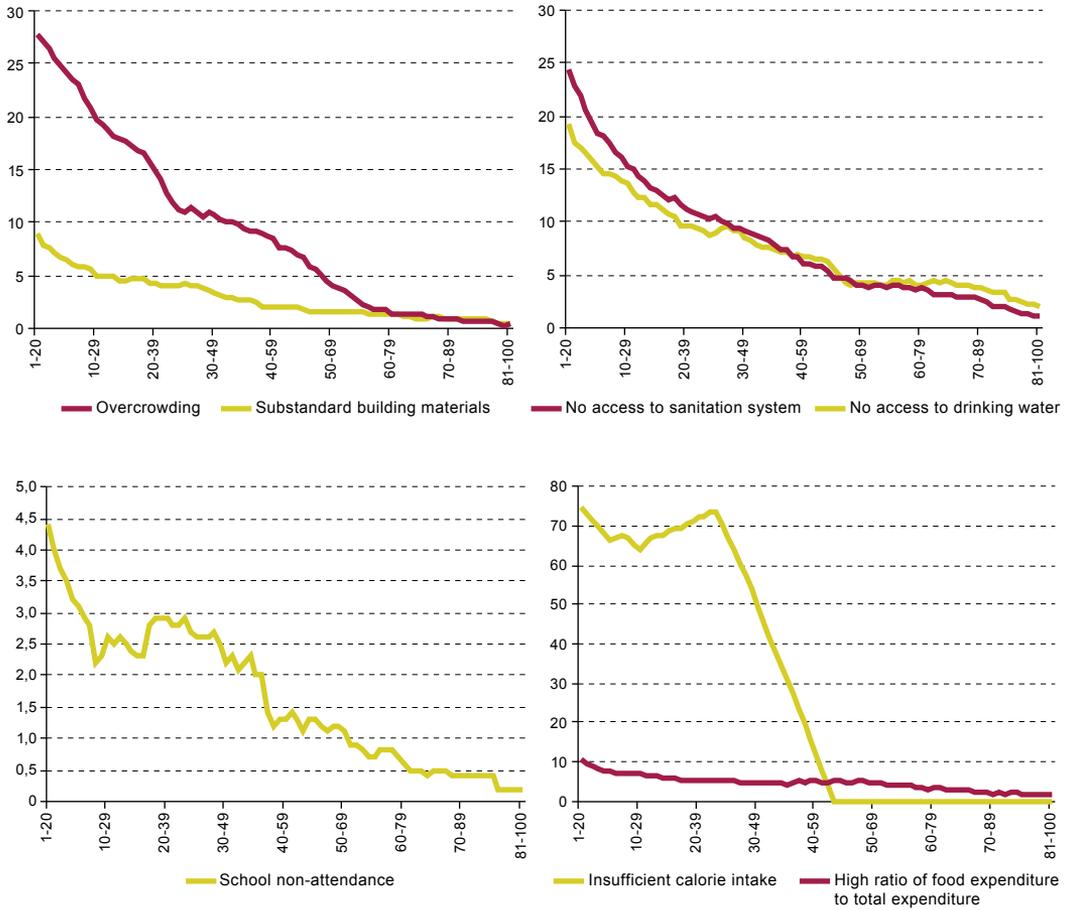
Overcrowding — Substandard building materials

No access to sanitation system — No access to drinking water

School non-attendance

Insufficient calorie intake — High ratio of food expenditure to total expenditure

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Household Income and Expenditure Survey, 2012.

■ Table A3.12

Nicaragua: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (Insufficient in flooring category and in roofing or walls category)		
Main material used for floors		
What material is the flooring in this dwelling primarily made of?	1. Cement bricks, polished cement bricks or firebricks	5. Dirt
	2. Tile or concrete	6. Other
	3. Clay bricks	
	4. Wood	
Main material used for walls		
What material are the walls of this dwelling primarily made of?	1. Cinder blocks	14. Bamboo, reeds, cane or palm fronds
	2. Quarried stone	15. Debris or discarded material
	3. Reinforced concrete	16. Other
	4. Concrete tiles	
	5. Wire mesh infill panels (Covintec)	
	6. Drywall	
	7. Fibre cement boards (Plycem or Nicalit)	
	8. Concrete and wood (skirting)	
	9. Concrete and another material	
	10. Clay bricks or blocks	
	11. Adobe or mud-filled wooden frames	
	12. Wood	
	13. Zinc	
Main material used for roof		
What material is the roof primarily made of?	1. Zinc	5. Straw, palm fronds or similar
	2. Fibre cement boards (Plycem or Nicalit)	6. Rubble or discarded material
	3. Clay or cement tiles	7. Other
	4. Reinforced concrete tile	
Water supply		
What is this household's main source of water?	1. Running water from the public water system inside the dwelling	3. Public standpipe (R)
	2. Running water from the public water system outside the dwelling but in the yard	4. Public or private well (R)
		5. Pond or stream (R)
		6. River, gully, arroyo
		7. Water truck, water cart or cistern
		8. Lake, lagoon
		9. Other dwelling/neighbour/company (R)
		10. Other

Table A3.12 (concluded)

Question	Categories of deprivation	
	Sufficient	Insufficient
Sanitation system		
What kind of sanitation system does the dwelling have?	2. Toilet or latrine with treatment system	1. Toilet or latrine without treatment system (R)
	3. Toilet connected to sewerage pipes	5. Toilet that drains into a river or gully
	4. Toilet connected to cesspit or septic tank	6. None
School attendance (Did not enrol for unsound reason or did not attend for unsound reason)		
Did you enrol.... for the current school year in the formal education system?	1. Yes	2. No
Why did you not enrol... for the current school year?	1. Age	2. Not interested
	3. Completed education	4. Housework
		5. Work/fieldwork
		6. A place was not available (registration was closed)
		7. The appropriate grade level was not offered
		8. The school is too far away
		9. There are no teachers
		10. Streets are unsafe
		11. Pregnancy
		12. Childcare
		13. Family problems
		14. Lack of money
		15. Other (please specify)
Does... current attend classes?	1. Yes	2. No
What is the main reason why ... does not currently attend classes?	1. Vacation	3. Housework
	2. Illness	4. Work/fieldwork
		5. Transportation problems
		6. Weather
		7. Lack of teachers
		8. Streets are unsafe
		9. Childcare
		10. Family problems
		11. Lack of money
		12. Not interested
		13. Pregnancy
		14. Withdrew
		15. Other (please specify)

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Household Living Standards Survey, 2014.
Note: (R) denotes categories that are classified as sufficient in rural areas.

■ Figure A3.12

Nicaragua: critical deficiencies, by moving quintile
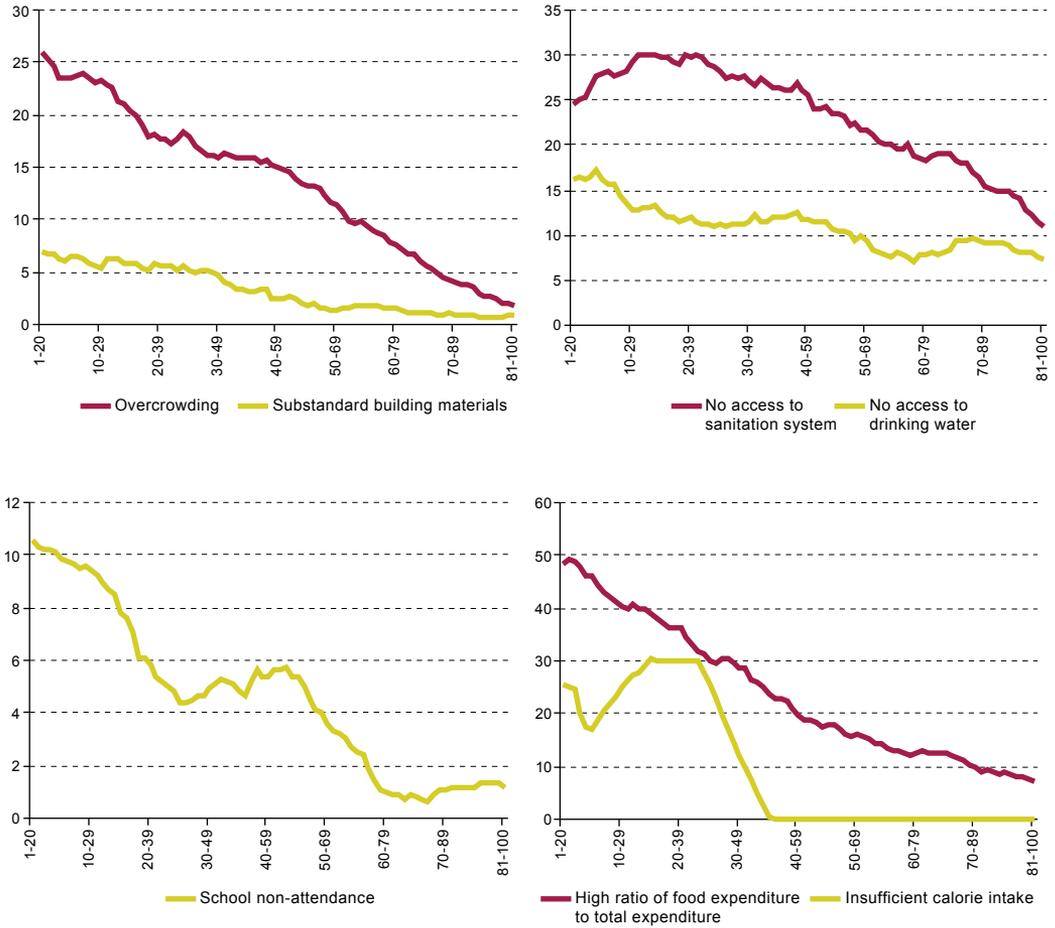
(Percentages of households)

Overcrowding — Substandard building materials — No access to sanitation system — No access to drinking water — School non-attendance — High ratio of food expenditure to total expenditure — Insufficient calorie intake

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Household Living Standards Survey, 2014.

■ Table A3.13
Panama: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (Insufficient in flooring category and in roofing or walls category)		
Main material used for floors		
What material is most of the flooring made of?	1. Cement, tile or brick	3. Dirt
	2. Wood	4. Other
Main material used for roof		
What material is most of the roof made of?	1. Concrete	6. Straw or palm fronds
	2. Tile	7. Other
	3. Tejalit, Techolit, Panalit	
	4. Metal (zinc, aluminium or other)	
	5. Varnished or otherwise sealed wood	
Main material used for walls		
What material are the exterior walls primarily made of?	1. Cinder block, brick, stone, concrete	5. Straw or leaves
	2. Wood (boards or pieces)	6. Other
	3. Wattle and daub, adobe	7. No walls
	4. Metal (zinc, aluminium or other)	
Water supply		
What is the household's main source of water?	1. Public system operated by the Institute of National Aqueducts and Sewers	6. Unprotected well
	2. Public system operated by the community	7. Rainwater
	3. Private water distribution system	8. Shallow well
	4. Bottled water	9. River or gully
	5. Treated well	10. Water truck
		11. Other
Sanitation system		
This dwelling has a sanitation system that…	1. is connected to the public sewerage system	3. drains into a pit/latrine
	2. is connected to a septic tank	4. None
School attendance		
Do you currently attend school?	0. Not applicable	2. No
	1. Yes	

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Survey of Household Income and Expenditure, 2007–2008.

■ **Figure A3.13**

Panama: critical deficiencies, by moving quintile
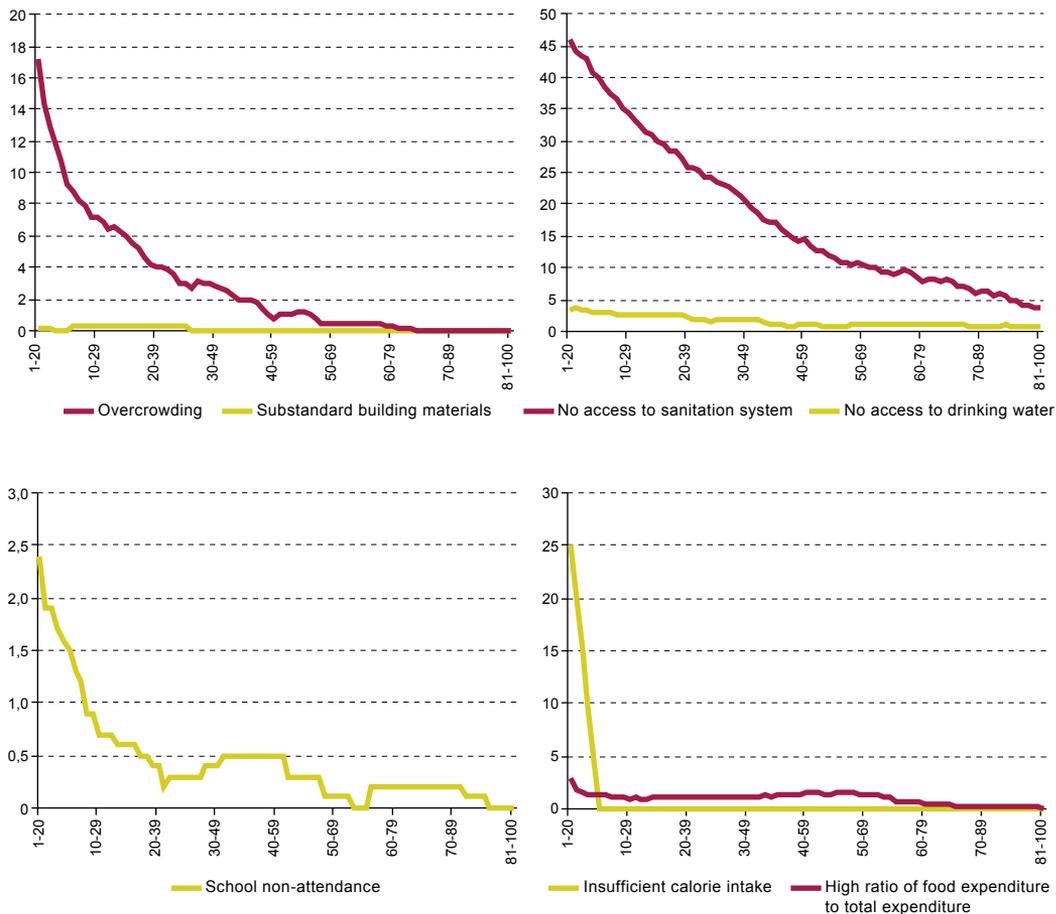
(Percentages of households)

Overcrowding — Substandard building materials   No access to sanitation system — No access to drinking water

School non-attendance   Insufficient calorie intake — High ratio of food expenditure to total expenditure

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Survey of Household Income and Expenditure, 2007–2008.

■ Table A3.14
Paraguay: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (Insufficient in flooring category and in roofing or walls category)		
Main material used for floors		
Floors	2. Wood	1. Dirt
	3. Brick	9. Other
	4. Sealed surface	
	5. Clay tiles	
	6. Ceramic tiles, granite	
	7. Parquet	
	8. Carpeting	
Main material used for roof		
Roof	1. Tile	2. Straw
	3. Fibre cement sheets (Eternit)	7. Wood from palm trees
	4. Zinc sheeting	8. Cardboard, rubber, packing crate wood
	5. Wood slats	9. Other
	6. Reinforced concrete, clay tiles or other	
Main material used for walls		
Walls	1. Wattle and daub	6. Wood from palm trees
	2. Adobe	7. Cardboard, rubber, packing crate wood
	3. Madera	8. No walls
	4. Brick	9. Other
	5. Cinder block	
Water supply		
Where does the household mainly get its water supply?	1. Sanitary Services Company of Paraguay (formerly the Sanitary Works Corporation)	7. Well without a pump (R)
	2. Sanitation Board or the National Environmental Sanitation Service	8. Spring
	3. Community-operated system	9. Dam, river or arroyo
	4. Private distribution system or service provider	10. Rainwater
	5. Artesian well	11. Other
	6. Well equipped with a pump	

Table A3.14 (concluded)

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Sanitation system (Insufficient in one of the two cases)		
Is there a washroom?	1. Yes	6. No
What kind of drainage system does the bathroom have?	1. Flush toilet connected to the sewerage system	4. Surface drainage
	2. Flush toilet connected to a septic tank and absorptive cesspit	5. Ventilated dry pit latrine (R)
	3. Cesspit	6. Shared dry pit latrine (R)
		7. Latrine with no roof or door
		8. Other
School attendance		
Does… currently attend an educational institution?	1-19. Level attended	20. Does not attend
	99. Do not know	

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Income, Expenditure and Living Conditions Survey, 2011–2012.
Note: (R) denotes categories that are classified as sufficient in rural areas.

■ Figure A3.14

Paraguay: critical deficiencies, by moving quintile
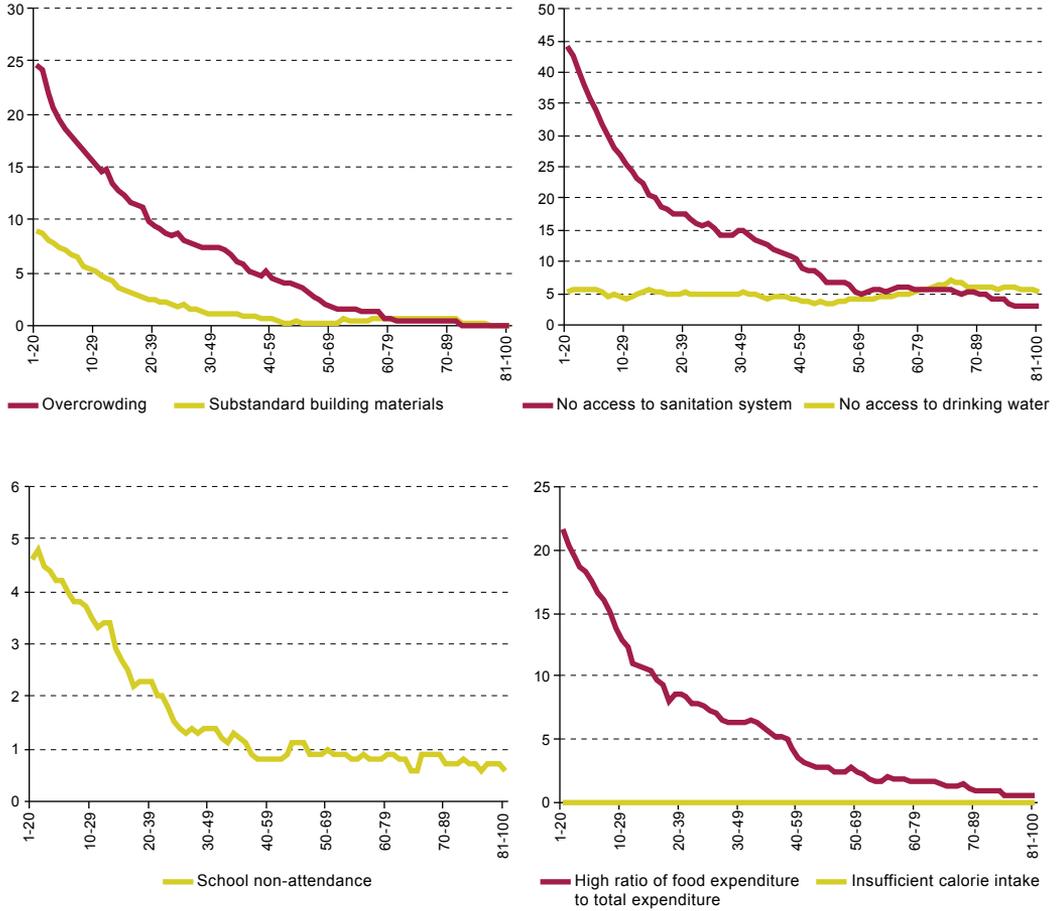
(Percentages of households)

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Income, Expenditure and Living Conditions Survey, 2011–2012.

■ Table A3.15
Peru: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (Insufficient in flooring category and in roofing or walls category)		
Main material used for floors		
The flooring is primarily made of…	1. parquet or polished wood	6. dirt
	2. asphalt, vinyl or similar sheets	7. other
	3. tile	
	4. wooden boards	
	5. concrete	
Main material used for roof		
The roofing is primarily made of…	1. reinforced concrete	6. matting
	2. wood	7. straw, palm fronds or other
	3. tile	8. other
	4. corrugated fibre cement sheets or sheets made of a similar material	
	5. cane or matting covered with clay	
Main material used for walls		
The exterior walls are primarily made of…	1. brick or cinder blocks	8. Matting
	2. Natural stone or quarried stone with quicklime or cement	9. Other
	3. Adobe	
	4. Clay and straw	
	5. Wattle and daub	
	6. Stone and mud	
	7. Wood	
Water supply		
Your household's water supply comes from…	1. taps in the dwelling connected to the public water system	3. public standpipe (R)
	2. taps outside the dwelling but inside the building that are connected to the public water system	4. water truck or similar
		5. well (R)
		6. river, stream, spring or similar
		7. other
Sanitation system		
Your household's sanitation system is connected to…	1. to the public sewerage system from inside the dwelling	5. cesspit (R)
	2. to the public sewerage system via a connection outside the dwelling but in the yard	6. a river, stream or canal
	3. latrine	7. other
	4. septic tank	8. none

Table A3.15 (concluded)

Question	Categories of deprivation	
	Sufficient	**Insufficient**
School attendance (did not enrol or does not attend for unsound reasons)		
Are you enrolled in a basic or higher education programme or centre for this year?	1. Yes	2. No
Do you currently attend a basic or higher education centre or programme?	1. Yes	2. No
What is the main reason why you did not enrol or are not attending a basic of higher education centre or programme?	6. Too young (children in the 3–5 age group)	1. Doing military service
	9. Family problems	2. Am currently working
		3. There are no adult education centres in the area
		4. There is no educational institution in town
		5. Not interested/do not like studying
		7. Illness or accident
		8. Economic difficulties
		10. Received bad grades (did not pass the level)
		11. Housework
		12. Completed secondary or higher education/attending a university exam preparatory course
		13. What the educational centre or programme teaches is not useful for getting a job
		14. Other

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Household Survey, 2014.
Note: (R) denotes categories that are classified as sufficient in rural areas.

■ Figure A3.15

Peru: critical deficiencies, by moving quintile
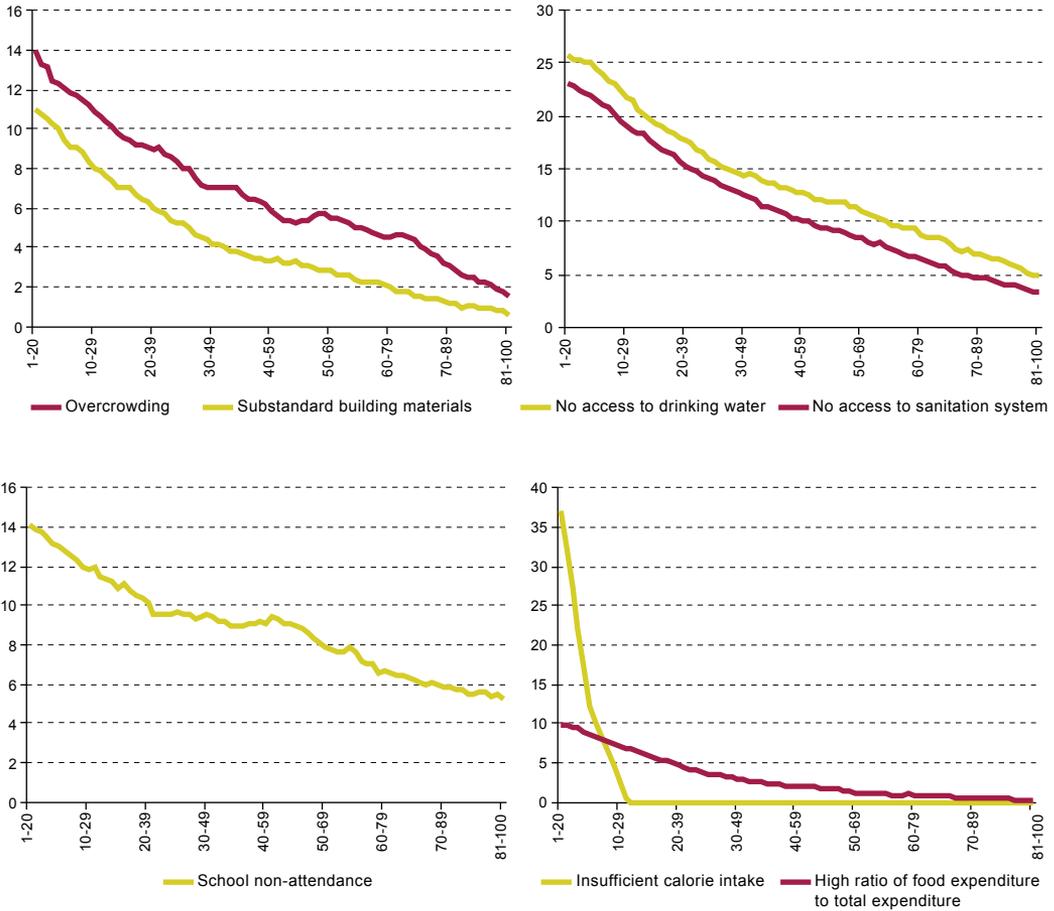
(Percentages of households)

| Overcrowding | Substandard building materials | No access to drinking water | No access to sanitation system |

| School non-attendance | Insufficient calorie intake | High ratio of food expenditure to total expenditure |

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Household Survey, 2014.

■ Table A3.16
Dominican Republic: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (Insufficient in flooring category and in roofing or walls category)		
Main material used for floors		
Main material used for flooring:	1. Granite	6. Dirt
	2. Marble	10. Other
	3. Ceramic tiles	
	4. Other tiles	
	5. Cement	
	7. Wood	
	8. Brick	
	9. Parquet	
Main material used for roof		
Main material used for roofing	1. Reinforced concrete	4. Yagua palm
	2. Zinc	5. Canes
	3. Fibre cement	6. Other
Main material used for walls		
Main material used for exterior walls	1. Cinder block	4. Palm wood
	2. Concrete	6. Yagua palm
	3. Wood	11. Cardboard
	5. Tile	13. Discarded materials
	7. Fibre cement	14. Other
	8. Mixed (cinder block and wood)	
	9. Zinc	
	10. Brick	
Water supply		
Where does the household obtain water for washing and bathing?	1. Tap water inside the dwelling	3. Public standpipe connected to the public water system (NM,R)
	2. Tap water outside the dwelling	4. Spring, river, arroyo, canal
		5. Well (NM,R)
		6. Rainwater
		7. Water truck
		8. Other
Sanitation system		
What is the household's main sanitation system?	1. Private toilet	3. Private latrine (NM,R)
	2. Shared toilet	4. Shared latrine (NM,R)
		5. None
School attendance		
Is ... enrolled in school or university?	0. Not applicable	2. No
	1. Yes	

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Survey of Household Expenditure and Income, 2006–2007.
Note: (R) denotes categories that are classified as sufficient in rural areas; (NM) denotes categories that are classified as sufficient for non-metropolitan urban areas and rural areas.

■ Figure A3.16

Dominican Republic: critical deficiencies, by moving quintile
(Percentages of households)
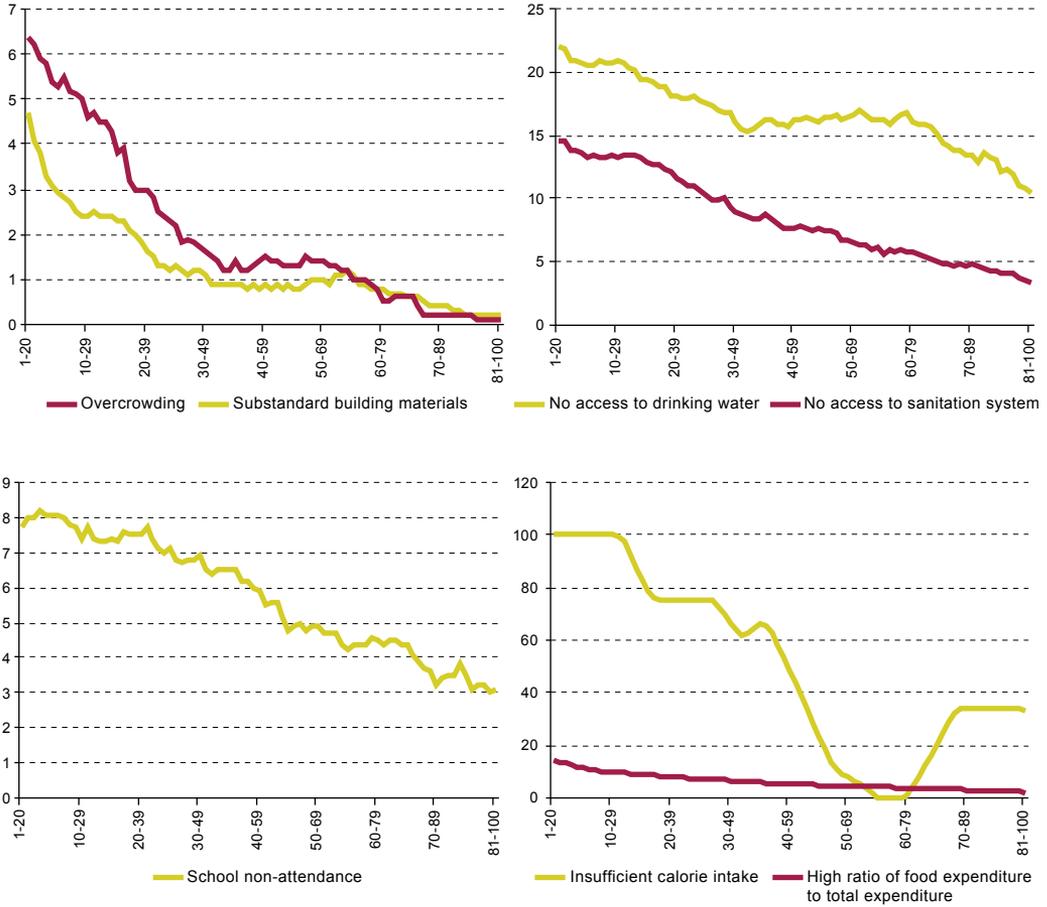
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Survey of Household Expenditure and Income, 2006–2007.

■ Table A3.17

Uruguay: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	Insufficient
Residential building materials (Insufficient in the flooring category)		
Main material used for floors		
What are the floors primarily made of?	1. Tiles, parquet, floor covering, linoleum	4. Dirt or sealed earth
	2. Paving stones	
	3. Polished concrete	
Main material used for roof		
What is the roof primarily made of?	1. Covered (with tiles or other) cement slabs	6. Discarded materials
	2. Uncovered cement slabs	
	3. Light materials with a dropped ceiling	
	4. Light materials without a dropped ceiling	
	5. Wattle and daub	
Main material used for walls		
What are the walls primarily made of?	1. Bricks or finished cinder blocks	6. Discarded materials
	2. Bricks or rough cinder blocks	
	3. Light materials with cladding	
	4. Light materials without cladding	
	5. Adobe	
Water supply		
From where does this household obtain water for drinking and cooking?	1. Public water system	3. Cistern or well
	2. Flowing well (drilled and piped)	4. Arroyo, river
		5. Other
Sanitation system		
Does this dwelling have a washroom?	1. Yes, with a cistern	3. No
	2. Yes, without a cistern	
The toilet flushes or drains into:	1. Public sewerage system	3. Other (the ground or other)
	2. Septic tank, cesspit	
School attendance		
Are you studying at the present time?	1. Yes	2. No

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Survey of Household Expenditure and Income, 2005–2006.

■ Figure A3.17

Uruguay: critical deficiencies, by moving quintile
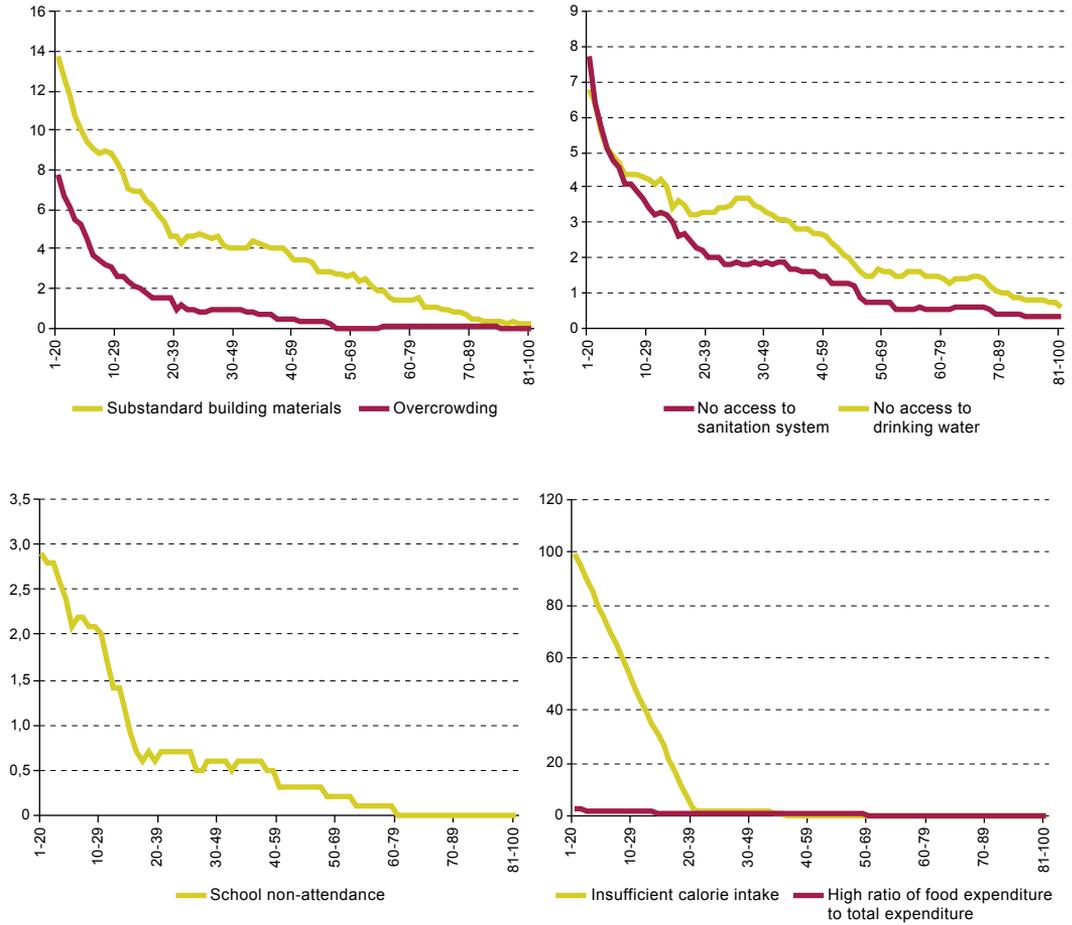
(Percentages of households)

Substandard building materials — Overcrowding

No access to sanitation system — No access to drinking water

School non-attendance

Insufficient calorie intake — High ratio of food expenditure to total expenditure

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Survey of Household Expenditure and Income, 2005–2006.

■ Table A3.18
Bolivarian Republic of Venezuela: working definition of deprivation indicators

Question	Categories of deprivation	
	Sufficient	**Insufficient**
Residential building materials (Insufficient in the flooring category and in the roofing or walls category)		
Main material used for floors		
Does your dwelling have a dirt floor?	2. No	1. Yes, it has a dirt floor
	3. Not applicable	
Main material used for walls		
Main material used for exterior walls	1. Cinder blocks or bricks (plastered)	6. Other (cane, palm fronds, boards or other similar materials)
	2. Cinder blocks or bricks (not plastered)	
	3. Concrete	
	4. Lumber	
	5. Adobe, clay and straw or wattle and daub	
Main material used for roof		
Main material used for roof	1. Platband	6. Other (boards, palm fronds or similar materials)
	2. Tile	
	3. Asphalt shingles	
	4. Metal shingles (zinc or similar material)	
	5. Fibre cement or similar material	
Water supply		
How does the household usually get its water?	1. Water piped into the home	3. Public well or standpipe (R)
	2. Water well with a pump, tank and piping	4. Water truck
		5. Arroyo, spring, river, lake
		6. Other
Sanitation system		
The dwelling has:	1. Toilet connected to the sewerage system	2. Toilet connected to a septic tank (R)
		3. Pit toilet or latrine
		4. None
School attendance		
Are you currently a student at an educational centre?	1. Yes	2. No

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the IV National Household Budget Survey.
Note: (R) denotes categories that are classified as sufficient = 5.

■ Figure A3.18

Bolivarian Republic of Venezuela: critical deficiencies, by moving quintile
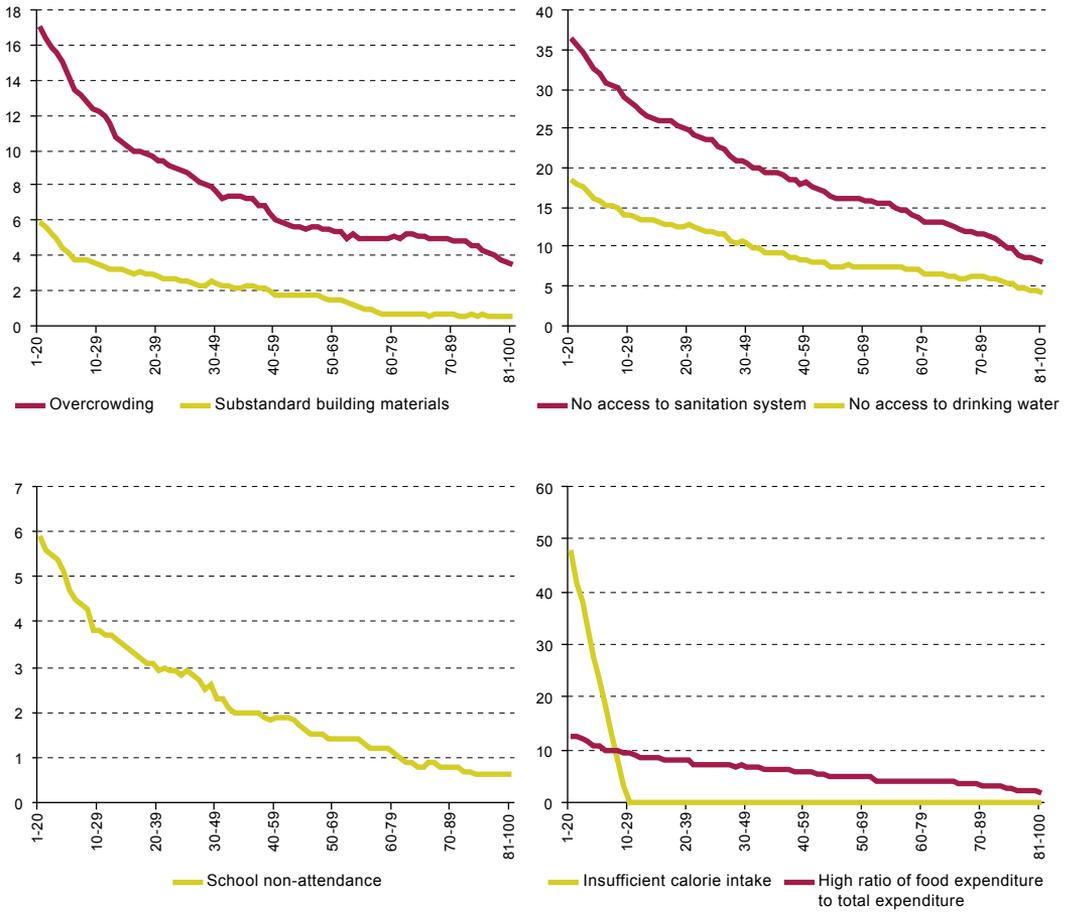
(Percentages of households)

Overcrowding — Substandard building materials

No access to sanitation system — No access to drinking water

School non-attendance

Insufficient calorie intake — High ratio of food expenditure to total expenditure

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the IV National Household Budget Survey.

Annex A4

Adjusting income to correct for underreporting

One of the procedures typically used by ECLAC in the past when computing poverty estimates was to correct the survey data on income to minimize the effect of underrecording. This practice was referred to as making an "income adjustment", and it was done in response to empirical evidence of the existence of a differential between the income figures recorded in national surveys and the aggregate figures captured in national accounts, with the former generally being lower. These adjustments, first applied by Altimir (1979 and 1987), were an attempt to make up for the undercounting of income in household surveys as compared to the Household Income and Expenditure Account of the System of National Accounts and thereby attain greater comparability and accuracy in household income measurements and poverty estimates.

The methodology used to make these adjustments involved comparing the survey data with the income totals recorded in the Household Income and Expenditure Account expressed in per capita terms. Once the definitions of income used in these two instruments had been aligned with one another as much as possible, separate comparisons were made of each of the main sources of income (wages and salaries, earnings of self-employed workers, property income, retirement and other pensions, and imputed rent). The discrepancy between the survey measurements of income and national account estimates was converted into an "adjustment factor", and each source of income was multiplied by that factor, with two exceptions. The first exception was made if the income reported in the survey was higher than the figure given in national accounts, in which case the adjustment factor was assumed to be equal to one. The second exception was property income, for which an adjustment factor was applied only to the top quintile in the distribution (Altimir, 1987; Feres and León, 1992).

The adjustment procedure traditionally employed by ECLAC was based on three underlying assumptions. The first was that the information reported on the Household Income and Expenditure Account was more complete and more reliable than the survey data. National accounts are compiled on the basis of detailed evaluations and cross-checks of different sources, within the conceptually coherent framework of the System of National Accounts, whereas it was assumed that survey income measurements are not fully comparable and are unstable as well.

The second assumption was that the differential between the survey income aggregates and national accounts reflected the undermeasurement of income in the survey. According to Altimir (1987), household surveys are subject to the underrecording of income owing to such problems as the absence of questions on some types of income sources, sampling errors and underreporting, whereas national accounts are presumably unaffected by problems of overestimation, or at least such problems are less serious than the underrecording errors in surveys are. Therefore, the extent of the underrecording of income could be estimated —or at least approximated— by looking at the differential between survey and national account aggregates.

The third assumption had to do with the distribution of differentials among the various sources of income and among different types of households. The adjustment procedure was based on the assumption that underreporting was more closely associated with the type of income than with the level of income and that it followed a pattern of unitary income elasticity except in the case of property income.

The experience gained with the application of this adjustment procedure over the past 30 years offers some useful inputs for a review of the validity of these assumptions.

The completeness and reliability of the Household Income and Expenditure Account

National accounts are grounded in a solid theoretical framework and are based on cross-checks designed to ensure their consistency and quality. The fact remains, however, that national accounts can only be used if they are available. In addition, their quality depends, to a large extent, on the information used to prepare them.

The institutional household account is the source of the information needed for comparisons with household survey data, but very few countries publish this account. Only half of the countries of the region issue household accounts, and a number of them do so with a time lag of several years (see table A4.1).

The shortcomings of the core information used in national accounts is at least part of the reason why the international standards of the System of National Accounts are not applied in the same way by all countries. The data requirements entailed by these standards are beyond the reach of some national statistical systems, which may therefore fall back on indirect methods of estimation that are at greater risk of measurement errors.

The fact that some technical parameters and data sources can become outdated is another problem affecting the information used as basic inputs for national accounts. The household surveys that provide these basic inputs tend to become less accurate as their base year recedes further into the past, and this may also be true of some of the parameters used in the construction of national accounts series.

Although national account aggregates tend to be more complete than survey aggregates, they do not always accurately capture informal-sector income, which is an important source of income for the poorer households in the region. There is no place in national accounts for recording illegal or underground economic activities, and their coverage of in-kind payments, donations and the production of non-tradable goods and services varies from one country to the next.

■ Table A4.1
Latin America: household income and expenditure account

Country	Availability	Time lag (years)
Argentina	No	
Bolivia (Plurinational State of)	No	
Brazil	Yes	3+
Chile	Yes	1
Colombia	Yes	2
Costa Rica	Yes	2
Ecuador	Yes	1
El Salvador	No	
Guatemala	Yes	5
Honduras	No	
Mexico	Yes	1
Nicaragua	Yes	3
Panama	No	
Paraguay	No	
Peru	No	
Dominican Republic	No	
Uruguay	No	
Venezuela (Bolivarian Republic of)	No	

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

In addition, while the household surveys of the countries of the region are still quite heterogeneous, their survey techniques and geographic coverage have gradually been improving. Today, most of the countries regularly conduct household income surveys, and these surveys generally have nationwide coverage. The questionnaires have also improved, and it has therefore become increasingly feasible to gather more complete income data and to construct stable series that are in line with international recommendations.

In actual fact, a review of the recent international literature leads to the conclusion that there is no longer a valid argument for continuing to think that national accounts are usually more reliable than household surveys, while there is, on the other hand, agreement that both sources are subject to measurement errors (for a review of the literature, see Villatoro, 2015).

Income differentials between national accounts and household survey data

There are a number of reasons for the gap between the income measurements provided by household surveys and national accounts. In addition to the measurement errors associated with both sources, there are other difficulties that interfere with the reconciliation and comparability of survey and national accounts results.

Altimir (1987) recognized the difficulties involved in reconciling survey and national accounts categories early on. As an example, the incomes of self-employed or own-account workers are measured in household surveys but have no direct counterpart in national accounts, since this income source is part of the "mixed income" heading that also includes dividends received by households from public corporations and other types of property income (such as interest and effective rental payments).

The international literature reflects a consensus as to the fact that national accounts and surveys serve different purposes, are based on different conceptual frameworks and use different procedural approaches and that their results are therefore not strictly comparable (Villatoro, 2015). National accounts are designed to measure macroeconomic aggregates and to capture final household income and consumption in the economy. Expenditures of non-profit organizations are included under consumption expenditure in national accounts, while this is not generally the case in surveys. In addition, surveys do not include members of the military or persons living in institutions, but national accounts do. Finally, the income recipients covered by the two instruments are not directly comparable either, since, in national accounts, the number of recipients is unknown.[1]

Another consideration is the stability of cross-source comparisons. The way in which income adjustments have been applied is based on the assumption that the income trends derived from household surveys are less reliable than the trends shown in national accounts. However, this assumption overlooks the problems stemming from the successive changes made in the base year for national accounts. Chile's recent experience in this connection, which also involves one of the most detailed applications of income adjustments, serves to illustrate this point (see box A4.1).

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[1]   Fixler and Johnson (2012) point out that one of the main problems involved in reconciling discrepancies between the income estimates of different sources is the existence of many different definitions of what this variable includes. These authors illustrate this situation by listing six different definitions used by official institutions in the United States, the System of National Accounts and the International Expert Group on Household Income Statistics (known as the Canberra Group) and showing that there are only three components that are common to all six definitions: employment income, investment income and transfers from the government. Katz (2012) notes that, in addition to conceptual differences, survey data are used for microeconomic estimates whereas national accounts deal with the macroeconomic level.

■ Box A4.1

Chile: experiences with income adjustments in National Socioeconomic Survey data

In Chile, between 1987 and 2013, official poverty measurements incorporated an adjustment in the income measurements of the National Socioeconomic Survey (CASEN) that was made to align them with the totals recorded in the country's national accounts. This process, which was performed in cooperation with ECLAC and with the support of the Central Bank of Chile as the source of national accounts data, constitutes one of the most extensive and most fully documented experiences with the use of such adjustments and therefore serves as a useful illustration of some of the drawbacks of this approach.

Modifications in the measurement methodology and the base year of national accounts pose a challenge in terms of the incorporation of income adjustments. Up to the year 2000, national accounts figures were based on the 1968 System of National Accounts (SNA) and used 1986 as their base year. Up to that time, the central bank did not compile a household account; instead, that account was prepared by ECLAC based on preliminary information supplied by the central bank. When the 2002 update of national accounts was issued, the structure of that account was modified to align it with the 1993 SNA, and the base year was changed to 1996. (This was also when the central bank began to compile the household account). In 2007, the base year was changed to 2003. And, finally, in 2012, the structure and guidelines for the accounts were again modified in order to align them with the 2008 SNA and the base year was changed to 2008.

In order to maintain comparability with earlier poverty measurements, in 2003 it became necessary to start generating a spliced series for the household account (continuing the 1986 base-year series) because the successive modifications had resulted in appreciable changes in income levels. This splice was accomplished by applying the percentage variations obtained for the various national account headings. As a consequence, the gap between the CASEN survey and national accounts has widened during the past decade. In 2011, survey income was equivalent to 84% of the spliced national accounts series but only to 58% of the non-spliced national accounts for that year.

An additional difficulty arose in the measurements for 2011. The entries for mixed income and distributed corporate profits registered in the national accounts appeared to have risen much more sharply than would be indicated by the contextual information on GDP and employment growth for that period. Because of this, the variations exhibited in the national accounts for that year were not used, and the income adjustment factor for own-account income from the previous measurement was applied instead. In other words, the survey data on the variation in own-account income was regarded as being more suitable than the variation registered in the national accounts.

It should be noted that the adjustment of incomes to a spliced national accounts series may influence the trend of distributive indicators. Bourguinon (2015), for example, concludes that, in Chile, the decrease in inequality of the income adjusted to the spliced series was smaller than the reduction in inequality of the unadjusted income, and he notes that the discrepancy would have been larger if the values reported in the national accounts for 2011 had been used, as those estimates reflected an even wider differential between the survey data and the national accounts.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of F. Bourguinon, "Appraising income inequality databases in Latin America", *The Journal of Economic Inequality*, vol. 13, No. 4, Berlin, Springer, 2015; Economic Commission for Latin America and the Caribbean (ECLAC), "La medición de los ingresos en la encuesta CASEN 2013," Santiago, 2015, unpublished [online] http://observatorio.ministeriodesarrollosocial.gob.cl/documentos/CEPAL_Informe_Medicion_Ingresos_Encuesta_Casen_2013(Metodologia_Tradicional).pdf; Commission for the Measurement of Poverty, *Informe Final*, Santiago, 2014.

From an empirical standpoint, the discrepancies between the national accounts and survey estimates have been attributed to problems with both of these data sources. On the basis of evidence from 277 surveys conducted between 1979 and 2000 (103 of which were carried out in countries of the region), Deaton (2005) concludes that the differentials between the two are attributable both to their conceptual differences and to measurement errors in both the national accounts and the surveys. In fact, some authors maintain the position that the discrepancies between survey results and the national accounts would persist even in the absence of measurement errors (Deaton, 2005; Anand, Segal and Stiglitz, 2010; Ravallion, 2001).

An examination of the information for the countries of Latin America suggests that, when the survey and national accounts data are compared, some of the results are not consistent with the assumption that the differential is entirely due to the shortcomings of the survey data.

While recent information on the Household Income and Expenditure Account is unavailable for most of the countries, the discrepancies relative to household surveys can be approximated on the basis of the estimate for per capita private consumption (an aggregate that is customarily included in national accounts). Although it is not the same variable, consumption figures can provide a rough idea of income levels, since they are the main sources of funds for private consumption. Private consumption figures include both households and non-profits.[2] Table A4.2 shows that, except for Paraguay, the estimates for per capita private consumption in the national accounts are between 1.2 and 2.3 times greater than the corresponding estimates derived from household surveys.

These results have significant implications in terms of regional comparability. Mexico has the widest gap between the income figures in its surveys and its national accounts. If its national accounts measurements are similar in quality to those of the other countries, then Mexico's surveys are underrecording income to a greater degree than elsewhere. This raises the question as to why a regularly conducted income and expenditure survey that is in line with a variety of international recommendations could be underrecording income more than other surveys that are not conducted so regularly and that are not so closely in line with those international recommendations. A question also arises in relation to the fact that the adjustment factors used in Ecuador and Honduras, where income levels are measured by means of a brief questionnaire forming part of an employment survey, are similar or even lower than those used in Chile and Peru, which use much more detailed questions about income. Another possible explanation is that the national accounts of the countries of the region do not measure household consumption as accurately, in which case the discrepancy in the information on household consumption published by this source and national surveys would be accounted for by the measurement errors made by both sources.

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[2]   Colombia is the only country in the region that disaggregates the two components of private consumption (households and non-profit institutions). In 2014, the former represented 99.5% of the total.

■ Table A4.2

Latin America: private per capita consumption per month at current prices and average per capita income at current prices, 2013

(National currencies)

Country	Mean per capita income (household surveys)	Private per capita consumption (national accounts)	Coefficient of adjustment
Brazil	1 069.6	1 337.5	1.3
Chile	262 008.1	411 959.0	1.6
Colombia	531 470.0	760 677.3	1.4
Costa Rica	225 646.4	291 068.5	1.3
Dominican Republic	7 987.8	15 349.6	1.9
Ecuador	200.8	300.2	1.5
El Salvador	147.1	301.1	2.0
Guatemala (2014)	1 136.4	2 022.7	1.8
Honduras	2 306.0	3 273.6	1.4
Mexico (2014)	3 497.0	7 940.5	2.3
Panama	313.7	510.5	1.6
Paraguay	1 386 912.0	1 090 693.3	0.8
Peru	643.9	933.9	1.5
Uruguay	16 105.6	19 314.2	1.2
Venezuela (Bolivarian Republic of)	2 228.9	4 091.6	1.8

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of national account statistics and household surveys.

Figure A4.1 illustrates this point using the data for three countries for which information on the household account is available (Brazil, Mexico and Nicaragua). Here it is possible to make a direct comparison of labour income (separated into wage income and earnings of self-employed workers). In the case of Mexico, the results of that comparison are what would be expected under the assumptions made regarding the income adjustment procedure, since the figures reported in the national accounts are higher than those reported in the survey, and the differential is greater for own-account earnings, which would presumably be associated with a greater extent of underrecording. However, in the cases of both Brazil and Nicaragua, the own-account earnings reported in the surveys are higher than the figures shown in the national accounts. This suggests that the surveys are not underrecording income or, if they are, at least the degree of underrecording is less than it is in the case of the national accounts, and it is the latter that are not fully capturing this source of income.

■ Figure A4.1

Brazil, Mexico and Nicaragua: differentials between income reported in household surveys and income reported in the household account of the national accounts
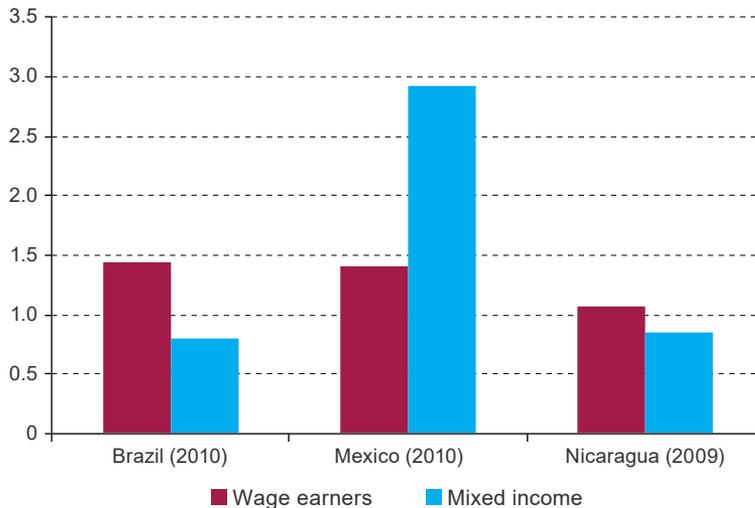
Source: Economic Commission for Latin America and the Caribbean (ECLAC).

Distribution of underrecording between amounts of income and income recipients

The underreporting of income is a measurement error that results in the level of observed income or recorded income being lower than the actual parameter that the survey is intended to estimate. There may be various reasons for this, including the omission of certain types of income sources, the underreporting of income by respondents and the faulty recording of the recipients of some income sources.[3]

Although Altimir does not go into detail about how much of an impact each of these factors may have, the method he used is based on the assumption that underreporting of income by survey respondents is the main cause of the difference between survey results and the figures reported on national accounts, since the sums reported by each income recipient are modified, while the number of recipients for each source of income are left unchanged.

Nevertheless, the undercounting of income recipients is a relevant factor in accounting for the differences between survey income measurements and those of other sources. By way of example, figure A4.2 compares the monetary subsidies recorded in the 2013 CASEN

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[3]   An unwillingness on the part of respondents to report all of their income has commonly been regarded as the main reason for underreporting. There may also be other reasons for such measurement errors, however, such as forgetfulness on the part of respondents, enumerator error and instrumentation issues. This suggests that some causes of underreporting could be addressed without having to adjust income figures based on national accounts.

survey and the information provided by administrative records. First of all, it becomes clear that not all the subsidies are underrecorded and, in fact, there are a number of cases in which the total value registered by the survey is much higher than the total appearing in administrative records. Second, it turns out that the underreporting of income by recipients is the main cause of the differential in only one of the six subsidies (the "March bonus") for which the total value is lower in the survey than in the administrative records. In all the other cases, the main cause of the differential is the undercounting of the number of beneficiaries that are receiving each subsidy. ECLAC (2006b) provides some evidence along the same lines concerning the undercounting of the recipients of certain specific income flows, such as international remittances. What is more, some recent estimates indicate that underreporting appears to account for less than half of the mean differential between national accounts and survey data (Bourguinon, 2015).

■ Figure A4.2

Chile: monetary subsidies measured by the National Social and Economic Survey (CASEN) of 2013

(Percentages of the values taken from administrative records)
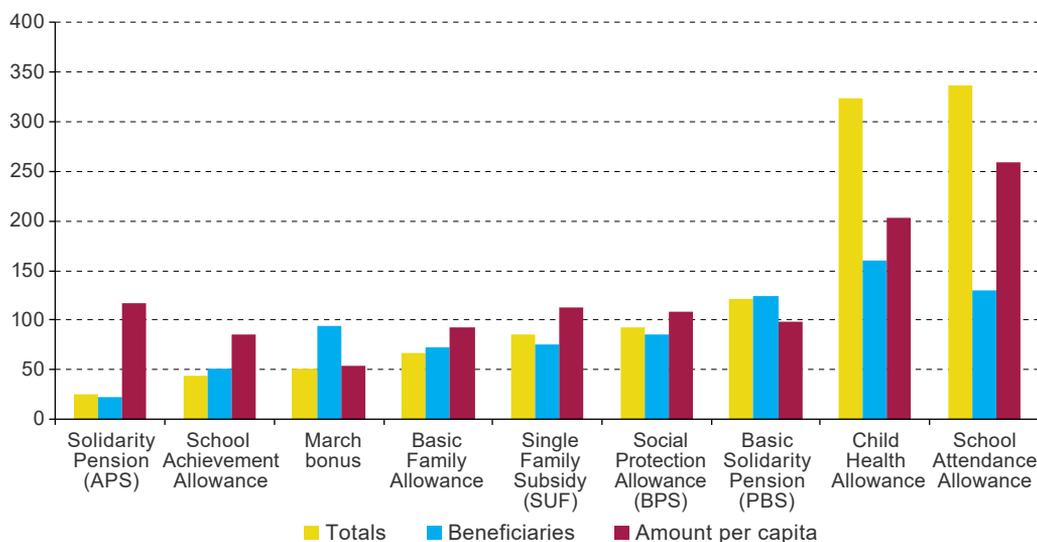
Source: Economic Commission for Latin America and the Caribbean (ECLAC), "La medición de los ingresos en la encuesta CASEN 2013", Santiago, 2015, unpublished [online] http://observatorio.ministeriodesarrollosocial. gob.cl/documentos/CEPAL_Informe_Medicion_Ingresos_Encuesta_Casen_2013(Metodologia_Tradicional).pdf.

Truncation is a particularly important factor in the undercounting of income recipients and is increasingly coming to be regarded as one of the main causes of the underrecording of income in household surveys. This term "truncation" refers to the fact that surveys usually fail to cover the richest households, either because those households decline to take part or because of the way the sample is designed. This factor is closely related to the assumption that the extent of undermeasurement and household income levels are independent of one another. That assumption will be analysed in the following section.

Household distribution of underrecorded income

The available international evidence, which is based primarily on comparisons of survey data with the information in administrative records (social programme databases, tax rolls, national accounts and so forth), indicates that undercounting is not distributionally neutral. Generally speaking, it has been found that undercounting is greater at the two extremes of the distribution and especially so at the richer end of the spectrum, which is explained by the fact that high-income recipients are absent from the sample (truncation).[4]

It has also been found that, even when aggregate income has been underestimated, undermeasurement has not necessarily occurred at all income levels. To illustrate this point, figure A4.3 shows the frequency distribution of wages by main activity reported by employed persons in two countries (Brazil and Chile) in which the total amounts recorded in the survey are lower than the values reported in national accounts. It can be seen from figure A4.3 that there is a high frequency of reported wages near the level of the minimum wage at the time the survey was taken. This indicates that persons who earned the minimum wage reported it accurately.

One of the underlying assumptions of the adjustment to national accounts customarily made by ECLAC is that the differences between the survey and national accounts aggregates are distributionally neutral or, in other words, that the differentials between the two sources are proportionally distributed among households with varying income levels. In cases such as those of Brazil and Chile, as shown above, this method would appear to result in an overestimation of the wages of lower-income recipients, which could lead to an underestimation of poverty and extreme poverty rates.

■ Figure A4.3

Frequency distribution of reported wages and salaries from the principal occupation

A. Brazil, 2013

Minimum wage = 678 reais

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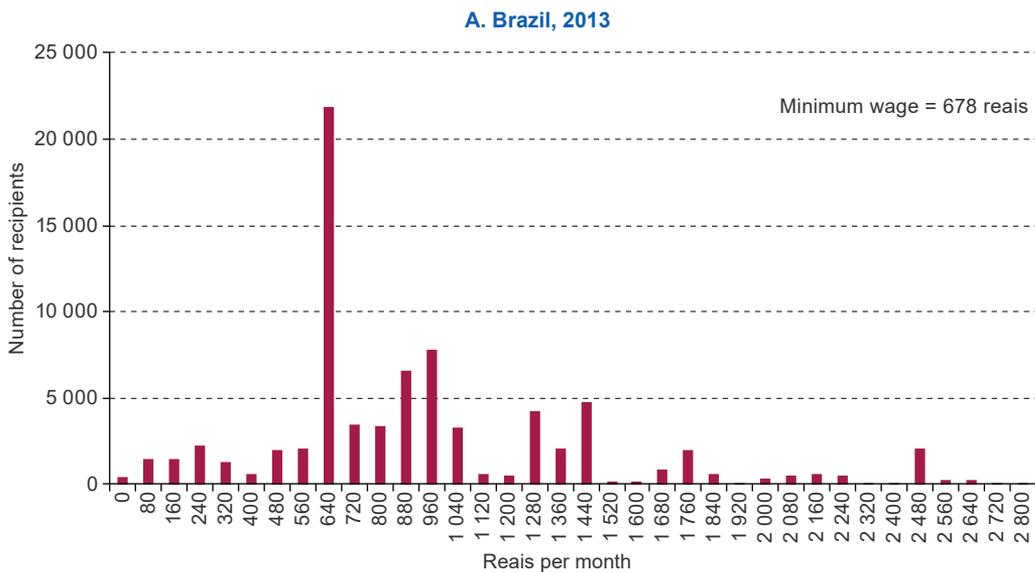
[4]   For recent evidence concerning the Latin American countries, see Alvaredo and Londoño (2013), Alvaredo and Gasparini (2013) and Burdín, Esponda and Vigorito (2015).

Figure A4.3 (concluded)
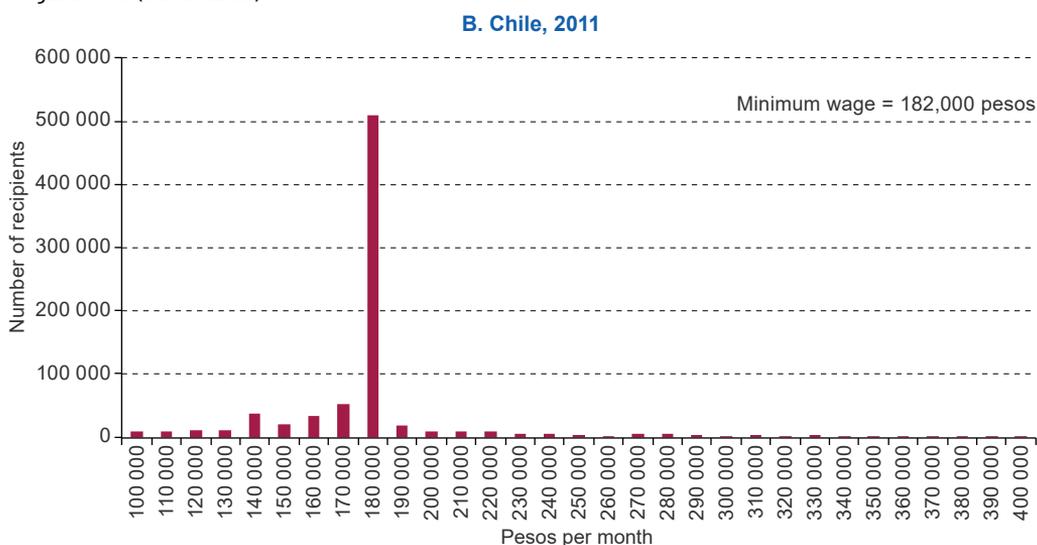
B. Chile, 2011

Minimum wage = 182,000 pesos

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of household surveys.

This adjustment methodology does recognize the existence of a higher level of underrecording for higher-income recipients in the case of property income, which is assigned solely to the top quintile. Studies based on the interpolation of data from the tax rolls indicate that the underestimation of income is greater at the upper end of the distribution (e.g. the richest 1%) (see ECLAC, 2018, chapter I). In these cases, it would appear that the way the adjustment has been applied is not making sufficient allowance for the undermeasurement that occurs at the upper end of the distribution.

Paraje and Weeks (2002) suggest that this kind of adjustment should be made only when the pattern of missingness is known, since, if the distributional pattern and trend of missingness are unclear, an adjustment will skew the results for the poverty rate and income distribution. Cortés and Vargas (2017) show how the level and even the trend in inequality estimates change under different hypotheses about the household distribution of underreporting.

A last issue to consider has to do with the fact that adjustment factors are calculated only for the main income headings. This distorts the household income structure, since some headings are adjusted and others are not. By the same token, the sizes of the adjustments to national accounts for households having the same level of income but deriving it from different income sources will be different, which could alter the inequality and poverty estimates. The extent of this effect will depend on the composition of household incomes and on the adjustment coefficients used to correct the different income components.

Conclusions

This review has pointed up some of the main types of biases that can be introduced by the practice of adjusting survey income data to the information reported in national accounts. One of the issues is that any differential between national accounts and survey data is viewed

as a result of a problem with the survey, and any possible measurement errors in the national accounts are thereby overlooked, not to mention the fact that national accounts make a great deal of use of household survey data as a basis of their estimates. What is more, since the fact that part of the problem of undermeasurement stems from the insufficient number of recipients, the size of the necessary adjustment of the reported amounts is overestimated. In addition, the surveys do not include information on the richest recipients, and the adjustment therefore overestimates the extent of underreporting by lower-income households. In addition, since the adjustment factors are different for each source of income and not all sources are adjusted, the adjustment also distorts the household income structure.

Yet another consideration is that the information needed to make these income adjustments is not available for most of the countries and, in some of the others, it becomes available only after a time lag of several years, and its use therefore entails a significant cost in terms of quality and timeliness. In practice, ECLAC has used adjustment factors that have remained constant for more than 10 years, thus reporting the income variations estimated by the surveys, and the resulting poverty trends have not been considered inadequate.

Finally, the levels and trends arrived at on the basis of the poverty measurements computed during this latest update have proven to be plausible in terms of both levels and trends. The income adjustment, whose chief effect is to lessen the influence of the income data on poverty measurements, therefore does not appear to be justified in this case.

In the light of the above lines of reasoning and evidence, together with the fact that the adjustment does not enhance the plausibility or increase the comparability or reliability of these poverty measurements, the adjustment for income underreporting has not been conducted in this last update of the methodology.

This does not mean that comparing survey data and data from national accounts or administrative records is not useful for analytical purposes. On the contrary, inequality metrics are a highly promising focus for this type of application, since there is a substantial body of evidence that surveys are not covering households with very high incomes and are therefore underestimating the extent of inequality. In order to develop more complete measurements of inequality, policymakers need to gain a better understanding of the differences between the income measurements produced by the various types of systems and tools rather than assuming that it is enough to simply align survey aggregates with the data generated by another source.

Annex A5

The use of equivalence scales

In the methodology outlined in this study, extreme poverty lines, poverty lines and household income are all expressed in monthly per capita values. This type of poverty measurement is implicitly based on the assumption that the cost of satisfying basic needs is the same for everyone, and it thus makes no distinction on the basis of sex, age or household composition.

The literature on the measurement of well-being discusses the relevance of using equivalence scales to construct relative inter-household cost-of-living indices that take two factors into consideration. One is economies of scale: as the number of persons in a household increases, the additional per capita expenditure required to maintain a constant level of well-being decreases. The other is known as "consumption-equivalence", which refers to the differing needs of people according to their personal characteristics, mainly age and sex. A frequently cited example is that the level of expenditure required to meet the nutritional needs of a child is lower than the level of expenditure needed to meet those of an adult.

When equivalence scales are used, the cost of meeting the needs of each member of a household is expressed in relation to a benchmark household member, usually an adult male. The size of a household is thus expressed in adult-equivalent units. The number of adult-equivalent units will always be less than or equal to the number of people in the household.

Generally speaking, in order to estimate equivalence scales, it is necessary to compare the expenditures of households of differing sizes and compositions that have the same level of well-being (or the same level of utility). There are various ways of going about this. The Engel method associates the level of utility with the percentage of expenditure corresponding to the purchase of food, while the Rothbarth method uses expenditure on adult-specific goods as an indicator of well-being. The theoretical and empirical validity of both these fairly straightforward methods and other more complicated approaches have been called into question, however, and no one method is widely accepted (Deaton, 1997).

In actual practice, equivalence scales are applied by adopting predetermined functional forms with exogenous parameters associated with economies of scale and consumption equivalences (Mancero, 2001). The parametric scales that are usually employed for this purpose follow the Luxembourg Income Study (LIS) scale model (n^θ, where n is the size of the household and θ takes a value of either 0 or 1) or the OECD scale ($1 + 0.7(A-1) + 0.5C$), where A is the number of adults and C is the number of children, or a combination of linear and exponential factors, such as the experimental poverty measurements of the Bureau of Labor Statistics of the United States ($(A+pC)^\theta$, where p is the factor associated with the cost per child).

Poverty measurement requires that the same unit of analysis be used for household income and for the poverty line. If household income is expressed in terms of adult-equivalents, then the poverty line should be based on the value for an adult rather than on an average per capita value. Another option is to apply the elements of the equivalence scale to the poverty line for each household so that it can be compared with the household's total income. If equivalence scales are applied to the poverty line, it then becomes possible to use different parameters for each of the items in the basic shopping basket (see, for example, Kakwani, 2010).

The main effect of using equivalence scales for poverty measurements becomes evident in the profile of households that are classified as poor. Compared to per capita income, adult-equivalent income levels are relatively higher in large households and lower in smaller households. Consequently, it has been frequently observed that poverty levels rise in single-person households and decline in larger households when this yardstick is used, yet the net effect on the mean poverty rate is generally slight.

The possibility of using equivalence scales was explored during the review of the poverty measurement methodology used by ECLAC, and considered a differentiated application to the food and non-food components of the poverty line. For the food component, consumption equivalences were based on differences in calorie requirements by sex and age. For the non-food component, a single factor for economies of scale was used for all categories. This approach makes it possible to obtain specific extreme poverty lines and poverty lines for each household that reflect its composition and size. This is done using the following expressions:

- Extreme poverty line: $EPL_h = ckc * CR_h$, where ckc is the cost per kilocalorie of the basic food basket and CR_h is each household's calorie requirement, which is the sum of the energy requirements of all its members (which vary according to each member's sex and age).

- Non-food component: $NFC_{AE} = (NFC_{PC} \times s) / (s^{0.8})$, where NFC_{PC} is the per capita cost of the non-food component, s is the mean size of the household in the reference group and 0.8 is the parameter for economies of scale (based on Alonzo and Mancero, 2011).

- Poverty line: $PL_h = EPL_h + NFC_{AE} \times n^{0.8}$, where n is the size of the household.

Even when equivalence scales are based on widely accepted concepts, such as economies of scale in consumption and the differing costs of meeting the basic needs of different members of a household, it is not clear that they help to improve the method's ability to identify poor households or produce comparable results for cross-country analyses.

The two main reasons why equivalence scales were not used in the poverty measurements presented here are the lack of widely accepted methodologies for estimating equivalence scales and the fact that the results are highly sensitive to the method used. This makes it difficult to arrive at a plausible appraisal of how much households' relative costs may vary

depending on their size and composition. Given the absence of scales generated on the basis of empirical evidence, the usual solution is to resort to parametric scales that are based on a stylized pattern of behaviour of relative costs for different households that may not necessarily match up with variations in household expenditure resulting from changes in household composition. An exogenous parameter for economies of scale that takes the same value for all the countries (and is therefore not based on estimates for each one) will not be a satisfactory representation of their varying demographic structures, which makes its contribution to the accuracy of the results and to their comparability questionable. In addition, the option of using scales based on calorie requirements entails assigning lower poverty lines to women and children, which does not appear to be of any help in identifying the groups at greatest risk of poverty.

Annex A7

Results: extreme poverty and poverty lines and rates

■ Table A7.1
Extreme poverty and poverty lines, around 2002–2016

	Year	Local currency					Dollars			
		Urban areas		Rural areas		Exchange rate	Urban areas		Rural areas	
		Extreme poverty	Poverty	Extreme poverty	Poverty		Extreme poverty	Poverty	Extreme poverty	Poverty
Argentina	2003	93.92	273.17	…	…	2.90	32.39	94.20	…	…
	2008	206.49	519.51	…	…	3.14	65.76	165.45	…	…
	2012	516.97	1171.80	…	…	4.54	113.87	258.11	…	…
	2016	1535.32	3 624.52	…	…	14.76	104.02	245.56	…	…
Bolivia (Plurinational State of)	2002	144.15	380.00	131.27	256.52	7.17	20.10	53.00	18.27	35.84
	2008	259.32	556.41	236.16	394.10	7.24	35.83	76.80	32.60	54.42
	2012	318.46	662.50	290.02	472.92	6.91	46.09	95.81	41.97	68.44
	2015	393.93	776.93	358.75	562.37	6.91	57.01	112.44	51.92	81.38
Brazil	2002	59.79	155.87	49.13	110.88	2.92	20.48	53.38	16.83	37.97
	2008	94.33	233.67	77.50	167.06	1.83	51.44	127.69	42.35	91.10
	2012	124.62	292.00	102.39	209.97	1.95	63.81	149.74	52.43	107.51
	2015	162.10	367.07	133.19	264.93	3.33	48.72	110.23	40.00	79.63
Chile	2003	23 532	72 249	21 421	50 840	691	34.04	104.50	30.98	73.53
	2009	32 853	87 327	29 904	62 801	561	58.58	155.70	53.32	111.97
	2011	37 349	92 638	33 997	67 386	484	77.22	191.53	70.29	139.32
	2015	48 246	108 305	43 917	80 186	654	73.76	165.57	67.14	122.59
Colombia	2002	62 812	142 057	54 352	93 220	2 504	25.08	56.73	21.70	37.22
	2008	96 929	201 745	83 873	135 283	1 968	49.26	102.53	42.62	68.75
	2012	112 662	231 159	97 487	155 608	1 797	62.70	128.64	54.25	86.60
	2016	140 572	277 533	121 638	188 815	3 054	46.03	90.87	39.83	61.82

Table A7.1 (continued)

Country	Year	Local currency					Dollars			
		Urban areas		Rural areas		Exchange rate	Urban areas		Rural areas	
		Extreme poverty	Poverty	Extreme poverty	Poverty		Extreme poverty	Poverty	Extreme poverty	Poverty
Costa Rica	2002	11 053	30 018	9 981	24 552	359.8	30.72	83.43	27.74	68.23
	2008	25 676	58 642	23 186	48 514	526.2	48.79	111.44	44.06	92.19
	2012	32 657	73 656	29 489	60 990	502.9	64.94	146.46	58.64	121.28
	2016	35 740	81 023	32 273	67 065	544.7	65.61	148.74	59.24	123.11
Dominican Republic	2002	651.77	1 400.61	631.58	1 183.38	18.61	35.02	75.26	33.94	63.59
	2008	1 779.15	3 582.09	1 724.04	3 052.59	34.87	51.02	102.73	49.44	87.54
	2012	2 138.34	4 244.65	2 072.10	3 621.98	39.34	54.36	107.82	52.67	92.07
	2016	2 525.54	4 772.66	2 447.30	4 103.16	46.08	54.81	103.57	53.11	89.04
Ecuador	2001	26.93	55.40	23.64	43.51	1.00	26.93	55.40	23.64	43.51
	2008	40.57	77.75	35.62	61.57	1.00	40.57	77.75	35.62	61.57
	2012	51.26	94.42	45.00	75.13	1.00	51.26	94.42	45.00	75.13
	2016	58.45	106.56	51.31	84.89	1.00	58.45	106.56	51.31	84.89
El Salvador	2001	32.38	74.09	28.84	62.71	1.00	32.38	74.09	28.84	62.71
	2009	44.68	98.11	39.80	83.19	1.00	44.68	98.11	39.80	83.19
	2013	48.97	107.13	43.61	90.85	1.00	48.97	107.13	43.61	90.85
	2016	51.18	108.98	45.58	92.52	1.00	51.18	108.98	45.58	92.52
Guatemala	2000	91.99	326.32	79.17	283.99	7.76	11.85	42.05	10.20	36.60
	2006	164.35	491.22	141.46	427.17	7.60	21.63	64.63	18.61	56.21
	2014	295.25	725.72	254.12	630.39	7.73	38.20	93.88	32.87	81.55
Honduras	2001	485.09	974.99	388.03	759.48	15.48	31.34	62.98	25.07	49.06
	2009	872.01	1 775.17	697.53	1 382.32	18.90	46.14	93.92	36.91	73.14
	2013	1 008.33	2 160.36	806.57	1 680.07	20.35	49.55	106.16	39.63	82.56
	2016	1 131.53	2 435.33	905.12	1 893.69	22.84	49.54	106.63	39.63	82.91
Mexico	2002	498.62	1 282.24	409.11	948.29	9.66	51.62	132.74	42.35	98.17
	2008	699.93	1 665.04	574.29	1 238.34	11.13	62.89	149.60	51.60	111.26
	2012	891.94	2 004.65	731.82	1 497.44	13.17	67.73	152.21	55.57	113.70
	2016	1 066.71	2 313.73	875.22	1 733.25	18.66	57.17	123.99	46.90	92.89

Table A7.1 (concluded)

| | Year | Local currency | | | | Dollars | | | | |
| | | Urban areas | | Rural areas | | | Urban areas | | Rural areas | |
		Extreme poverty	Poverty	Extreme poverty	Poverty	Exchange rate	Extreme poverty	Poverty	Extreme poverty	Poverty
Nicaragua	2001	356.99	736.42	295.69	536.47	13.37	21.33	55.08	17.70	32.06
	2005	474.56	1 119.08	393.07	802.08	16.73	28.37	66.89	23.49	47.94
	2009	777.70	1 670.19	644.15	1 210.53	20.34	38.24	82.11	31.67	59.51
	2014	1 183.08	2 371.03	979.92	1 733.79	25.96	45.57	91.33	37.75	66.79
Panama	2002	32.63	74.05	30.99	55.46	1.00	32.63	74.05	30.99	55.46
	2008	43.99	93.55	41.77	71.06	1.00	43.99	93.55	41.77	71.06
	2011	49.95	104.18	47.43	79.48	1.00	49.95	104.18	47.43	79.48
	2016	61.68	120.46	58.56	93.30	1.00	61.68	120.46	58.56	93.30
Paraguay	2002	80 444	213 012	76 903	170 186	5 716	14.07	37.26	13.45	29.77
	2008	165 287	349 528	158 010	287 654	4 363	37.88	80.11	36.21	65.93
	2012	200 432	418 030	191 608	344 724	4 425	45.30	94.47	43.30	77.91
	2016	240 876	485 318	230 272	402 277	5 671	42.48	85.59	40.61	70.94
Peru	2002	83.05	203.85	69.09	132.72	3.52	23.59	57.91	19.63	37.70
	2008	101.62	237.57	84.54	156.14	2.92	34.80	81.36	28.95	53.47
	2012	120.33	266.77	100.10	177.23	2.64	45.58	101.05	37.92	67.13
	2016	140.62	304.48	116.99	203.29	3.38	41.67	90.08	34.66	60.23
Uruguay	2002	557.42	1 444.08	...	...	21.26	26.22	67.92	...	...
	2008	1 109.59	2 534.49	1 162.05	2 474.54	20.95	52.96	120.98	55.47	118.12
	2012	1 501.63	3 393.10	1 572.62	3 314.87	20.31	73.94	167.07	77.43	163.21
	2016	2 203.57	4 796.61	2 307.75	4 696.22	30.16	73.06	159.04	76.52	155.71
Venezuela (Bolivarian Republic of)	2002	33 325	93 830	...	...	1 160	28.73	80.89	...	...
	2008	156.10	309.44	...	...	2.15	72.70	143.93	...	...
	2012	414.89	764.29	...	...	4.29	96.71	178.16	...	...
	2014	1 309.12	2 014.13	...	...	6.28	208.32	320.70	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of expenditure surveys from the respective countries.

■ Table A7.2
Extreme poverty and poverty rates, around 2002–2016

	Year	National		Urban areas		Rural areas	
		Extreme poverty	Poverty	Extreme poverty	Poverty	Extreme poverty	Poverty
Argentina	2003	...	...	11.2	50.0	...	...
	2008	...	...	4.3	27.1	...	...
	2012	...	...	3.3	21.8	...	...
	2016	...	...	2.9	21.5	...	...
Bolivia (Plurinational State of)	2002	34.2	66.8	15.4	55.7	65.0	85.2
	2008	22.0	48.7	10.0	40.1	44.6	65.0
	2012	16.7	36.3	6.8	27.3	37.0	54.7
	2015	14.7	35.0	5.9	26.7	34.0	53.0
Brazil	2002	6.2	37.8	4.8	34.6	14.2	54.8
	2008	4.3	25.3	3.2	22.5	9.6	39.3
	2012	3.9	18.5	3.1	16.4	8.5	30.2
	2015	4.0	18.8	3.1	17.0	9.0	28.6
Chile	2003	5.6	40.0	4.9	38.7	10.2	48.4
	2009	3.8	29.0	3.4	28.9	6.2	29.7
	2011	3.2	25.2	3.0	25.3	4.6	24.6
	2015	1.8	13.7	1.7	13.9	2.5	12.7
Colombia	2002	23.8	53.8	17.1	49.0	42.7	67.6
	2008	20.7	44.6	13.9	38.6	41.6	63.3
	2012	14.5	35.5	9.4	29.9	30.9	53.7
	2016	12.0	30.9	8.0	26.5	25.4	45.5
Costa Rica	2002	5.4	28.0	3.0	20.4	8.9	39.0
	2008	3.6	20.1	2.3	15.0	5.5	27.4
	2012	4.7	18.6	3.1	13.6	7.3	26.7
	2016	4.2	16.5	3.1	13.4	6.9	24.6
Dominican Republic	2002	11.5	33.6	7.1	27.1	19.4	45.0
	2008	15.0	41.6	11.4	37.6	24.2	51.4
	2012	12.6	38.3	10.5	36.3	19.1	44.7
	2016	8.4	27.4	7.2	25.5	13.0	34.9
Ecuador	2001	20.2	53.5	14.3	48.0	30.8	63.7
	2008	10.2	33.9	5.5	25.5	19.4	50.4
	2012	8.0	26.1	4.1	18.9	15.8	40.1
	2016	6.6	23.3	3.9	19.6	12.3	31.2
El Salvador	2001	19.1	50.6	9.8	37.2	32.4	69.6
	2009	17.1	50.1	9.0	38.8	30.9	69.4
	2013	11.8	44.2	6.1	33.8	21.1	61.4
	2016	10.7	40.4	5.0	30.1	19.8	57.1

Table A7.2 (concluded)

	Year	National		Urban areas		Rural areas	
		Extreme poverty	Poverty	Extreme poverty	Poverty	Extreme poverty	Poverty
Guatemala	2000	16.9	53.6	3.8	29.8	25.0	68.5
	2006	10.4	42.7	3.8	23.8	16.5	60.2
	2014	15.4	50.5	7.2	34.9	23.4	65.8
Honduras	2001	27.3	57.4	11.7	40.2	40.8	72.4
	2009	19.6	51.0	7.2	33.6	29.9	65.5
	2013	22.7	59.1	11.8	45.5	32.1	70.9
	2016	18.8	53.2	11.4	44.0	27.5	64.0
Mexico	2002	10.4	46.4	5.9	39.1	24.0	69.0
	2008	11.8	43.1	6.9	36.4	28.1	65.0
	2012	12.9	44.4	8.7	38.8	26.8	62.7
	2016	11.7	43.7	7.6	38.9	25.0	59.6
Nicaragua	2001	35.8	65.1	25.2	57.0	50.6	76.4
	2005	26.9	62.7	14.6	54.0	42.4	73.6
	2009	23.1	58.3	14.4	51.1	34.6	67.8
	2014	18.3	46.3	8.3	36.5	32.3	59.8
Panama	2002	16.2	34.0	5.5	21.1	33.8	55.3
	2008	12.8	26.8	2.6	14.3	30.5	48.6
	2011	10.5	23.1	2.7	12.4	25.3	43.1
	2016	8.5	17.0	1.9	7.3	22.8	37.9
Paraguay	2002	17.6	47.9	7.0	35.0	30.4	63.5
	2008	12.1	35.0	4.3	23.9	22.5	50.0
	2012	9.6	26.2	2.7	13.3	19.6	45.0
	2016	7.9	24.0	2.5	14.9	16.4	38.3
Peru	2002	14.9	43.3	5.3	31.9	36.3	68.8
	2008	10.8	31.8	3.9	21.4	29.2	59.2
	2012	6.3	20.9	1.9	13.3	19.3	43.6
	2016	5.2	19.1	1.9	12.9	16.2	40.1
Uruguay	2002	4.3	20.7	4.3	20.7	...	...
	2008	1.1	14.2	1.2	14.3	1.0	12.4
	2012	0.2	6.1	0.3	6.2	0.2	4.2
	2016	0.2	3.5	0.2	3.6	0.4	2.1
Venezuela (Bolivarian Republic of)	2002	7.2	51.7	...	...	...	...
	2008	4.7	24.7	...	...	...	...
	2012	5.1	20.9	...	...	...	...
	2014	12.0	28.3	...	...	...	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of income and expenditure surveys from the respective countries and Household Survey Data Bank (BADEHOG).

Annex A6

Results: composition of basic food baskets

■ Table A6.1
Argentina: basic food basket, 2012

Product	Urban			
	Grams	**Kcal.**	**Price per kg.**	**Monthly cost**
White rice	24.69	90.11	7.00	5.18
Wheat flour	23.53	85.65	4.00	2.82
Pastries	14.22	51.46	12.50	5.33
Water biscuits, packaged	7.61	33.01	20.42	4.66
Sweet biscuits, packaged	16.88	73.09	22.40	11.34
Crusty bread rolls	137.71	377.34	9.14	37.77
Bread crumbs	4.95	10.24	10.00	1.48
Other types of fresh bread	7.08	14.65	13.94	2.96
Dried pasta	33.93	125.89	12.00	12.22
Dried peas	0.28	0.00	11.11	0.09
Dried lentils	1.27	4.50	10.70	0.41
Fresh chard	7.98	0.91	6.19	1.48
Fresh chilli peppers	5.05	1.65	16.00	2.42
Fresh common onion	34.83	11.91	5.00	5.22
Fresh lettuce	13.00	0.94	12.00	4.68
Fresh plum tomatoes	13.60	2.23	8.00	3.26
Fresh salad tomatoes	28.77	4.71	9.00	7.77
Fresh carrots	14.39	5.47	6.00	2.59
Fresh pumpkin	14.17	1.65	6.00	2.55
Preserved tomatoes	19.74	3.36	9.23	5.46
Fresh sweet potatoes	3.45	2.23	7.00	0.72
Fresh potatoes	109.54	57.66	5.00	16.43
Bananas	27.80	17.16	8.50	7.09
Lemons	3.59	0.67	8.96	0.96
Mandarins	9.92	3.05	4.50	1.34
Apples	19.84	9.75	9.00	5.36
Oranges	23.36	7.12	4.50	3.15
Sugar	37.42	144.81	6.50	7.30
Alfajores (traditional confection)	4.09	14.67	25.00	3.06
Sweets or confectionery	1.12	4.35	43.00	1.45
Sunflower oil	20.03	177.05	8.33	5.01
Butter	2.50	22.59	35.00	2.63

Table A6.1 (concluded)

Product	Urban			
	Grams	Kcal.	Price per kg.	Monthly cost
Whole milk	102.06	62.71	5.66	17.34
Processed cheese	2.70	9.04	49.62	4.02
Cuartirolo cheese	14.95	58.61	34.86	15.63
Grated cheese	1.74	6.82	88.53	4.62
Natural or flavoured yoghurt	35.53	29.01	11.00	11.73
Beef shoulder	21.43	23.91	36.00	23.14
Diced beef	27.74	33.64	30.00	24.97
Beef rump	12.96	17.77	40.00	15.55
Paleta	6.94	0.00	35.20	7.33
Hamburgers (semi-prepared)	5.27	11.43	37.59	5.94
Breaded meat (semi-prepared)	9.90	22.08	35.00	10.40
Whole chicken	65.28	94.37	14.51	28.41
Jointed chicken	22.34	26.39	18.00	12.06
Breaded chicken breasts	17.18	31.01	27.00	13.91
Chorizo fresco	6.43	0.00	34.00	6.56
Wiener-type sausage	4.78	12.70	31.03	4.45
Eggs	27.35	32.87	13.44	11.03
Tea bags	0.75	2.35	77.94	1.75
Yerba mate	18.82	14.30	20.90	11.80
Mineral water	77.40	0.00	3.36	7.80
Carbonated beverages	216.28	88.09	5.56	36.05
Powdered juice and beverage mixes	3.72	14.20	70.36	7.85
Juices and beverages ready to drink	12.74	9.54	8.15	3.11
Table salt	4.09	0.00	6.00	0.74
Mayonnaise	5.41	38.74	17.00	2.76
Crisps, puffs, sticks (snacks)	1.72	9.12	58.05	3.00
Consumption outside the household	0.00	0.00	20.50	0.00
Total	1 411.80	47.67		466.14

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the National Household Expenditure Survey, 2012–2013.

■ Table A6.2

Plurinational State of Bolivia: basic food basket, 2013

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Rice	58.3	209.9	7.1	12.3	63.7	229.3	7.0	13.4
Whole maize	6.0	21.9	7.1	1.3	32.2	117.4	5.3	5.1
Whole wheat	5.4	18.3	9.0	1.5	7.5	25.6	8.0	1.8
Quinoa	4.8	17.7	20.5	3.0	5.1	18.7	20.0	3.1
Wheat and/or maize flour	14.3	51.7	7.1	3.0	26.3	95.1	7.0	5.5
Bread	73.5	152.2	8.6	19.0	55.4	114.8	8.6	14.4
Water biscuits, crackers, sweet biscuits	8.0	34.6	20.4	4.9	5.9	25.4	20.4	3.6
Pasta	41.2	152.8	8.0	9.9	42.6	157.9	8.0	10.2
Other cereals (oatmeal, flakes, etc.)	1.8	6.5	64.3	3.4	1.0	3.8	64.3	2.0
Fresh peas	14.8	10.9	6.3	2.8	17.4	12.8	5.5	2.9
Fresh broad beans	13.9	47.1	4.4	1.8	16.6	56.2	4.4	2.2
Peanuts, lentils, beans	4.5	11.6	13.3	1.8	6.2	16.2	13.3	2.5
Onions	40.0	14.4	3.7	4.4	43.7	15.7	3.8	5.0
Tomatoes	33.1	5.4	6.6	6.6	32.2	5.3	7.0	6.8
Carrots	31.4	11.6	3.7	3.5	33.2	12.3	4.0	4.0
Sweet corn	20.1	25.5	3.1	1.9	15.5	19.6	2.5	1.1
Lettuce, chard	7.8	1.2	11.0	2.6	8.1	1.2	11.0	2.7
Chilli peppers, sweet peppers, parsley	2.4	0.8	34.2	2.5	2.2	0.7	34.2	2.2
Other fresh vegetables (pumpkin, spinach, etc.)	22.7	6.6	3.2	2.2	15.2	4.5	3.2	1.5
Dried whole chilli peppers	0.8	0.3	26.4	0.7	0.9	0.3	20.0	0.6
Potatoes	93.1	54.8	4.4	12.3	141.9	83.4	4.0	17.2
Dried potato	10.6	37.7	7.7	2.4	25.8	92.1	6.7	5.2
Yucca	9.8	9.5	4.0	1.2	15.4	15.0	3.8	1.8
Other root vegetables	5.9	5.3	5.1	0.9	4.8	4.3	5.1	0.7
Bananas and plantains	32.5	23.4	4.6	4.5	40.4	29.1	4.8	5.8
Dessert bananas	12.7	9.1	6.0	2.3	13.5	9.7	6.0	2.4
Oranges	6.9	2.1	14.0	2.9	6.3	1.9	14.0	2.7
Mandarins	1.1	0.3	23.9	0.8	0.0	0.0	0.0	0.0
Lemons	5.1	0.7	10.7	1.6	4.4	0.6	11.0	1.5
Papaya	22.3	4.9	6.3	4.2	18.7	4.1	6.3	3.5
Apples	26.9	14.0	7.0	5.7	23.9	12.4	6.3	4.5
Other fresh fruit (pineapples, limes, grapefruits, etc.)	12.3	3.5	8.2	3.0	8.7	2.5	8.2	2.1
Sugar	44.2	171.2	5.3	7.0	44.7	173.0	5.6	7.5

Table A6.2 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Jams and jellies	1.0	2.5	30.0	0.9	0.5	1.2	26.7	0.4
Edible oils	22.2	195.9	11.0	7.3	22.5	198.8	11.0	7.4
Margarine, lard and/or fat	1.2	8.9	16.0	0.6	2.0	14.5	16.0	1.0
Milk (liquid)	70.9	39.4	5.0	10.6	55.3	30.7	5.0	8.3
Dried milk	4.2	18.0	45.0	5.7	3.6	15.6	40.0	4.4
Cheese	10.0	31.8	24.0	7.2	13.2	41.7	20.0	7.9
Other dairy products (butter, yogurt, curd cheese, etc.)	17.1	14.0	10.5	5.4	11.8	9.6	10.5	3.7
Chicken (whole or jointed)	55.8	88.2	16.0	26.8	46.1	72.9	16.0	22.1
Chicken giblets (feet, heads, heart, gizzards, etc.)	10.4	15.8	6.0	1.9	8.6	13.2	8.0	2.1
Beef (ground, tender, special cuts)	37.0	50.6	28.0	31.0	30.6	42.0	25.0	23.0
Beef on the bone (with fibres, second, third category)	20.8	74.3	18.0	11.2	22.8	81.4	20.0	13.7
Lamb	0.0	0.0	0.0	0.0	9.9	16.8	18.0	5.4
Pork	3.5	5.4	23.5	2.4	4.0	6.3	22.0	2.7
Dried meat, jerky (any animal)	1.1	1.7	30.0	1.0	7.0	10.7	25.1	5.3
Processed meats (sausage, chorizo, cold meats, etc.)	5.7	23.3	24.0	4.1	2.8	11.6	20.0	1.7
Offal (liver, heart, etc.)	4.3	8.4	16.0	2.1	2.8	5.4	15.0	1.3
Fresh fish (sábalo, pejerrey, blanquillo, etc.)	4.3	1.8	27.5	3.6	7.1	2.9	22.0	4.7
Sardines, tuna	1.5	1.0	28.2	1.3	2.5	1.6	30.0	2.2
Eggs	23.8	29.7	9.0	6.4	28.0	34.8	10.7	9.0
Tea, coffee, mate, hierba mate, sultana	3.8	5.4	46.9	5.4	4.0	5.7	46.9	5.7
Cocoa, Toddy, Chocolike	4.8	19.1	32.2	4.6	3.0	12.0	32.2	2.9
Coca leaves	0.7	0.0	80.0	1.7	1.9	0.0	88.2	5.1
Bottled carbonated beverages	135.0	55.0	4.1	16.6	106.3	43.3	4.1	13.1
Juices in bottles or cartons	30.3	16.9	6.5	5.9	18.1	10.1	6.5	3.5
Powdered drinks and deserts	0.9	3.1	33.3	0.9	0.7	2.4	25.0	0.5
Salt	10.8	0.0	2.0	0.6	12.5	0.0	1.4	0.5
Condiments and seasonings (ajinomoto, stock cubes, etc.)	1.3	2.6	65.2	2.6	1.2	2.4	65.2	2.3
Consumption outside the home	111.5	162.9	17.5	58.6	50.3	77.6	17.7	26.7
Total	1 282.1	2 013.0		364.1	1 258.7	2 126.0		331.6

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the Continuous Household Survey, 2013.

■ Table A6.3
Brazil: basic food basket, 2008

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
White rice	73.0	94.9	2.0	4.3	76.1	98.9	2.0	4.5
Grain maize	0.0	0.0	0.0	0.0	15.0	46.4	2.2	1.0
Rice (not specified)	50.7	185.1	1.9	3.0	66.8	243.9	2.0	3.9
What flour	12.2	43.9	1.9	0.7	23.7	85.5	2.0	1.4
Cassava flour	20.3	37.2	1.6	1.0	41.2	75.3	1.6	1.9
Corn flour	9.1	34.4	1.7	0.5	18.2	66.5	1.7	0.9
Egg pasta	4.9	14.1	3.6	0.5	4.6	13.1	3.7	0.5
Pasta (not specified)	10.2	38.0	3.4	1.0	11.6	42.9	3.4	1.2
Noodles	1.3	7.0	9.1	0.4	0.0	0.0	0.0	0.0
Crusty bread	68.3	187.2	4.1	8.4	27.1	74.3	4.1	3.4
Sweet bread	2.7	10.2	5.3	0.4	0.0	0.0	0.0	0.0
Savoury crackers	8.5	36.9	5.9	1.5	9.1	39.4	5.9	1.6
Sweet biscuits	6.1	26.5	6.2	1.1	6.4	27.8	6.1	1.2
Filled biscuits	3.7	17.7	7.8	0.9	1.5	7.2	7.8	0.3
Black beans	8.0	27.3	3.7	0.9	6.9	23.6	3.8	0.8
String beans	19.8	68.8	3.1	1.9	16.9	58.7	3.2	1.6
Beans (not specified)	0.0	0.0	0.0	0.0	9.5	32.3	3.2	0.9
Lettuce	3.4	0.3	4.7	0.5	3.0	0.3	3.5	0.3
Leafy greens	0.9	0.9	6.1	0.2	0.7	0.7	10.0	0.2
Peppers	2.2	0.5	2.2	0.1	2.1	0.5	2.2	0.1
Tomatoes	19.9	3.3	2.4	1.4	16.5	2.7	2.4	1.2
Onions	13.8	5.0	1.8	0.8	10.9	3.9	1.8	0.6
Garlic	1.8	2.3	7.4	0.4	2.0	2.6	7.4	0.5
Tomato paste	3.1	2.5	5.8	0.5	2.3	1.9	5.8	0.4
Potatoes (Irish type)	17.0	10.2	1.6	0.8	13.0	7.8	1.6	0.6
Cassava	0.0	0.0	0.0	0.0	14.1	12.5	1.2	0.5
Potatoes (not specified)	5.9	3.1	1.6	0.3	0.0	0.0	0.0	0.0
Carrots	6.4	2.4	1.7	0.3	4.1	1.5	1.7	0.2
Cavendish banana	8.2	6.2	1.2	0.3	0.0	0.0	0.0	0.0
Prata bananas	12.6	9.7	1.7	0.6	6.9	5.3	1.5	0.3
Banana (not specified)	7.1	5.6	1.4	0.3	6.9	5.4	1.4	0.3
Sweet oranges	9.5	2.9	1.0	0.3	0.0	0.0	0.0	0.0
Oranges (not specified)	7.0	2.1	1.1	0.2	6.6	2.0	1.1	0.2
Apples	8.1	4.2	3.0	0.7	4.3	2.2	3.0	0.4
Watermelon	0.0	0.0	0.0	0.0	13.1	2.5	0.9	0.3

Table A6.3 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Refined sugar	0.0	0.0	0.0	0.0	21.3	82.3	1.1	0.7
Granulated sugar	43.8	169.4	1.1	1.4	40.2	155.7	1.1	1.3
Powdered chocolate, any brand	3.1	12.3	8.0	0.7	0.0	0.0	0.0	0.0
Sugar (underdetermined)	28.3	90.5	1.1	0.9	44.8	143.1	1.1	1.4
Olive oil	0.2	1.7	14.2	0.1	0.0	0.0	0.0	0.0
Soybean oil	23.3	205.7	2.9	2.0	31.5	278.1	3.0	2.8
Oil (not specified)	0.0	0.0	0.0	0.0	0.8	6.7	3.1	0.1
Whole cow's milk	97.3	59.8	1.6	4.5	28.7	17.6	1.6	1.3
Fresh cow's milk	38.4	23.6	1.0	1.2	119.4	73.4	1.0	3.6
Powdered whole milk	4.1	20.5	12.4	1.5	3.2	16.0	12.4	1.2
Yogurt (any flavour)	7.8	6.3	4.8	1.1	3.8	3.1	4.8	0.6
Vegetable margarine, salted or unsalted	7.5	54.0	5.2	1.2	5.3	37.9	5.2	0.8
Mozzarella cheese	1.8	5.2	12.3	0.7	0.0	0.0	0.0	0.0
Beef ribs	0.0	0.0	0.0	0.0	7.0	24.3	6.1	1.3
Ground beef, second category	4.4	9.3	7.1	0.9	0.0	0.0	0.0	0.0
Beef, first category	10.3	11.6	10.2	3.2	11.9	13.4	10.0	3.6
Beef, second category	11.6	24.2	7.2	2.5	13.5	28.2	7.0	2.8
Beef (not specified)	0.0	0.0	0.0	0.0	11.0	26.4	7.6	2.5
Fresh chicken	21.2	42.9	4.8	3.1	27.4	55.4	4.8	3.9
Frozen chicken	20.4	41.1	4.1	2.5	11.7	23.6	4.1	1.4
Chicken's eggs	14.1	18.2	3.9	1.6	14.3	18.5	4.3	1.8
Packaged hotdogs	5.2	14.5	4.3	0.7	3.3	9.1	4.4	0.4
Packaged sausages	10.1	41.7	7.4	2.2	5.9	24.2	7.3	1.3
Bologna	3.6	11.3	6.5	0.7	3.4	10.6	5.6	0.6
Cola beverages	50.4	20.6	1.6	2.4	19.4	8.0	1.6	0.9
Guarana beverages	26.9	11.0	1.1	0.9	16.5	6.7	1.2	0.6
Artificial powdered fruit or vegetable juices	1.9	7.2	14.0	0.8	1.5	5.6	14.0	0.6
Ground coffee	10.9	4.6	9.4	3.1	10.8	4.5	9.2	3.0
Refined salt	8.8	0.0	0.7	0.2	12.5	0.0	0.7	0.3
Tomato sauce	2.5	0.7	5.0	0.4	0.0	0.0	0.0	0.0
Paprika	0.0	0.0	0.0	0.0	0.4	0.7	5.1	0.1
Consumption outside the home	135.6	281.6	5.3	21.8	66.2	151.2	4.6	9.1
Total	1 019.4	2 080.0		96.6	976.5	2 212.0		79.4

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the Household Budget Survey, 2008–2009.

■ Table A6.4
Chile: basic food basket, 2012

Product	Urban			
	Grams	Kcal.	Price per kg.	Monthly cost
Rice	35.97	131.29	725	782
Wheat flour	14.64	52.86	510	224
Plain bread by weight	251.00	687.75	950	7 154
Spaghetti	11.78	43.69	1 200	424
Other pastas	12.85	47.69	1 125	434
Filled sweet biscuits	2.01	9.72	3 521	212
Unfilled sweet biscuits	3.10	13.42	3 500	325
Other biscuits or crackers	3.69	16.00	2 167	240
Packaged sweet pastries	0.81	2.92	7 500	183
Dried beans	7.40	24.92	1 200	266
Dried lentils	2.92	10.31	1 200	105
Lettuce	20.05	2.29	700	421
Squash	8.24	2.06	1 200	297
Maize	8.12	2.51	800	195
Capsicums and bell peppers	1.69	0.37	1 751	89
Lemons	19.59	3.89	467	274
Tomatoes	59.72	9.78	600	1 075
Garlic	1.71	2.22	1 286	66
Carrots	20.19	7.73	400	242
Onions	28.33	10.20	400	340
Prepared fresh salads	3.49	0.63	2 797	293
Fresh potatoes and tuberculous vegetables	149.35	98.13	350	1 568
Frozen potatoes	0.42	0.32	2 119	27
Oranges and mandarins	16.73	5.78	400	201
Bananas	26.85	15.81	400	322
Manzana	15.37	8.16	450	207
Durazno	10.12	4.18	500	152
Avocado	16.64	19.82	1 300	649
Sugar	35.05	135.66	600	631
Jams	1.76	4.34	2 625	139
Chocolate – all types	1.84	9.45	6 439	356
Candies and chewing gum	0.64	2.47	15 455	296
Individual ice creams	2.20	3.73	4 118	272
Butter	2.15	15.38	4 396	283
Margarine	5.76	41.40	2 240	387
Vegetable oil	27.52	243.30	1 050	867

Table A6.4 (concluded)

Product	Urban			
	Grams	Kcal.	Price per kg.	Monthly cost
Milk (liquid)	47.42	26.35	700	996
Yogurt	23.14	18.90	1 200	833
Gouda-type cheese	3.16	12.37	4 800	454
Other cheeses	2.65	10.38	5 000	397
Ground beef	9.04	12.38	4 000	1 084
Other beef cuts	18.24	30.00	4 200	2 298
Whole chicken	17.88	28.31	1 859	997
Chicken thighs	14.20	21.90	1 980	843
Other chicken cuts	9.92	9.03	1 991	593
Traditional wiener-type sausages	7.43	20.73	1 999	445
Other processed meats	4.00	13.65	2 999	360
Ham	8.21	19.05	3 200	788
Other processed cold cuts	3.68	10.04	3 581	395
Pates and spreads	2.84	9.05	2 800	238
Hamburgers	2.70	7.73	3 154	255
Chicken's eggs	18.72	23.55	2 000	1123
Tea	1.24	3.89	9 495	352
Carbonated beverages	192.56	78.43	500	2 888
Juices (liquid)	15.93	7.17	950	454
Powdered juices and drinks	4.76	18.18	3 437	491
Packaged chips (crisps) with a defined weight	0.83	4.44	7 993	199
Fresh and dried herbs	0.56	0.54	7 267	121
Tomato sauce	9.68	2.90	1 499	435
Mayonnaise	4.45	31.95	1 650	220
Soups and stocks, concentrated and dried	1.48	2.93	4 838	215
Consumption outside the home	9.86	15.95	1 596	472
Total	1 264.25	2 130.00		37 947

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the VII Household Budget Survey.

■ Table A6.5
Colombia: basic food basket, 2007

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Rice	132.6	483.8	1 600.0	6 362.7	164.6	600.7	1 600.0	7 900.1
Rice for soup	0.0	0.0	0.0	0.0	1.4	5.1	1 400.0	59.4
Ground oats	0.8	0.9	2 350.0	54.4	3.1	3.7	2 350.0	217.0
Flaked oats	0.0	0.0	0.0	0.0	2.1	7.7	2 600.0	162.5
Pearl barley	0.0	0.0	0.0	0.0	0.6	2.2	2 000.0	38.1
Wheat flour	2.0	7.4	1 600.0	97.8	5.0	18.0	1 600.0	239.8
Maize flour	3.9	14.1	1 700.0	198.6	5.1	18.6	2 000.0	305.1
Precooked maize flour	3.3	12.0	2 000.0	197.0	1.5	5.4	2 000.0	88.3
Baking flour	0.0	0.0	0.0	0.0	0.1	0.5	11 500.0	45.6
Corn starch	0.0	0.0	0.0	0.0	0.3	1.0	4 000.0	34.7
Soup pasta: letters, shells, etc.	3.0	11.0	3 200.0	284.7	6.9	25.8	3 200.0	667.1
Regular pasta: spaghetti, ravioli, macaroni, fettucine, etc.	5.0	18.4	3 200.0	476.5	7.1	26.4	3 200.0	682.0
Cereals: Cornflakes, Rice Krispies, Zucaritas, Zucosos, Fruit Loops, Trix	0.3	1.1	16 029.0	147.7	0.1	0.5	16 028.6	68.5
Raw or precooked *arepas*	14.0	38.0	2 135.5	894.6	0.0	0.0	0.0	0.0
Bread: plain, with cheese, flavoured, rolls, stuffed bread, coconut bread, crispbreads, sliced bread, pitta bread	34.4	92.0	3 693.6	3 816.3	21.5	57.4	3 696.1	2 384.1
Savoury crackers	2.1	9.1	7 203.0	452.4	3.3	14.2	7 203.2	708.3
Sweet biscuits (packaged and from bakeries)	0.9	3.9	8 000.0	214.9	1.1	4.9	8 000.0	272.3
Dried beans: *bolaroja, cargamanto, guarzo, guandul, zaragoza, blanquillo*, etc.	17.1	57.6	3 600.0	1 845.0	31.2	105.1	3 600.0	3 368.9
Dried peas	4.8	6.4	1 600.0	229.9	7.4	10.0	2 000.0	446.4
Lentils	13.9	49.0	2 000.0	832.0	21.7	76.6	2 000.0	1 301.9
Garbanzos	1.2	2.0	3 000.0	110.8	1.4	2.3	3 000.0	126.5
Tomatoes	20.0	3.0	1 924.4	1 154.3	24.5	3.7	1 924.9	1 412.3
Round onions	12.2	4.4	2 000.0	729.9	13.9	5.0	2 000.0	833.1
Green onions	6.7	2.4	1 799.0	362.0	13.4	4.9	1 798.7	721.3
Carrots	7.3	2.7	1 464.0	322.7	12.2	4.6	1 463.7	537.7
Garlic	0.0	0.0	0.0	0.0	0.7	0.9	5 000.0	105.7
Fresh beans	0.0	0.0	0.0	0.0	3.2	1.1	2 000.0	192.4
Kitchen herbs: parsley, coriander, rosemary, oregano, etc.	0.6	0.6	6 134.0	104.1	0.0	0.0	0.0	0.0

Table A6.5 (continued)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Common potatoes: *pastusa, tocarreña*, R12	86.0	50.6	905.9	2 338.0	97.0	57.0	906.0	2 635.1
Cassava	23.4	23.8	1 000.0	702.4	35.9	36.5	1 000.0	1 076.8
Oranges	0.0	0.0	0.0	0.0	13.6	3.9	1 100.0	447.6
Banana	7.2	4.7	1 105.0	239.2	9.5	6.2	1 000.0	283.6
Guava	5.1	2.1	1 678.0	256.2	6.7	2.8	1 100.0	221.9
Tree tomatoes	5.1	2.1	2 000.0	308.2	0.0	0.0	0.0	0.0
Blackberries	5.7	2.8	2 000.0	342.3	0.0	0.0	0.0	0.0
Plantains	33.2	31.3	1 169.0	1 163.7	54.5	51.4	1 169.4	1 912.1
Bananas	14.8	12.9	1 200.0	531.8	5.6	4.9	1 200.0	201.4
Refined sugar	16.9	65.6	2 000.0	1 016.6	19.7	76.2	2 000.0	1 181.2
Natural or brown sugar	15.0	56.3	2 500.0	1 122.9	16.1	60.5	2 500.0	1 206.0
Panela	31.7	119.4	1 852.0	1 763.8	53.1	199.8	1 852.5	2 953.2
Chocolate in blocks (with and without sugar)	3.5	17.4	9 000.0	932.9	3.0	15.4	9 000.0	822.9
Instant chocolate powder or granules	0.3	1.4	11 859.0	121.5	0.4	1.5	11 859.1	130.1
Sunflower, maize, soybean or palm oil	29.6	262.0	4 000.0	3 556.2	32.3	285.3	4 000.0	3 872.9
Cow's butter	1.0	7.0	8 000.0	233.0	0.4	3.1	8 000.0	102.9
Margarines	0.7	5.3	6 409.0	142.4	0.8	5.7	6 409.3	152.9
Vegetable fat	0.5	4.0	5 000.0	67.5	1.9	17.2	5 000.0	291.1
Raw milk	27.9	15.5	1 200.0	1 005.7	129.7	72.1	1 000.0	3 890.4
Pasteurized milk (whole, skimmed, semi-skimmed, lactose-free, baby milk and fortified milk)	74.9	46.0	1 500.0	3 370.4	0.0	0.0	0.0	0.0
Long-life milk (whole, skimmed, semi-skimmed, lactose-free, baby milk and fortified milk)	50.5	28.0	1 600.0	2 422.8	0.0	0.0	0.0	0.0
Country cheese	7.1	27.4	7 136.0	1 509.6	12.4	48.2	6 495.0	2 419.8
Boneless beef	38.4	72.0	9 390.2	10 825.8	39.0	73.1	8 000.0	9 361.5
Beef on the bone	0.0	0.0	0.0	0.0	12.9	24.2	7 000.0	2 714.9
Beef bones	0.0	0.0	0.0	0.0	3.3	6.3	4 000.0	401.2
Boneless pork	5.2	6.3	8 610.0	1 334.3	6.8	8.3	8 000.0	1 628.0
Chicken meat (whole or jointed)	35.2	45.5	5 998.0	6 333.9	18.1	23.4	6 000.0	3 262.0
Sausages	3.2	8.9	8 000.0	769.7	0.0	0.0	0.0	0.0
Fresh or frozen river fish	8.2	3.3	6 000.0	1 472.6	13.0	5.2	5 000.0	1 955.8
Tinned fish and shellfish (sardines, tune, salmon, mussels, etc.)	1.9	1.3	12 000.0	691.8	0.0	0.0	0.0	0.0

Table A6.5 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Eggs (chicken and other poultry)	36.2	45.0	3 333.3	3 620.2	50.5	62.8	3 333.3	5 049.5
Ground coffee	2.4	1.0	14 000.0	992.1	3.5	1.5	14 000.0	1 483.7
Instant coffee, powder or granules	0.4	0.9	40 000.0	424.4	0.3	0.8	40 000.0	397.7
Coffee beans	0.2	0.1	11 278.0	71.7	0.1	0.1	11 277.9	47.0
Kitchen herbs (fresh and dried), *mate*	0.0	0.0	0.0	0.0	0.0	0.0	40 000.0	8.1
Carbonated beverages	19.3	7.9	1 500.0	867.8	0.0	0.0	0.0	0.0
Tomato sauce	1.8	0.5	8 588.0	465.0	0.0	0.0	0.0	0.0
Mayonnaise	1.2	8.6	8 695.0	314.3	0.0	0.0	0.0	0.0
Salt	11.2	0.0	708.0	238.3	28.3	0.0	707.6	600.7
Cumin	0.1	0.3	16 667.0	43.7	0.1	0.4	16 666.7	58.9
Sweet paprika	0.2	0.3	10 000.0	67.4	0.4	0.5	10 000.0	106.2
Garlic powder or paste, cinnamon, cloves, nutmeg	0.0	0.0	40 000.0	16.3	0.0	0.1	40 000.0	18.7
Soups: vegetable, beef, chicken, in packets, soups for babies	0.4	0.3	15 000.0	181.0	0.0	0.0	0.0	0.0
Concentrated stocks and consommés (cubes and powder)	0.5	1.0	17 739.0	280.2	0.3	0.6	17 739.2	174.5
Consumption outside the home	110.8	221.4	4 349.4	14 460.2	0.0	0.0	0.0	0.0
Total	1 002.9	2 030.0		85 506.4	1 022.9	2 161.0		73 989.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the National Income and Expenditure Survey, 2006–2007.

■ **Table A6.6**
Costa Rica: basic food basket, 2013

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Whole grain rice	197.7	721.6	700.0	4 151.6	231.1	843.5	694.5	4 814.8
Maize flour and prepared dough for maize pancakes	12.4	44.8	1 059.7	394.6	13.1	47.1	1 023.7	400.8
Wheat flour (ordinary)	5.7	20.7	600.0	102.4	16.7	60.8	600.0	300.6
Oats	0.0	0.0	0.0	0.0	1.5	5.9	1 824.5	83.2
Baguette with cheese, sesame seeds, etc.	3.7	9.9	2 273.0	251.8	0.0	0.0	0.0	0.0
Regular baguette or Italian bread	26.3	70.2	2 158.4	1 702.5	7.0	18.7	2 273.0	477.1
White bread, sweet finger rolls or pineapple breads (French bread)	4.1	11.2	1 817.8	222.4	0.0	0.0	0.0	0.0
Sweet bread spirals (bonete)	2.9	10.9	1 877.7	164.6	0.0	0.0	0.0	0.0
Packet maize tortilla (TortiRicas, etc.)	2.1	4.7	1 981.7	125.8	0.0	0.0	0.0	0.0
Filled sweet biscuits	5.7	27.3	3 444.9	584.1	4.3	20.5	3 509.7	448.0
Unfilled sweet biscuits (e.g. ladyfingers)	1.7	7.5	3 543.5	185.2	1.8	7.6	3 752.4	198.4
Savoury crackers (Soda, Club Social, etc.)	3.1	13.5	2 414.7	225.3	2.6	11.3	2 633.0	205.4
Cereal, frosted or honeyed (Zucaritas, Fruit Loops or with marshmallows)	2.4	9.3	4 112.8	297.9	0.0	0.0	0.0	0.0
Pasta: shells, angel hair, cannelloni, etc.	7.9	29.2	1 599.3	377.7	7.7	28.7	1 600.0	371.1
Black beans	47.4	161.6	916.6	1 303.1	51.4	175.3	900.0	1 388.3
Red beans	19.8	66.6	1 111.1	658.8	14.7	49.6	1 111.1	491.0
Hass or criollo avocado	3.4	4.1	1 793.0	183.0	0.0	0.0	0.0	0.0
Garlic	0.0	0.0	0.0	0.0	0.6	0.9	3 824.5	74.1
Chayote squash	11.1	1.6	250.1	83.2	8.2	1.2	276.2	67.7
Sweet chilli or peppers	4.8	1.3	1 313.1	189.0	2.2	0.6	1 372.7	89.8
Coriander	2.5	0.5	1 567.0	117.6	0.9	0.2	1 593.0	45.1
Green cabbage	5.6	1.1	443.1	74.8	0.0	0.0	0.0	0.0
Tomatoes	24.0	3.9	682.8	491.1	19.9	3.3	700.0	418.0
Onions (white or red)	13.5	4.9	787.1	319.5	15.2	5.5	769.5	350.6
Carrots	5.7	2.2	475.1	81.0	0.0	0.0	0.0	0.0
Potatoes	26.2	15.1	767.7	602.7	20.7	11.9	769.2	476.7
Cassava	6.6	6.7	426.2	84.9	5.4	5.5	475.1	76.8

Table A6.6 (continued)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Ripe bananas	7.5	4.4	480.1	107.4	2.5	1.5	463.2	34.6
Manzana	3.2	1.7	1 500.0	143.1	2.8	1.5	1 433.8	122.5
Papaya	8.3	2.2	400.0	99.9	5.7	1.5	500.0	85.2
Ripe plantain	11.0	8.7	549.5	180.9	5.5	4.3	545.5	89.6
Green plantain	5.4	4.7	570.6	93.2	8.7	7.6	507.0	132.4
Milk-based ice cream (lolly, stick, box or gallon)	1.8	3.1	3 664.6	203.3	1.3	2.2	3 885.9	148.4
Regular sugar (Doña María sugar)	63.6	246.2	602.2	1 149.3	80.6	311.7	607.5	1 468.1
Chocolate – in bars or other presentation	0.6	0.5	4 675.6	77.8	0.0	0.0	0.0	0.0
Sweets, candies, lollipops, gums	0.6	2.5	3 804.2	71.2	0.7	2.6	3 382.8	67.8
Sunflower oil	0.0	0.0	0.0	0.0	4.4	38.9	1 322.2	174.7
African palm oil	0.0	0.0	0.0	0.0	4.7	40.7	1 200.0	170.2
Soybean oil	17.6	155.5	1 250.1	659.9	15.8	139.4	1 240.0	586.5
Vegetable fat (Crisco, Clover, etc.)	5.3	46.5	1 150.1	181.7	4.6	40.5	1 130.5	155.5
Regular or spreadable margarine, salted (Numar, Taste, Dos Pinos)	3.0	21.7	1 600.7	145.0	3.0	21.6	1 529.8	137.8
Fresh or whole milk, liquid	0.0	0.0	0.0	0.0	51.0	31.3	500.0	764.4
Powdered whole milk (Pinito, Cre-c)	0.0	0.0	0.0	0.0	5.1	25.4	4 163.7	639.5
Semi-skimmed milk (Delactomy, corriente, Fortilac semidescremada)	84.4	41.9	560.0	1 418.6	34.9	17.3	675.0	706.7
Sour cream	10.2	21.9	2 000.0	613.5	6.3	13.6	2 000.0	380.5
White soft cheese (Turrialba)	6.6	11.5	2 954.5	585.3	7.0	12.1	2 500.0	522.7
Chicken's eggs (white or red)	46.4	58.4	1 600.0	2 227.9	37.7	47.5	1 639.0	1 854.0
Beef steak or meat for roasting	12.4	31.6	3 600.0	1 344.4	10.3	26.2	3 600.0	1 114.8
Ground beef	10.3	14.1	2 900.2	897.7	5.3	7.2	2 600.0	411.3
Pork steak, rump or pieces	0.0	0.0	0.0	0.0	5.7	12.0	3 000.0	512.0
Whole chicken	0.0	0.0	0.0	0.0	17.9	30.1	2 000.0	1 071.8
Chicken pieces	0.0	0.0	0.0	0.0	6.8	14.8	2 300.0	468.8
Pork chorizo	3.9	17.2	2 000.0	231.6	0.0	0.0	0.0	0.0
Bologna (beef and pork)	5.6	17.6	2 000.0	338.7	5.6	17.5	1 900.0	321.2
Beef or pork sausage	13.5	33.2	1 999.1	807.0	10.6	26.2	2 000.0	635.6
Tuna with vegetables (with maize, jalapeño peppers, etc.)	2.3	3.6	5 186.8	361.7	2.1	3.3	5 167.5	325.1

Table A6.6 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Tuna in oil	6.2	9.7	5 748.9	1 069.3	6.8	10.7	5 935.8	1 216.3
Ground coffee	10.4	4.4	4 198.5	1 312.2	12.3	5.2	3 998.2	1 478.0
Drink mixtures (Tang, Zuko, Lipton, cold tea, etc.)	2.9	11.1	4 930.7	428.8	1.8	7.0	5 312.7	292.5
Regular carbonated beverages, bottled	54.3	22.1	708.4	1 155.0	39.5	16.1	690.1	817.1
Packaged fruit nectar, tea or juice	26.4	19.7	1 040.1	822.2	14.6	11.0	1 112.9	488.8
Regular mayonnaise	1.8	13.1	3 421.1	187.4	0.0	0.0	0.0	0.0
Annatto paste	0.0	0.0	0.0	0.0	0.6	2.2	4 000.0	67.2
Stock, liquid or cubes	1.5	2.9	6 783.4	297.4	1.3	2.5	7 580.6	291.4
Salt, fine or coarse	7.7	0.0	479.9	111.5	9.4	0.0	484.1	137.2
Tomato paste (*tomatinas, naturas, sofritos, rancheras*)	2.3	1.9	2 698.9	185.9	0.9	0.8	3 019.6	85.5
Tomato sauce (ketchup, Banquete)	3.0	3.2	2 000.0	182.3	1.6	1.6	2 208.2	105.0
Worcestershire sauce (Lizano), vegetable sauce	1.9	1.3	2 983.5	169.4	1.4	0.9	3 097.4	128.2
Powdered soup, fish or chicken	0.5	1.8	4 796.2	65.9	0.5	1.9	4 661.5	69.4
Cheese-flavoured maize snacks (*Meneítos, Bolitas, Quesitos*)	1.7	8.8	4 351.8	215.7	0.9	4.6	4 351.8	114.4
Seasoned maize crispbreads (*Picaritas, Tronaditas, Torea*)	0.9	4.7	4 501.2	116.8	0.7	3.9	4 645.2	101.0
Consumption outside the home	33.9	37.0	2 502.1	2 315.7	20.3	14.7	1 974.3	1 078.2
Total	925.2	2 141.0		33 549.5	884.1	2 280.0		30 349.6

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the National Income and Expenditure Survey, 2012–2013.

■ Table A6.7
Ecuador: basic food basket, 2014

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Rice	176.8	636.4	1.0	5.3	159.1	572.8	1.1	5.1
Barley rice	0.0	0.0	0.0	0.0	7.7	27.7	1.3	0.3
Oats	9.7	37.8	1.8	0.5	11.7	45.4	1.5	0.5
Maize	4.1	14.9	1.8	0.2	7.4	26.9	1.7	0.4
Pasta and noodles	11.9	44.2	2.2	0.8	16.4	61.0	1.7	0.8
Biscuits	2.4	10.5	4.8	0.4	2.0	8.7	4.7	0.3
Maize flour	0.0	0.0	0.0	0.0	5.3	19.5	1.5	0.2
Wheat flour	8.4	30.2	1.1	0.3	11.9	42.9	1.1	0.4
Toasted flour	0.0	0.0	0.0	0.0	9.0	31.6	1.3	0.4
Bread	39.3	81.4	3.0	3.5	19.4	40.2	2.9	1.7
Fresh peas	3.6	1.2	2.2	0.2	3.8	1.2	2.2	0.2
Fresh beans	5.2	17.6	2.2	0.3	4.3	14.7	2.2	0.3
Fresh broad beans	4.8	16.1	2.2	0.3	5.2	17.6	2.2	0.3
Dried beans	0.0	0.0	0.0	0.0	3.2	10.9	2.2	0.2
Lentils	8.5	30.0	1.8	0.4	7.6	26.7	1.8	0.4
Carrots	18.2	6.8	0.7	0.4	18.6	7.0	0.7	0.4
Garlic	2.8	3.7	4.0	0.3	2.7	3.5	4.2	0.3
Broccoli	6.5	2.0	0.9	0.2	3.4	1.0	0.9	0.1
White onions	6.3	2.3	1.5	0.3	6.2	2.2	1.6	0.3
Red onions	22.4	8.1	1.1	0.7	23.3	8.5	1.0	0.7
Maize	7.6	24.9	2.0	0.5	6.3	20.6	1.8	0.3
Cabbage	6.4	1.6	1.0	0.2	7.5	1.8	0.6	0.1
Cauliflower	4.5	0.7	0.9	0.1	3.0	0.5	0.9	0.1
Coriander/parsley	3.4	4.2	1.3	0.1	3.1	3.8	1.5	0.1
Lettuce	5.5	0.5	1.0	0.2	4.9	0.4	1.0	0.1
Cucumber	8.4	0.8	0.9	0.2	6.2	0.6	0.8	0.2
Peppers	7.6	2.0	1.6	0.4	5.6	1.5	1.6	0.3
Tomatoes	27.7	4.5	1.1	0.9	25.2	4.1	1.0	0.8
Potatoes	69.7	40.8	0.7	1.4	85.0	49.7	0.6	1.4
Beets	5.7	1.8	0.9	0.2	5.1	1.6	0.8	0.1
Cassava	15.6	16.4	0.7	0.3	36.2	38.1	0.6	0.7
Avocado	5.5	8.8	1.7	0.3	5.8	9.3	1.2	0.2
Bananas	45.1	46.8	0.5	0.6	53.7	55.7	0.5	0.8
Strawberries	5.4	1.5	2.2	0.4	0.0	0.0	0.0	0.0
Limón	12.9	3.0	1.7	0.7	14.7	3.4	1.4	0.6
Mandarina	0.0	0.0	0.0	0.0	11.2	2.2	0.7	0.2
Manzana	15.0	7.8	1.6	0.7	11.8	6.1	1.3	0.4

Table A6.7 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Blackberries	3.7	1.8	2.2	0.2	0.0	0.0	0.0	0.0
Oranges	41.1	12.4	0.5	0.6	38.3	11.6	0.5	0.5
Naranjilla	3.8	2.4	1.8	0.2	3.2	2.0	1.6	0.2
Papaya	0.0	0.0	0.0	0.0	22.8	5.0	0.5	0.3
Ripe plantains	22.4	25.7	0.4	0.3	30.2	34.7	0.5	0.4
Green plantains	84.1	104.7	0.4	0.9	106.2	132.3	0.3	1.1
Tree tomatoes	10.9	5.0	1.4	0.4	8.1	3.7	1.3	0.3
Grapes	4.8	3.0	2.2	0.3	3.4	2.1	2.2	0.2
Sugar	38.8	150.3	1.1	1.3	38.0	146.9	1.0	1.1
Cacao	1.2	4.8	5.9	0.2	0.0	0.0	0.0	0.0
Panela	0.0	0.0	0.0	0.0	9.8	36.8	1.1	0.3
Vegetable oil	20.6	181.8	2.0	1.2	19.1	168.7	2.1	1.2
Vegetable fat	0.0	0.0	0.0	0.0	3.8	33.8	2.2	0.3
Margarine	1.5	10.4	5.0	0.2	0.0	0.0	0.0	0.0
Liquid milk	102.3	56.8	0.8	2.5	82.2	45.7	0.7	1.6
Cheese	12.8	40.4	4.4	1.7	12.4	39.5	4.4	1.6
Yogurt	10.8	8.8	2.0	0.6	0.0	0.0	0.0	0.0
Pork	6.6	13.9	5.5	1.1	7.4	15.6	5.0	1.1
Beef	18.1	42.9	5.0	2.7	16.6	39.2	4.0	2.0
Whole chicken	16.7	33.7	3.2	1.6	17.4	35.1	3.4	1.8
Chicken joints	24.8	41.0	3.3	2.5	13.9	23.0	3.3	1.4
Chicken giblets	6.9	8.9	1.8	0.4	0.0	0.0	0.0	0.0
Bologna	3.0	9.3	4.4	0.4	0.0	0.0	0.0	0.0
Fresh fish	19.7	16.6	4.4	2.6	15.9	13.4	3.3	1.6
Sardines and tuna	5.4	8.9	8.0	1.3	4.7	7.8	7.9	1.1
Chicken's eggs	22.3	33.0	2.2	1.4	19.6	29.1	2.9	1.7
Coffee	1.0	1.4	25.0	0.7	1.0	1.4	24.0	0.7
Still water	193.5	0.0	0.1	0.4	0.0	0.0	0.0	0.0
Carbonated beverages	29.7	12.1	0.8	0.7	16.4	6.7	0.8	0.4
Condiments	1.8	2.8	5.9	0.3	1.3	2.0	5.9	0.2
Salt	10.9	0.0	0.6	0.2	14.8	0.0	0.5	0.2
Consumption outside the home	108.5	154.9	1.8	5.8	129.1	201.5	1.6	6.2
Total	1 404.1	2 097.0		54.1	1 248.9	2 207.0		47.5

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the Living Conditions Survey, 2013–2014.

■ Table A6.8
El Salvador: basic food basket, 2006

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Rice, unspecified	32.1	117.1	0.8	0.8	36.1	131.8	0.8	0.9
Maize, unspecified	35.8	130.7	0.5	0.5	177.8	648.9	0.5	2.5
Biscuits	1.9	9.1	2.4	0.1	2.7	13.0	2.4	0.2
Sweet bread, unspecified	53.9	200.5	0.9	1.5	49.1	182.6	0.9	1.4
Crusty bread	60.7	166.4	1.5	2.7	48.1	131.7	1.5	2.1
Tortillas	160.3	521.0	0.6	3.1	65.1	211.7	0.6	1.3
Macaroni and similar	3.8	14.2	1.6	0.2	3.6	13.5	1.6	0.2
Prepared cereals of wheat, maize, oats, etc. (Kellogg's, Quaker, Nestum, etc.)	1.6	5.7	6.2	0.3	0.0	0.0	0.0	0.0
Beans, unspecified	12.6	22.4	1.1	0.4	22.2	39.5	1.1	0.8
Raw beans	18.1	61.6	1.2	0.7	20.1	68.7	1.2	0.8
Cabbage	4.3	0.8	0.5	0.1	6.5	1.3	0.5	0.1
Green chilies	3.6	0.9	1.3	0.1	4.2	1.0	1.3	0.2
Green beans	5.5	0.8	0.6	0.1	4.8	0.7	0.6	0.1
Squash	6.6	0.7	0.8	0.2	5.5	0.6	0.8	0.1
Cucumber (f;c)	0.0	0.0	0.0	0.0	0.7	0.1	2.3	0.0
Roasted squash seed sauce	40.2	12.6	0.1	0.1	41.1	12.8	0.1	0.1
Tomatoes (f;c;f)	10.0	1.5	2.3	0.7	11.6	1.7	2.3	0.8
Garlic	0.0	0.0	0.0	0.0	0.2	0.3	4.1	0.0
Onions	8.5	3.1	1.1	0.3	10.3	3.8	1.1	0.3
Carrots (f;c)	5.3	2.0	0.6	0.1	5.1	1.9	0.6	0.1
Cassava	4.6	4.1	0.5	0.1	3.6	3.2	0.5	0.1
Potatoes	22.3	13.1	0.7	0.5	26.2	15.4	0.7	0.5
Lemons	2.5	0.3	0.5	0.0	0.0	0.0	0.0	0.0
Oranges (f;c;f), unspecified	0.0	0.0	0.0	0.0	8.9	2.6	0.4	0.1
Bananas (f;c;f) unspecified	5.0	3.9	0.7	0.1	5.9	4.6	0.7	0.1
Plantain	31.6	27.6	0.5	0.5	22.3	19.4	0.5	0.4
Apples (f;c;f), unspecified	0.0	0.0	0.0	0.0	1.5	0.7	1.6	0.1
Avocado	2.8	2.4	2.3	0.2	2.8	2.4	2.3	0.2
Watermelon (f;c;f)	6.0	0.9	0.5	0.1	0.0	0.0	0.0	0.0
Sugar, unspecified	34.6	134.0	0.7	0.7	44.4	172.0	0.7	0.9
Candies, unspecified	0.9	2.8	1.7	0.0	1.2	3.8	1.7	0.1
Margarine	2.3	16.3	1.8	0.1	1.5	10.9	1.8	0.1
Vegetable oil	4.4	38.3	1.5	0.2	4.6	40.1	1.5	0.2

Table A6.8 (continued)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Edible oils, unspecified	1.3	11.2	11.8	0.5	1.5	13.1	11.8	0.5
Powdered milk	5.4	26.6	7.0	1.1	3.3	16.6	7.0	0.7
Pasteurized milk	11.7	7.2	1.0	0.3	0.0	0.0	0.0	0.0
Curd cheese	0.0	0.0	0.0	0.0	1.1	1.2	9.8	0.3
Hard cheese	2.3	8.9	8.7	0.6	2.2	8.6	8.7	0.6
Soft hard cheese	0.0	0.0	0.0	0.0	0.6	2.2	10.3	0.2
Queso fresco	2.7	8.5	9.8	0.8	2.5	8.0	9.8	0.7
Cream, unspecified	8.5	18.2	3.5	0.9	5.7	12.3	3.5	0.6
Ground beef	1.5	3.6	6.1	0.3	0.0	0.0	0.0	0.0
Beef, unspecified	3.2	5.3	4.4	0.4	3.0	5.0	4.4	0.4
Chicken, unspecified	31.2	44.3	2.3	2.1	26.6	37.8	2.3	1.8
Breaded ground chicken (medallions, patties, etc.)	0.0	0.0	0.0	0.0	1.9	5.0	4.5	0.3
Chicken pieces	5.9	7.2	2.4	0.4	0.0	0.0	0.0	0.0
Chorizo, unspecified	1.1	4.6	7.8	0.3	1.0	4.3	7.8	0.2
Sausage, unspecified	2.2	6.1	3.6	0.2	1.8	4.9	3.6	0.2
Beef bones and trotters	2.4	2.1	3.5	0.3	0.0	0.0	0.0	0.0
Fresh, chilled, frozen or canned fish, unspecified	2.6	1.4	4.9	0.4	3.1	1.7	4.9	0.5
Sardines	0.8	0.6	3.6	0.1	1.4	1.0	3.6	0.1
Chicken's eggs	41.1	51.1	1.4	1.8	40.7	50.6	1.4	1.8
Coffee granules	0.0	0.0	0.0	0.0	0.2	0.1	36.9	0.2
Coffee, unspecified	0.6	1.5	5.3	0.1	1.3	3.2	5.3	0.2
Soluble coffee	1.2	2.8	22.3	0.8	0.7	1.6	22.3	0.4
Carbonated beverages	63.5	26.0	0.9	1.6	65.1	26.7	0.9	1.7
Fruit and vegetable juices	14.1	5.9	0.9	0.4	16.5	6.9	0.9	0.4
Powdered drinks	0.4	1.4	7.7	0.1	0.4	1.4	7.7	0.1
Horchata, barley water and other prepared cold drinks	0.8	0.7	6.6	0.2	0.6	0.5	6.6	0.1
Savoury snacks, unspecified	0.3	0.6	7.5	0.1	0.6	1.1	7.5	0.1
Churros	0.8	2.9	3.1	0.1	1.1	3.8	3.1	0.1
Chicken or beef stock cubes	0.3	0.5	6.3	0.0	0.5	1.1	6.3	0.1
Pastes and green tomato sauces	0.7	2.7	7.6	0.2	0.5	2.0	7.6	0.1
Flavourings of all kinds	0.0	0.0	57.0	0.0	0.0	0.0	0.0	0.0
Tomato sauce	0.0	0.0	0.0	0.0	1.0	0.3	2.6	0.1

Table A6.8 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Salt, unspecified	2.9	0.0	0.4	0.0	6.1	0.0	0.4	0.1
Meat soups and consommés (except fish and shellfish)	2.1	1.4	4.3	0.3	1.6	1.1	4.3	0.2
Meat soups and consommés (except fish and shellfish), instant	4.2	15.0	2.8	0.4	4.7	16.8	2.8	0.4
Consumption outside the home	227.9	263.0	1.4	9.4	154.8	179.7	1.4	6.4
Total	1 024.9	2 046.0		38.4	989.9	2 159.0		34.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the National Household Income and Expenditure Survey, 2005–2006.
Note: (f.r.f) fresh, chilled or frozen; (f.c) frescos or chilled.

■ Table A6.9
Guatemala: basic food basket, 2014

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Oats of all kinds (mosh, etc.)	3.4	2.1	19.8	2.0	3.4	2.1	19.8	2.0
Rice (first or second category)	18.1	65.1	9.9	5.4	15.8	57.0	10.0	4.8
Maize (white, yellow, etc.)	79.8	291.1	3.3	7.9	138.4	505.1	3.3	13.7
Sweet bread	39.8	148.0	12.5	14.9	24.6	91.6	16.0	11.8
Crusty bread	35.5	97.2	13.3	14.2	14.9	40.9	15.2	6.8
Biscuits	1.3	5.6	25.3	1.0	1.0	4.2	27.8	0.8
Maize tortillas	211.2	468.8	7.4	46.9	255.9	568.1	7.4	56.5
Prepared cereals, Corn Flakes, etc.	3.1	11.2	41.7	3.9	1.4	4.9	44.6	1.8
Maize and soy hot cereal mix	5.1	19.5	19.8	3.1	4.8	18.3	20.0	2.9
Pasta of all kinds	10.8	40.2	15.0	4.9	8.0	29.5	15.0	3.6
Beans (black, white, red, etc.)	27.5	93.6	11.0	9.1	28.8	97.9	11.0	9.5
Green beans	4.7	0.6	7.7	1.1	3.2	0.4	8.8	0.8
Tomatoes	23.5	3.5	7.7	5.4	20.1	3.0	8.8	5.3
Onion	11.4	4.1	7.7	2.6	8.8	3.2	8.8	2.3
Chilies	3.0	0.9	11.3	1.0	2.2	0.7	13.2	0.9
Cabbage	6.2	1.2	3.1	0.6	5.4	1.1	4.3	0.7
Carrots	16.3	6.1	4.4	2.2	9.4	3.5	4.9	1.4
Squash	19.0	3.0	3.1	1.8	13.0	2.1	3.1	1.2
Lettuce	5.0	0.4	5.2	0.8	2.5	0.2	6.8	0.5

Table A6.9 (continued)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Cucumber	10.1	0.9	4.5	1.3	5.1	0.5	5.1	0.8
Garlic	0.2	0.3	60.6	0.4	0.2	0.3	74.1	0.5
Herbs (watercress, parsley, *macuy, chipilín*, coriander, mint, etc.)	7.5	1.7	9.1	2.0	6.9	1.6	8.7	1.8
Celery	1.8	0.3	9.2	0.5	0.9	0.2	9.8	0.3
Broccoli	6.6	1.9	5.0	1.0	3.8	1.1	4.4	0.5
Cauliflower	6.5	1.0	4.4	0.9	4.4	0.7	4.6	0.6
Avocado	7.7	6.6	8.3	1.9	3.4	3.0	8.8	0.9
Potatoes	22.2	13.1	6.6	4.4	18.0	10.6	6.6	3.6
Cassava	0.8	0.7	7.3	0.2	1.1	1.0	5.5	0.2
Plantains	23.1	20.1	4.0	2.8	20.0	17.4	3.7	2.2
Bananas	24.9	19.5	4.2	3.2	26.7	21.0	3.5	2.8
Oranges	8.4	2.4	3.7	0.9	7.1	2.0	2.9	0.6
Apples	4.2	2.0	8.8	1.1	2.5	1.2	11.0	0.8
Watermelon	0.0	0.0	0.0	0.0	4.9	0.8	3.6	0.5
Lemons	12.3	1.4	5.5	2.0	7.2	0.8	6.6	1.4
Papayas	7.7	1.7	5.1	1.2	0.0	0.0	0.0	0.0
Strawberries	2.5	0.7	11.0	0.8	0.0	0.0	0.0	0.0
Sugar	44.5	172.2	7.7	10.3	43.7	168.9	8.0	10.5
Candies (*Tortrix, Ricitos*, etc.)	1.3	7.5	43.5	1.7	0.9	4.8	43.5	1.1
Edible oils	11.1	98.5	16.3	5.4	9.3	82.2	17.8	5.0
Margarine	2.0	14.0	22.2	1.3	0.7	4.9	22.2	0.5
Powdered milk	3.0	12.7	70.1	6.2	1.8	7.7	63.7	3.4
Liquid milk	8.1	4.5	18.7	4.5	5.0	2.8	11.0	1.6
Fresh cream	3.6	7.8	32.0	3.5	2.6	5.5	32.0	2.5
Curd or hard cheese	3.9	12.4	33.0	3.9	3.6	11.3	33.0	3.5
Boneless beef	5.9	14.2	55.1	9.7	4.7	11.4	55.1	7.7
Beef on the bone	6.4	15.9	33.0	6.4	5.8	14.3	33.0	5.8
Boneless pork	2.2	4.0	44.1	3.0	0.0	0.0	0.0	0.0
Ground beef	1.9	4.7	50.7	2.8	0.0	0.0	0.0	0.0
Chicken meat	21.4	33.8	26.4	16.9	16.8	26.5	26.4	13.3
Chicken giblets	0.0	0.0	0.0	0.0	2.8	2.8	15.4	1.3
Fresh fish	0.0	0.0	0.0	0.0	2.0	0.8	26.4	1.6
Processed meat (ham, sausage, chorizos)	6.8	18.6	26.4	5.4	3.4	9.3	26.4	2.7
Chicken's eggs	19.8	24.6	19.3	11.5	15.4	19.2	19.4	9.0
Sweet creamed maize	0.0	0.0	0.0	0.0	44.6	37.6	4.0	5.4

Table A6.9 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Other cream deserts (rice pudding, banana, *atolillo*, *shuco*, etc.)	0.0	0.0	0.0	0.0	12.7	9.7	8.0	3.0
Sparkling water	32.1	13.1	6.0	5.8	24.0	9.8	5.3	3.8
Canned or packaged juices	0.0	0.0	0.0	0.0	2.8	1.6	10.0	0.8
Purified water	169.8	0.0	0.7	3.5	0.0	0.0	0.0	0.0
Packet soup (*Malher*, *Maggi*, etc.)	1.5	5.3	41.7	1.9	1.1	3.9	41.7	1.4
Tomato sauces and pastes	1.9	1.1	30.7	1.7	1.1	0.6	33.0	1.1
Instant soup, cartons	1.5	6.6	56.3	2.5	1.0	4.5	62.5	1.9
Mayonnaise and dressings	1.5	10.9	25.6	1.2	0.7	4.9	28.2	0.6
Consommés, seasoning, garlic salt, onion salt and other salts	1.6	3.1	83.3	3.9	1.5	2.9	83.3	3.6
Thyme, bay, oregano and other herbs	0.1	0.1	166.7	0.4	0.1	0.1	200.0	0.5
Salt	7.1	0.0	2.2	0.5	7.3	0.0	2.2	0.5
Coffee beans, ground coffee, instant coffee	2.7	3.8	57.3	4.7	3.4	4.9	44.1	4.6
Consumption outside the home	66.3	160.9	11.8	23.5	35.9	90.3	11.8	12.7
Total	1 098.8	1 987.0		295.2	928.1	2 039.0		254.1

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the National Survey of Living Conditions, 2014.

■ Table A6.10
Honduras: basic food basket, 2004

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Dried maize	74.2	269.3	4.2	9.3	194.6	706.5	4.2	24.4
Rice	47.1	169.4	14.0	19.7	44.0	158.6	14.0	18.4
Maize flour	20.2	73.1	10.8	6.6	22.8	82.4	10.8	7.4
Wheat flour	16.4	59.3	7.7	3.8	17.4	63.0	7.7	4.0
Oats	3.3	12.3	31.6	3.1	2.8	10.3	31.6	2.7
Maize tortillas	64.8	143.9	12.6	24.4	0.0	0.0	0.0	0.0
White bread (various)	11.6	31.0	18.4	6.4	6.1	16.4	18.4	3.4
Sweet bread, sweet biscuits	13.1	48.7	29.1	11.4	11.7	43.7	29.1	10.2
Yolk bread	28.3	105.4	9.8	8.3	17.5	65.2	9.8	5.2
Corn Flakes	2.4	8.9	86.0	6.3	1.4	5.2	86.0	3.7
Spaghetti	9.1	33.6	16.1	4.4	9.3	34.5	16.1	4.5
Beans	37.3	127.1	21.7	24.3	43.1	147.1	21.7	28.1
Potatoes	22.8	13.4	12.5	8.6	19.9	11.7	12.5	7.5
Avocados	4.4	3.8	49.7	6.6	2.3	2.0	49.7	3.4
Pumpkin	0.0	0.0	0.0	0.0	6.4	2.2	7.8	1.5
Celery, mint, coriander, and parsley	6.3	0.8	7.2	1.4	3.1	0.4	7.2	0.7
Tomatoes	15.5	2.3	15.7	7.3	12.1	1.8	15.7	5.7
Carrots	3.9	1.5	17.2	2.0	2.7	1.0	17.2	1.4
Garlic	0.4	0.5	77.8	1.0	0.4	0.5	77.8	0.9
White or red onions	7.7	2.8	19.4	4.5	7.1	2.6	19.4	4.1
Sweet peppers, chilli peppers	7.9	1.9	16.0	3.8	5.4	1.3	16.0	2.6
Mirliton squash	11.6	1.6	6.6	2.3	13.1	1.8	6.6	2.6
Cabbage	10.0	2.0	8.1	2.4	8.1	1.6	8.1	2.0
Cassava	5.8	5.9	10.4	1.8	5.0	5.1	10.4	1.5
Bananas (green and ripe)	39.1	30.7	5.6	6.5	30.5	24.0	5.6	5.1
Plantains (green and ripe)	17.1	14.9	11.7	6.0	12.7	11.0	11.7	4.4
Lemons	10.1	1.1	9.4	2.9	10.3	1.2	9.4	2.9
Oranges	21.3	6.1	8.3	5.3	20.3	5.8	8.3	5.1
Watermelon	9.3	1.5	5.4	1.5	3.4	0.5	5.4	0.6
Sugar	61.6	238.3	9.4	17.4	44.2	170.9	9.4	12.4
Chocolates, candies, confectionery	1.4	6.2	35.9	1.5	0.7	3.3	35.9	0.8
Butter: sour cream, cream	4.6	33.3	67.7	9.4	4.5	32.2	67.7	9.1
Vegetable fats	11.1	98.6	18.2	6.1	16.4	145.1	18.2	9.0
Vegetable oil (soybean, canola, sunflower, etc)	3.3	28.8	34.7	3.4	0.0	0.0	0.0	0.0
Margarine	2.7	19.5	27.2	2.2	2.4	17.0	27.2	1.9
Pasteurized milk, liquid	61.7	34.3	10.6	19.6	17.9	10.0	10.6	5.7

Table A6.10 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
While or natural (cow's) milk	13.3	8.2	16.6	6.6	30.6	18.8	16.6	15.2
Powdered milk	4.3	21.3	116.3	15.0	3.7	18.3	116.3	12.9
Fresh cheese	11.7	45.6	58.8	20.7	11.0	42.6	58.8	19.4
Dried cheese	2.0	7.9	160.8	9.8	1.5	5.8	160.8	7.1
Mozzarella-type cheese	4.2	12.7	53.6	6.8	0.0	0.0	0.0	0.0
Curd cheese	0.0	0.0	0.0	0.0	6.3	11.0	47.7	9.0
Chicken's eggs	34.0	42.3	21.4	21.8	38.7	48.1	21.4	24.8
Beef on the bone, beef rib	41.9	71.8	40.0	50.4	32.7	55.9	40.0	39.2
Boneless beef	8.9	21.6	74.8	20.0	5.8	14.1	74.8	13.0
Pork rib, pork chops	3.2	3.4	63.7	6.1	0.0	0.0	0.0	0.0
Whole chicken by the pound	29.5	46.6	30.7	27.1	27.2	43.0	30.7	25.0
Chicken pieces: breast, thigh, leg	7.6	9.3	40.1	9.2	5.7	6.9	40.1	6.8
Chicken giblets	0.0	0.0	0.0	0.0	5.4	5.5	16.9	2.7
Free range hen or other poultry	0.0	0.0	0.0	0.0	8.8	12.6	19.8	5.3
Hot dog, chipolata, sausage	4.6	12.8	53.6	7.4	2.5	6.9	53.6	4.0
Bologna, ham, chorizo, salami	4.5	13.9	66.1	8.9	2.7	8.5	66.1	5.4
Whole frozen fish	0.0	0.0	0.0	0.0	3.1	1.3	67.7	6.4
Canned juices	10.1	4.8	19.7	6.0	6.4	3.1	19.7	3.8
Juices in cartons	24.4	11.0	13.2	9.6	7.6	3.4	13.2	3.0
Carbonated beverages	75.6	31.0	16.5	37.3	39.7	16.3	16.5	19.6
Powdered drinks (Tang Kool Aid, etc.)	1.6	6.2	108.7	5.3	0.6	2.2	108.7	1.9
Ground coffee, coffee beans, instant coffee	6.1	8.6	48.2	8.8	4.6	6.4	48.2	6.6
Purified water	128.8	0.0	1.5	5.9	0.0	0.0	0.0	0.0
Stock cubes	1.3	2.5	118.3	4.5	0.8	1.6	118.3	2.9
Consommé, annatto and spices	0.8	1.5	177.8	4.0	0.4	0.7	177.8	1.9
Tomato sauce	3.1	0.9	38.6	3.6	1.4	0.4	38.6	1.7
Tomato paste	3.9	3.2	48.8	5.7	2.4	2.0	48.8	3.5
Salt	7.5	0.0	6.8	1.5	6.0	0.0	6.8	1.2
Instant soups (Maggi, Knorr, etc.)	1.2	4.8	70.7	2.6	0.6	2.4	70.7	1.3
Consumption outside the home	1.2	4.2	248.2	8.7	0.7	2.5	248.2	5.3
Total	1 102.9	2 028.0		564.9	876.8	2 126.0		451.8

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the National Survey of Living Conditions, 2004.

■ Table6.11
Mexico: basic food basket, 2012

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Maize, grain	11.2	36.4	7.1	2.4	52.9	171.9	6.0	9.5
Maize flour	0.0	0.0	0.0	0.0	12.0	43.5	11.2	4.1
Wheat flour	0.0	0.0	0.0	0.0	9.0	32.5	11.0	3.0
Rice	12.9	46.4	15.7	6.1	15.4	55.4	14.0	6.5
Maize dough	0.0	0.0	0.0	0.0	14.9	23.0	8.0	3.6
Maize tortilla	223.4	495.8	12.0	80.4	161.7	359.0	12.1	58.7
Wheat tortilla	4.6	14.9	24.5	3.4	0.0	0.0	0.0	0.0
Soup pasta	8.6	31.9	22.5	5.8	9.6	35.6	22.5	6.5
Sweet biscuits	4.9	21.0	42.4	6.2	6.6	28.6	39.7	7.9
White bread: rolls, baguette, etc.	15.9	42.5	25.0	11.9	9.2	24.7	28.6	7.9
Sweet bread in pieces	18.2	67.8	46.4	25.4	20.0	74.5	38.5	23.1
Sandwich, hamburger, hot-dog bread and crispbread	4.0	11.5	36.0	4.3	0.0	0.0	0.0	0.0
Cereal of maize, wheat, rice, oats, granola, etc.	3.4	12.6	53.4	5.5	0.0	0.0	0.0	0.0
Beans, whole	25.0	85.1	24.0	18.0	33.0	112.3	23.0	22.8
Processed beans	5.1	4.3	22.4	3.4	1.5	5.4	20.0	0.9
Avocado	6.7	5.4	25.5	5.1	4.1	3.3	29.4	3.6
Garlic	0.0	0.0	0.0	0.0	0.8	1.2	37.5	0.9
Zucchini and squash	10.0	1.7	10.5	3.2	6.4	1.1	12.0	2.3
Onions	19.3	7.7	10.0	5.8	18.0	7.2	11.4	6.2
Chayote squash	3.8	0.6	10.0	1.2	3.3	0.5	10.8	1.1
Jalapeño chilli	3.4	1.2	16.0	1.6	3.0	1.1	18.0	1.6
Serrano chilli	5.3	2.1	20.0	3.2	4.8	1.9	20.0	2.9
Other chillies	1.5	0.4	40.0	1.8	2.3	0.6	40.0	2.7
Coriander	0.6	0.1	37.5	0.6	0.0	0.0	0.0	0.0
Green beans	0.0	0.0	0.0	0.0	3.2	0.9	13.3	1.3
Tomatoes	51.1	8.3	12.0	18.4	53.1	8.6	12.0	19.1
Lettuce	6.1	0.7	16.0	2.9	3.4	0.4	12.0	1.2
Nopal	4.6	0.6	15.0	2.1	5.0	0.6	10.0	1.5
Green tomatoes	16.9	3.5	10.0	5.1	11.3	2.3	10.0	3.4
Carrots	6.8	1.7	10.0	2.0	5.9	1.5	9.0	1.6
Dried or powdered chilli	1.1	2.6	60.1	1.9	1.2	2.8	64.0	2.3
Potatoes	27.4	17.3	12.0	9.9	29.9	18.8	10.7	9.6
Lemons	6.7	1.2	9.9	2.0	4.6	0.8	10.0	1.4
Apples and pears	7.4	3.0	22.6	5.0	7.5	3.1	20.0	4.5
Oranges	9.5	2.7	6.0	1.7	7.7	2.2	6.0	1.4
Green plantain and tabasco	14.9	13.8	8.0	3.6	13.1	12.1	8.0	3.1
Other plantains (*chiapas, dominico, guineo, manzano, dorado, portalimón* and *roatan*)	6.2	4.6	9.0	1.7	7.3	5.3	8.0	1.8
White and brown sugar	17.2	66.4	13.0	6.7	26.0	100.6	13.0	10.1
Drinks concentrates and powders	1.1	4.1	175.0	5.6	1.0	3.6	200.0	5.7

Table A6.11 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Butter	0.5	3.5	65.0	1.0	0.0	0.0	0.0	0.0
Vegetable oil: canola, safflower, sunflower, maize, etc.	14.2	125.3	24.5	10.4	21.7	191.7	25.0	16.3
Pork lard	0.0	0.0	0.0	0.0	1.5	13.5	28.0	1.3
Pasteurized cow's milk	132.0	73.3	12.3	48.8	74.6	41.5	12.0	26.9
Fresh cheese	4.7	18.4	66.7	9.5	6.1	23.5	60.0	10.9
Oaxaca or asadero cheese	3.6	12.6	74.0	7.9	0.0	0.0	0.0	0.0
Other cheeses	2.1	7.8	67.2	4.2	0.0	0.0	0.0	0.0
Cream	4.0	8.5	38.0	4.5	1.7	3.6	36.0	1.8
Fermented milk drinks	6.3	6.4	26.5	5.0	5.1	5.2	26.3	4.0
Beef steak (any cut)	13.9	40.2	80.0	33.5	7.6	22.1	80.0	18.4
Ground beef	5.8	14.4	72.0	12.5	2.7	6.8	70.0	5.8
Pork ribs or chops	4.3	4.8	65.0	8.3	0.0	0.0	0.0	0.0
Pork rinds	2.7	10.3	88.0	7.1	2.0	7.7	90.0	5.4
Chorizo, any flavour or colour and longaniza	6.2	28.2	60.0	11.2	4.3	19.6	67.0	8.6
Pork ham	4.4	10.3	60.0	8.0	2.3	5.3	60.0	4.1
Sausages and processed meat	5.3	14.8	40.0	6.4	3.2	9.1	40.5	3.9
Chicken leg, thigh or breast on the bone	20.8	38.1	44.0	27.5	9.7	17.7	44.0	12.8
Boneless chicken leg, thigh or breast	4.7	8.7	59.8	8.5	0.0	0.0	0.0	0.0
Whole or jointed chicken except leg, thigh and breast	16.3	23.2	40.0	19.6	18.4	26.1	40.0	22.0
Chicken sausage, ham and nuggets, frankfurters, bologna, etc.	4.3	11.3	53.0	6.8	1.7	4.4	60.0	3.0
Tinned tuna	0.0	0.0	0.0	0.0	1.5	1.7	75.0	3.4
White and brown chicken's eggs	38.0	54.3	31.0	35.3	34.8	49.8	33.3	34.8
Soluble roasted coffee	0.9	2.1	262.5	6.7	0.8	2.0	320.0	8.1
Bottled natural water	344.3	0.0	0.8	8.4	186.9	0.0	0.9	5.0
Canned juices or nectars	15.0	6.7	13.0	5.8	12.5	5.6	14.0	5.3
Cola and flavoured carbonated beverages	175.0	71.7	8.3	43.3	141.0	57.8	9.0	38.1
Snacks: fried snacks, popcorn, Cheetos, Doritos, etc. (except potato crisps)	2.1	10.3	73.3	4.5	1.7	8.5	62.5	3.2
Chicken and tomato concentrates	0.5	1.4	170.4	2.6	0.8	2.0	159.1	3.6
Salt	0.0	0.0	0.0	0.0	6.7	0.0	6.5	1.3
Consumption outside the home	350.6	474.5	28.7	302.2	364.1	541.7	23.6	257.7
Total	1 746.8	2 101.0		913.2	1 482.4	2 214.0		749.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the National Household Income and Expenditure Survey, 2012.

■ Table A6.12
Nicaragua: basic food basket, 2014

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Maize, grain	14.6	52.8	11.0	4.8	107.2	387.2	11.0	35.4
Rice, grain	132.7	484.2	26.4	105.2	111.7	407.7	26.4	88.6
Maize flour	1.2	4.5	26.4	1.0	1.6	5.8	28.6	1.4
Cornmeal/oats	9.6	34.2	55.1	15.9	7.6	27.1	55.1	12.6
Tortilla	37.7	83.6	64.5	72.9	12.1	26.9	64.5	23.4
Regular bread	40.2	107.3	33.3	40.2	18.0	48.1	33.3	18.0
Sweet breads	13.6	41.9	33.3	13.6	9.9	30.5	33.3	9.9
Biscuits	2.5	10.7	160.0	11.9	2.5	10.9	120.0	9.0
Pastas	5.6	20.9	50.0	8.4	3.6	13.5	50.0	5.5
Beans, whole	40.0	133.1	55.1	66.0	58.3	194.2	55.1	96.3
Maize cobs	2.4	0.6	25.0	1.8	12.6	3.3	20.0	7.6
Chayote	13.2	1.3	12.2	4.8	9.4	1.0	12.2	3.5
White onions	5.7	2.1	31.6	5.4	5.8	2.1	33.0	5.7
Yellow onions	10.3	3.7	30.8	9.5	8.2	3.0	33.0	8.2
Garlic	0.6	0.8	178.6	3.5	0.5	0.6	178.6	2.7
Sweet peppers	6.7	1.7	54.1	10.9	5.2	1.3	54.1	8.5
Tomatoes	19.6	2.9	30.8	18.1	17.8	2.7	28.6	15.3
Cabbage/lettuce	16.3	3.3	8.5	4.2	11.1	2.2	9.7	3.2
Cucumber	14.2	1.7	10.8	4.6	9.1	1.1	10.8	2.9
Coriander/mint/parsley	2.7	0.6	34.4	2.8	2.6	0.6	34.4	2.7
Potatoes	17.1	11.1	26.4	13.6	11.8	7.7	30.8	11.0
Carrots/beets	5.7	2.2	22.4	3.8	2.6	1.0	22.4	1.7
Cassava	9.4	8.3	11.0	3.1	18.4	16.3	11.0	6.1
Maracuja /ripe banana	31.3	18.9	7.6	7.2	24.7	14.9	7.6	5.7
Citrus fruit	83.6	28.7	8.1	20.4	78.3	26.9	5.1	11.9
Apples/pineapples/melon	5.2	2.3	68.3	10.7	4.2	1.8	73.9	9.2
Avocado	3.0	2.6	45.1	4.0	3.3	2.9	17.8	1.8
Green/ripe plantains/ bananas	77.2	57.5	15.1	35.0	86.0	64.0	9.1	23.4
Sugar	54.2	209.9	22.0	35.8	53.9	208.7	22.0	35.6
Candies	0.3	1.3	250.0	2.5	0.3	1.1	250.0	2.2
Chocolates	0.0	0.2	1000.0	0.9	0.0	0.1	562.5	0.3
Ice-creams/sorbets	5.3	9.0	40.0	6.4	3.1	5.2	40.0	3.7
Margarine	0.3	2.2	88.5	0.8	0.0	0.0	0.0	0.0
Vegetable oil	33.0	292.0	38.0	37.7	26.9	237.6	40.0	32.2
Pork lard	0.0	0.0	0.0	0.0	0.7	6.0	30.0	0.6

Table A6.12 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Pasteurized milk	28.9	16.1	26.0	22.6	6.6	3.7	26.0	5.2
Cow's milk	37.2	22.9	14.0	15.6	131.6	80.8	10.0	39.5
Powdered milk	4.7	20.0	257.1	35.9	2.7	11.8	248.6	20.4
Cheese/curd/cream cheese	17.1	39.1	88.1	45.2	17.7	40.6	79.3	42.2
Cheese/butter	14.0	77.9	110.1	46.4	6.3	35.0	114.5	21.7
Beef	13.5	32.7	132.2	53.6	7.9	19.1	132.2	31.2
Pork	5.0	6.1	132.2	19.7	6.9	8.5	110.1	22.9
Beef/pork bones	7.1	9.0	33.0	7.0	4.9	6.2	33.0	4.9
Chicken meat	45.8	55.9	77.1	105.9	37.8	46.2	77.1	87.5
Fish/chops	7.1	2.8	77.8	16.6	4.3	1.7	66.1	8.4
Tuna/sardines	0.8	1.3	200.0	4.8	0.8	1.4	200.0	5.1
Ham	0.6	1.0	105.7	1.8	0.0	0.0	0.0	0.0
Processed meats	3.8	10.3	88.1	10.0	1.6	4.5	88.1	4.3
Chicken's eggs	19.9	24.8	74.1	44.2	19.0	23.6	74.1	42.2
Ground coffee	2.5	1.1	160.0	12.1	3.7	1.6	165.2	18.3
Coffee beans	0.0	0.0	0.0	0.0	1.2	0.5	66.1	2.3
Instant coffee	0.7	1.6	1 000.0	19.5	0.2	0.4	1 000.0	5.0
Canned juices	6.5	2.9	30.3	5.9	4.8	2.2	33.3	4.8
Carbonated beverages/ mineral water	72.0	0.0	15.0	32.4	24.9	0.0	16.3	12.2
Nacatamales	4.2	7.9	135.0	16.8	2.1	3.9	125.0	7.7
Condiments	0.5	0.0	208.3	3.1	0.3	0.0	166.7	1.3
Salt	11.6	0.0	11.0	3.8	8.8	0.0	11.0	2.9
Vinegar	1.4	0.2	30.3	1.3	0.9	0.1	26.8	0.7
Worcestershire/tomato sauce	3.2	1.5	88.5	8.5	1.4	0.7	88.5	3.8
Mustard	0.2	0.5	88.5	0.6	0.0	0.1	93.3	0.1
Mayonnaise	0.1	0.6	175.0	0.4	0.0	0.0	0.0	0.0
Other	1.0	0.0	141.7	4.4	1.3	0.0	48.5	1.9
Consumption outside the home	27.0	52.7	71.0	57.6	36.4	71.7	71.0	77.4
Total	1 051.5	2 027.0		1 183.1	1 063.4	2 128.0		979.9

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the National Household Living Standards Survey, 2014.

■ Table A6.13
Panama: basic food basket, 2007

Product	Urban			
	Grams	Kcal.	Price per kg.	Monthly cost
Rice, grade 1	161.5	589.5	1.0	5.1
Special rice	44.7	161.1	1.1	1.5
Wheat flour	5.9	21.2	1.0	0.2
Biscuits	3.7	16.2	4.5	0.5
Macaroni (spaghetti)	9.0	33.3	1.4	0.4
Other pasta	4.2	12.0	1.6	0.2
Finger rolls	13.3	36.6	1.7	0.7
Sliced bread	6.4	16.6	1.8	0.3
Baguette	18.3	48.8	1.3	0.7
Other bread (wholemeal bread, raisin bread)	5.8	17.7	1.8	0.3
Tortilla, pasties, cassava fritters, others	9.8	26.7	1.8	0.5
Lentils	12.0	42.3	1.6	0.6
Beans	11.3	38.4	2.1	0.7
Bell peppers	1.9	0.6	1.5	0.1
Garlic	1.0	1.4	1.6	0.0
Onions	8.3	3.2	1.3	0.3
Coriander	0.9	0.2	1.2	0.0
Local tomatoes	4.4	0.8	1.5	0.2
Yams	2.9	2.8	1.3	0.1
Potatoes	11.9	8.3	1.1	0.4
Plantains	37.6	30.3	0.6	0.7
Bananas	10.0	5.7	0.3	0.1
Lemons	3.5	0.6	0.2	0.0
Apples	2.8	1.5	1.2	0.1
Oranges	4.1	1.2	0.3	0.0
Sweet bakery products (cakes, pastries, macaroons, other)	2.0	7.0	4.1	0.2
Ice-cream	3.9	6.5	1.9	0.2
Brown sugar	34.3	128.9	0.9	0.9
Candies and other sweets	0.4	2.0	8.5	0.1
Vegetable oil, local	19.7	174.4	2.5	1.5
Vegetable oil, imported	11.0	96.9	2.5	0.8
Butter	1.0	7.5	5.5	0.2
Margarine	1.8	12.7	3.0	0.2
Evaporated milk	8.5	5.9	2.7	0.7
Fresh and pasteurized milk	44.7	27.5	1.0	1.4

Table A6.13 (concluded)

Product	Urban			
	Grams	Kcal.	Price per kg.	Monthly cost
Yellow cheese	4.1	13.7	8.8	1.1
Stewing beef	8.4	14.9	4.9	1.2
Whole plucked chicken	51.3	65.6	2.2	3.4
Chicken joints: thighs, breast, legs	34.5	34.1	2.6	2.7
Chicken offcuts: feet, gizzard, wings, neck, other	9.8	8.0	2.3	0.7
Chorizo	3.2	12.9	5.7	0.5
Ham	1.7	4.0	5.8	0.3
Local sausages	10.3	28.8	3.7	1.1
Tuna	2.4	3.7	4.1	0.3
Chicken's eggs	18.1	22.8	2.3	1.2
Fruit drinks	21.5	9.7	0.7	0.4
Orange juice	13.5	5.7	1.1	0.4
Pear juice	11.3	5.4	1.3	0.5
Ground coffee	4.0	1.7	8.0	1.0
Powdered drink mixes (packets and jars)	0.6	2.1	10.0	0.2
Other drinks (includes ice pops, frozen milk drinks, slush)	2.1	1.1	1.6	0.1
Carbonated beverages, glass bottle	20.5	8.4	0.9	0.5
Carbonated beverages, plastic bottle	28.4	11.5	0.8	0.7
Tea	0.1	0.4	19.9	0.1
Tomato paste	2.6	2.1	4.4	0.3
Tomato sauce and cooking base	1.4	0.4	4.5	0.2
Soups, stocks, stock cubes and packet soups	1.7	6.4	11.1	0.6
Pork rinds, crisps, cheese puffs, peanuts and others	1.9	7.4	7.4	0.4
Condiments (aromatic herb and species)	0.2	0.4	10.7	0.1
Salt	4.8	0.0	0.6	0.1
Consumption outside the home	76.7	184.4	2.6	5.9
Total	857.3	2 042.0		44.0

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the Survey of Household Income and Expenditure, 2007–2008.

■ Table A6.14
Paraguay: basic food basket, 2011

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Wheat flour, loose	21.9	79.6	2 973.2	1 951.4	27.7	100.7	3 025.1	2 510.0
Wheat flour 000, in packets	16.5	59.9	3 083.6	1 523.2	23.1	84.2	2 991.0	2 075.9
Mazie flour, loose	6.8	24.9	5 139.3	1 050.0	16.8	61.4	4 111.4	2 075.2
Rice, loose	15.9	58.0	3 961.2	1 887.7	15.6	56.9	4 111.4	1 923.1
Rice, in packets	14.9	54.2	4 625.3	2 062.0	9.9	36.1	4 111.4	1 221.5
Pastries	71.2	308.3	5 139.3	10 979.3	45.5	197.0	6 050.2	8 257.6
Cookie balls	20.8	89.9	6 932.1	4 318.9	23.2	100.3	6 224.7	4 325.4
Dry biscuits	17.2	74.3	5 946.5	3 062.8	17.8	77.2	6 000.0	3 209.6
Pan Felipe (oblong rolls)	23.5	62.7	3 489.5	2 456.9	0.0	0.0	0.0	0.0
Filled biscuits	3.5	16.7	17 646.5	1 830.7	2.6	12.3	16 806.2	1 288.5
Fettucine-type pasta, loose	20.0	74.1	4 111.4	2 463.7	29.9	110.9	4 955.4	4 443.9
Fettucine-type semolina pasta, in packets	8.2	30.2	6 640.1	1 623.7	4.7	17.4	6 875.0	965.9
Short semolina pasta, in packets	6.2	22.9	6 554.4	1 211.9	0.0	0.0	0.0	0.0
Dried pinto beans	0.0	0.0	0.0	0.0	0.4	1.4	10 000.0	124.1
Dried red beans	5.0	16.7	8 000.0	1 206.7	8.8	29.3	5 982.1	1 581.5
Canned peas	0.3	0.2	12 968.2	103.6	0.0	0.0	0.0	0.0
Garlic	1.3	1.8	19 805.9	789.8	1.5	2.0	20 167.4	927.0
Onions	30.3	11.1	4 111.4	3 734.0	28.8	10.6	4 649.1	4 021.5
Spring onions	2.1	0.6	10 374.5	639.2	3.5	1.0	12 205.3	1 267.5
Lettuce	5.9	0.6	7 076.3	1 248.4	4.4	0.5	5 825.3	768.0
Green peppers	13.3	4.5	7 058.6	2 822.0	13.2	4.5	6 937.6	2 752.6
Santa Cruz or plum tomatoes	37.0	6.5	6 925.3	7 685.8	33.6	5.9	6 167.1	6 209.6
Carrots	13.6	4.6	4 149.8	1 699.2	8.2	2.8	5 041.8	1 238.4
Squash	8.1	2.4	4 955.4	1 198.4	3.2	1.0	4 951.5	479.8
Manioc	148.8	150.1	1 485.4	6 633.1	333.5	336.3	1 027.9	10 285.0
Black potatoes	21.9	12.8	4 033.5	2 653.2	14.0	8.2	4 098.8	1 724.2
Bananas	51.1	23.5	2 753.0	4 219.9	28.5	13.1	2 640.8	2 260.7
Mandarins	9.3	3.1	2 490.5	694.0	27.3	9.0	2 676.7	2 189.6
Apples	11.1	5.5	8 687.6	2 897.1	5.3	2.6	9 041.4	1 435.4
Oranges	34.6	12.8	3 680.9	3 821.5	53.6	19.9	3 458.2	5 565.9
Pears	3.0	1.6	9 729.1	865.9	0.0	0.0	0.0	0.0
Shelled peanuts	0.0	0.0	0.0	0.0	2.2	13.0	4 985.0	335.1
White sugar	45.5	176.2	6 000.0	8 193.3	44.9	173.9	6 050.2	8 157.8
Ice in bags	34.8	59.0	1 651.8	1 725.6	29.8	50.6	1 597.4	1 430.0
Candies	0.0	0.0	0.0	0.0	0.4	1.5	34 261.8	409.6
Sunflower oil	11.3	100.0	9 903.0	3 359.7	8.1	72.0	8 862.3	2 165.3

Table A6.14 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Mixed oil, unbottled	5.0	43.9	7 562.8	1 125.5	13.0	114.9	7 433.1	2 898.5
Soybean oil	0.0	0.0	0.0	0.0	4.0	35.1	7 945.4	946.3
Fresh or unbottled raw milk	72.0	44.3	3 025.1	6 536.8	187.4	115.1	2 520.9	14 169.6
Pasteurized whole milk	102.2	62.8	4 033.5	12 363.0	22.9	14.1	4 500.0	3 095.4
Sterilized or long-life whole milk	32.2	19.8	4 955.4	4 790.8	12.5	7.7	5 041.8	1 894.7
Curd or yellow cheese	7.6	29.4	20 493.9	4 654.1	10.0	38.7	17 946.2	5 368.5
Whole-milk yogurt	28.8	17.7	5 946.5	5 129.4	15.5	9.5	6 979.1	3 246.3
Beefsteak, second category	17.2	49.5	20 167.4	10 383.9	9.8	28.2	19 805.9	5 812.2
Beefsteak, first category	14.7	24.2	25 209.2	11 131.3	12.9	21.2	21 934.2	8 516.1
Stewing beef, first category	17.8	32.2	12 296.3	6 579.1	32.8	59.1	15 125.5	14 884.1
Stewing beef, second category	23.8	14.0	8 067.0	5 762.9	14.7	8.6	10 000.0	4 398.8
Liver	4.1	5.5	10 083.7	1 226.3	2.7	3.6	10 083.7	817.8
Slaughtered domestic chicken	0.0	0.0	0.0	0.0	15.3	24.2	13 704.7	6 297.0
Industrial chicken	14.4	22.8	10 759.3	4 655.4	7.2	11.3	11 893.0	2 554.1
Chicken thighs	15.4	25.0	11 092.1	5 124.4	9.9	16.0	11 863.2	3 509.8
Bologna	0.0	0.0	0.0	0.0	2.8	8.7	12 961.1	1 083.2
Hot dogs	3.5	9.8	18 444.5	1 947.9	0.0	0.0	0.0	0.0
Industrial chicken's eggs	14.3	18.3	8 513.0	3 664.7	7.3	9.3	8 474.6	1 860.7
Free range chicken's eggs	7.6	9.7	11 003.3	2 507.4	21.2	27.1	11 077.9	7 041.0
Instant coffee, e.g. Nescafé	0.2	0.4	176 000.0	890.7	0.0	0.0	0.0	0.0
Torrefacto coffee, powdered	0.6	0.2	41 498.1	716.6	0.4	0.2	41 498.1	559.1
Yerba mate with medicinal herbs	2.5	1.9	11 883.5	890.0	1.5	1.1	12 296.3	556.6
Traditional yerba mate, in packets	15.1	11.5	7 976.1	3 606.8	22.4	17.1	7 058.6	4 753.3
Carbonated beverages	91.4	37.2	1 815.5	4 977.7	66.3	27.0	2 055.7	4 089.3
Instant juice, packets	1.1	4.1	40 334.8	1 294.5	1.3	5.0	39 880.4	1 568.4
Table salt	6.3	0.0	3 367.0	634.7	8.2	0.0	2 973.2	727.4
Cumin	0.1	0.4	67 393.5	218.6	0.1	0.3	99 108.0	250.9
Tomato extract preserve	4.6	3.8	13 876.0	1 922.8	4.4	3.6	14 243.0	1 898.1
Mayonnaise	1.4	10.2	19 911.7	847.7	0.9	6.3	20 167.4	532.7
Consumption outside the home	37.5	61.2	9 937.4	11 186.5	27.0	42.3	9 010.2	7 298.4
Total	1 276	2 109		207 383	1 405	2 269		198 254

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the Income, Expenditure and Living Conditions Survey, 2011–2012.

■ Table A6.15
Peru: basic food basket, 2014

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Plain rice, loose	166.2	598.2	2.5	12.5	103.4	372.2	2.5	7.8
Oats, packaged	9.3	36.2	6.0	1.7	5.2	20.3	6.0	0.9
Toasted flour or barely wheat	0.0	0.0	0.0	0.0	18.8	67.8	2.5	1.4
Polenta (maize flour)	19.0	11.2	3.7	2.1	16.7	9.9	3.1	1.5
Yellow maize (dried)	0.0	0.0	0.0	0.0	46.7	168.5	3.1	4.4
Regular white maize (dried)	8.6	31.3	4.0	1.0	25.9	94.4	3.2	2.5
Purple maize	9.0	32.5	3.0	0.8	0.0	0.0	0.0	0.0
Shucked maize (*mote*)	0.0	0.0	0.0	0.0	15.2	55.0	3.5	1.6
Cakes	0.0	0.0	0.0	0.0	4.5	16.5	5.2	0.7
Soda crackers (packaged)	1.9	8.1	10.2	0.6	0.0	0.0	0.0	0.0
Crusty bread	25.6	70.0	4.9	3.8	0.0	0.0	0.0	0.0
Plain bread	34.9	72.3	4.6	4.8	26.3	54.3	4.4	3.4
Other paste (packaged)	23.9	88.8	3.7	2.7	28.8	106.7	3.1	2.7
Dried split peas	5.6	7.5	4.1	0.7	0.0	0.0	0.0	0.0
Dried beans	0.0	0.0	0.0	0.0	14.7	16.2	3.0	1.3
Lentils	15.3	54.0	4.1	1.9	12.2	43.1	4.1	1.5
Rocoto chilli	0.0	0.0	0.0	0.0	2.5	7.5	4.0	0.3
Celery	6.6	0.8	2.5	0.5	7.3	0.9	2.0	0.4
Green peas	12.0	9.8	3.4	1.2	6.8	5.5	3.1	0.6
Beetroot	7.1	3.7	2.0	0.4	0.0	0.0	0.0	0.0
Broccoli	6.0	2.4	3.1	0.5	0.0	0.0	0.0	0.0
Spring onions	2.3	0.6	2.7	0.2	3.6	1.0	2.5	0.3
Red onions	37.6	13.5	2.0	2.3	30.0	10.8	2.0	1.8
Coriander	2.6	0.5	3.1	0.2	3.1	0.6	2.6	0.2
Mint	0.0	0.0	0.0	0.0	1.2	0.3	2.1	0.1
Oregano in bunches	0.0	0.0	0.0	0.0	1.9	5.8	2.2	0.1
Cucumber	12.9	1.6	1.7	0.7	0.0	0.0	0.0	0.0
Italian tomatoes	14.1	2.3	2.1	0.9	8.9	1.5	2.1	0.6
Chopped vegetables	8.8	3.3	2.8	0.7	0.0	0.0	0.0	0.0
Carrots	27.8	10.3	1.6	1.3	31.9	11.8	1.6	1.5
Squash	17.8	4.8	2.0	1.1	13.1	3.5	2.0	0.8
Local tomatoes	14.0	2.3	2.0	0.9	15.6	2.6	2.0	1.0
Coca leaf for chewing	0.0	0.0	0.0	0.0	1.7	0.0	24.9	1.3
Whole garlic	4.2	5.3	8.3	1.0	5.2	6.7	8.2	1.3
Ulluco	10.2	6.0	2.5	0.8	16.6	9.7	2.0	1.0
Yellow potatoes	31.6	18.5	2.0	1.9	0.0	0.0	0.0	0.0
White potatoes	141.9	82.9	1.0	4.4	243.2	142.2	1.0	7.4

Table A6.15 (continued)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Other potato varieties	0.0	0.0	0.0	0.0	84.0	49.1	1.2	3.1
White yucca	23.5	21.6	1.6	1.1	84.3	77.4	1.4	3.6
Freeze-dried potatoes	0.0	0.0	0.0	0.0	27.1	96.7	3.5	2.9
Lemons	21.0	2.8	3.1	2.0	14.1	1.9	3.2	1.3
Mandarina	29.5	8.3	2.1	1.9	16.6	4.7	2.1	1.0
Regular apples	13.5	7.0	2.0	0.8	11.3	5.9	2.0	0.7
Juicing oranges	29.4	8.9	1.5	1.3	20.9	6.3	1.7	1.1
Avocado	8.2	7.1	4.0	1.0	0.0	0.0	0.0	0.0
Papaya	17.5	3.8	2.5	1.3	0.0	0.0	0.0	0.0
Bananas	48.8	39.0	1.3	1.9	45.5	36.3	1.3	1.8
Grapes	8.6	4.0	3.5	0.9	0.0	0.0	0.0	0.0
Brown sugar	74.6	280.4	2.1	4.6	57.5	216.3	2.3	4.0
Gelatin, loose	2.4	8.2	10.0	0.7	1.3	4.3	10.3	0.4
Bottled vegetable oil	19.4	171.8	6.5	3.8	20.4	180.5	6.6	4.0
Packaged margarine	1.4	10.0	11.3	0.5	0.0	0.0	0.0	0.0
Soybean oil	0.0	0.0	0.0	0.0	3.1	27.7	5.6	0.5
Evaporated milk	44.1	30.6	7.5	10.0	15.8	11.0	7.6	3.6
Bottled fresh milk	0.0	0.0	0.0	0.0	66.6	37.0	1.5	3.0
Curd cow's cheese	8.0	31.0	12.5	3.0	9.6	37.2	11.3	3.3
Yogurt	19.2	15.7	5.1	2.9	8.3	6.8	5.1	1.3
Chicken without giblets	75.1	151.9	8.2	18.6	25.6	51.8	9.0	6.9
Chicken giblets	19.2	25.0	4.9	2.8	7.7	10.0	5.0	1.2
Mortadella	1.5	4.6	11.8	0.5	0.0	0.0	0.0	0.0
Live animals for consumption	0.0	0.0	0.0	0.0	9.1	15.9	11.4	3.1
Fresh Atlantic mackerel	7.2	5.9	6.1	1.3	0.0	0.0	0.0	0.0
Horse mackerel	16.2	13.2	6.9	3.4	7.3	6.0	7.9	1.7
Flaked tuna	2.4	2.8	15.1	1.1	1.8	2.0	12.1	0.6
Chicken's eggs, loose	28.6	36.9	5.6	4.8	21.8	28.1	5.7	3.7
Free-range eggs	0.0	0.0	0.0	0.0	13.8	17.8	6.2	2.6
Herbs for mate (horsetail and others)	0.0	0.0	0.0	0.0	1.2	0.0	2.7	0.1
Tea bags	0.1	0.0	51.5	0.2	0.0	0.0	0.0	0.0
Instant coffee	0.3	0.6	100.5	0.8	0.0	0.0	0.0	0.0
Carbonated beverages	34.2	13.9	2.4	2.5	25.5	10.4	2.0	1.5
Cinnamon sticks (packaged)	0.3	0.7	50.4	0.5	0.2	0.6	50.2	0.3
Cloves (packaged)	0.2	0.5	50.7	0.2	0.0	0.0	0.0	0.0
Ground cumin (loose)	0.2	0.8	31.0	0.2	0.2	0.8	25.4	0.2
Dried oregano (packaged)	0.4	1.3	17.2	0.2	0.4	1.3	14.5	0.2

Table A6.15 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Iodized cooking salt (packaged)	7.7	0.0	1.0	0.2	9.0	0.0	1.0	0.3
Iodized table salt (packaged)	5.5	0.0	1.0	0.2	0.0	0.0	0.0	0.0
Colorant and seasoning (*sibarita*)	0.3	0.6	19.2	0.2	0.3	0.5	19.1	0.2
Other condiments and colorants	0.9	1.9	19.1	0.5	0.7	1.5	18.9	0.4
Chamomile	0.0	0.0	0.0	0.0	1.6	0.0	2.1	0.1
Mint	0.0	0.0	0.0	0.0	1.4	0.0	2.1	0.1
Consumption outside the home	9.1	15.3	5.3	1.5	0.0	0.0	0.0	0.0
Total	1 255.6	2 105.0		128.8	1 325.1	2 181.0		107.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the National Household Survey, 2014.

■ Table A6.16
Dominican Republic: basic food basket, 2007

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Select rice	32.3	118.0	39.0	37.8	23.7	86.5	40.1	28.5
Rice, superior or regular	123.5	444.7	34.4	127.4	162.4	584.6	35.0	170.5
Oats	0.0	0.0	0.0	0.0	2.4	8.7	53.2	3.8
Crusty bread	28.7	59.4	44.3	38.2	14.9	30.9	44.3	19.9
Soft bread	27.8	74.3	45.9	38.3	27.6	73.7	44.3	36.7
Wheat flour biscuits	0.0	0.0	0.0	0.0	0.9	3.8	110.9	2.8
Sweet cookies	0.1	0.5	807.4	3.4	0.0	0.0	0.0	0.0
Savoury crackers	2.6	11.3	87.8	6.9	2.6	11.5	88.3	7.0
Cakes	0.7	1.9	276.7	5.4	0.0	0.0	0.0	0.0
Short pastas	3.9	14.5	44.3	5.2	5.3	19.8	44.3	7.1
Spaghetti	6.0	22.4	44.3	8.0	7.3	27.1	44.5	9.7
Dried pinto beans	7.6	25.9	72.7	16.6	11.9	40.6	73.6	26.3
Dried red beans	7.3	24.8	70.6	15.6	8.0	26.8	71.1	17.0
Cooked dried beans	6.4	2.2	88.2	17.0	2.5	0.9	88.4	6.7
Green chilli peppers (*cubanela*)	6.0	2.4	44.4	8.0	6.1	2.4	44.4	8.1
Stalk celery, leaf celery	1.1	0.2	38.2	1.2	0.0	0.0	0.0	0.0
Squash	4.2	0.7	33.4	4.2	3.8	0.6	33.3	3.8

Table A6.16 (continued)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Aubergine	6.2	1.4	25.0	4.7	7.4	1.7	25.1	5.6
Red onions	11.2	4.1	52.7	17.8	11.5	4.2	52.7	18.2
Garlic	3.2	4.0	134.5	13.1	3.2	3.9	134.6	13.0
Cabbage	1.7	0.3	44.3	2.3	0.0	0.0	0.0	0.0
Barceló tomatoes	1.7	0.8	33.3	1.7	0.0	0.0	0.0	0.0
Salad tomatoes	2.1	0.3	44.3	2.8	0.0	0.0	0.0	0.0
Raw salad (varied produce)	4.4	0.6	44.3	5.8	0.0	0.0	0.0	0.0
Vegetables	4.9	1.4	44.3	6.5	4.5	1.2	44.4	6.0
Cassava	43.4	38.4	21.4	27.8	61.8	54.8	17.9	33.3
Potatoes	14.0	9.1	33.3	14.0	8.1	5.2	33.3	8.1
Avocados	4.2	3.7	66.7	8.5	2.6	2.3	66.7	5.3
Ripe bananas	5.6	5.1	15.9	2.7	4.8	4.4	15.9	2.3
Green bananas	46.8	38.6	13.3	18.7	47.2	38.9	13.3	18.9
Bitter lemons	3.7	0.4	31.5	3.5	0.0	0.0	0.0	0.0
Ripe plantains	26.4	19.0	11.1	8.8	12.1	8.7	11.1	4.0
Green plantains	130.3	112.6	17.8	69.4	125.5	108.5	17.8	66.9
Refined white sugar	12.1	46.7	35.5	12.8	6.3	24.5	34.5	6.6
Brown sugar	19.9	74.6	26.7	15.9	33.4	125.6	26.7	26.7
Chocolate, in bars	2.9	14.6	115.0	9.9	1.8	9.3	112.0	6.2
Lollipops, mints	0.0	0.0	0.0	0.0	0.4	2.1	158.7	2.0
Soybean oil	33.1	292.8	50.0	49.7	38.0	336.3	50.0	57.0
Butter	0.7	5.3	88.5	2.0	0.6	4.2	85.7	1.5
Fresh or raw cow's milk	0.0	0.0	0.0	0.0	43.6	24.2	13.9	18.2
Powdered whole milk	4.8	23.9	200.8	29.1	4.4	21.6	199.9	26.2
Evaporated milk	6.4	4.4	95.9	18.4	6.5	4.5	95.8	18.6
Yellow cheddar cheese	1.6	5.3	177.9	8.5	0.0	0.0	0.0	0.0
Beef, regular	8.4	20.4	128.2	32.3	10.1	24.4	111.3	33.7
Fresh chicken	88.3	139.6	66.1	174.9	90.4	142.9	66.9	181.3
Pork, regular	9.5	14.9	110.7	31.6	16.4	25.6	101.9	50.1
Salami	6.3	15.7	132.8	25.0	8.4	20.9	129.5	32.5
Salami, super special	7.7	19.3	133.0	30.9	6.8	17.0	133.3	27.2
Cod	3.5	1.7	194.6	20.4	2.8	1.4	200.0	17.0
Free-range chicken's eggs	0.0	0.0	0.0	0.0	3.5	4.3	76.8	8.0
Framed chicken's eggs	19.8	24.7	70.7	42.0	19.9	24.8	70.7	42.2
Roast and ground coffee	3.0	1.3	148.3	13.5	3.9	1.7	149.1	17.7
Cacao and chocolate powder	0.0	0.0	0.0	0.0	1.1	4.3	74.1	2.4
Carbonated beverages	54.4	22.1	31.4	51.3	44.4	18.1	31.5	42.0

Table A6.16 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Purified water (flagons)	477.4	0.0	1.4	19.9	304.7	0.0	1.4	12.7
Packaged orange juice	19.2	8.6	22.2	12.8	11.6	5.2	22.2	7.8
Natural juices (liquid)	8.2	3.3	43.9	10.9	3.9	1.6	43.9	5.1
Powdered fruit juice	1.3	5.0	336.1	13.2	0.9	3.2	338.1	8.6
Carbonated malt beverage (Malta)	8.6	3.2	27.9	7.2	7.9	2.9	28.1	6.6
Salt	0.0	0.0	0.0	0.0	6.0	0.0	12.5	2.3
Cinnamon sticks	0.4	1.0	86.5	1.1	0.5	1.2	85.6	1.3
Tomato paste	4.3	3.5	60.6	7.9	6.5	5.3	60.6	11.8
Tomato sauce	4.9	1.5	60.9	9.0	4.2	1.2	61.0	7.6
Seasoning, powdered	1.1	2.3	174.8	5.7	1.4	2.9	175.7	7.2
Seasoning, liquid	1.9	0.6	72.2	4.1	2.7	0.8	72.3	5.9
Yellow vinegar	0.0	0.0	0.0	0.0	2.2	0.3	18.7	1.2
Chicken stock (soup concentrate)	3.4	13.1	295.6	30.3	3.6	14.0	295.6	32.2
Snacks and finger foods, all kinds	0.7	4.1	199.3	4.4	0.0	0.0	0.0	0.0
Consumption outside the home	218.9	285.4	39.8	261.0	172.2	226.8	37.5	193.8
Total	1 601.2	2 102.0		1 496.8	1 439.2	2 255.0		1 450.4

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the National Household Expenditure and Income Survey, 2006–2007.

■ Table A6.17
Uruguay: basic food basket, 2006

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Wheat flour	32.2	116.4	11.0	10.6	44.3	159.9	11.0	14.6
Maize flour	0.0	0.0	0.0	0.0	6.4	23.2	18.0	3.5
Regular rice (white, whole, parboiled, broken)	47.0	169.1	14.0	19.7	48.7	175.5	15.0	21.9
Large baguette	21.6	59.3	22.4	14.6	33.9	92.9	24.7	25.2
Crusty bread, small	61.9	169.5	20.8	38.6	34.7	95.0	21.4	22.3
Flaky pastry, small	26.4	127.3	22.0	17.4	24.0	116.1	22.0	15.9
Flaky pastry, large	19.5	84.3	21.9	12.8	28.6	123.8	21.0	18.0
Pastries	9.5	33.9	53.0	15.2	5.4	19.0	53.3	8.6
Crackers and malt biscuits, savoury or wholegrain	7.5	32.5	53.3	12.0	8.4	36.4	46.0	11.6
Sweet biscuits, waffles, wafers	3.9	18.8	75.0	8.7	3.5	17.1	75.0	8.0
Alfajores, small	0.8	3.7	122.2	2.8	0.0	0.0	0.0	0.0
Alfajores, large	0.0	0.0	0.0	0.0	1.0	4.7	113.3	3.4
Bread crumbs	3.0	8.0	26.0	2.3	0.0	0.0	0.0	0.0
Short and long pastas, cappellettis and lasagna layers, dried	39.8	147.6	25.2	30.0	36.0	133.5	24.0	25.9
Lentils with or without skins	2.4	8.4	38.5	2.8	0.0	0.0	0.0	0.0
Butter beans, haricot beans, soybeans, pinto beans, black beans, other beans	0.0	0.0	0.0	0.0	1.5	5.3	35.3	1.6
Canned peas	1.9	1.6	40.0	2.3	1.1	0.9	45.0	1.5
Chard	0.0	0.0	0.0	0.0	11.4	1.1	8.0	2.7
Lettuce	0.0	0.0	0.0	0.0	1.8	0.2	51.3	2.7
Zucchini	0.0	0.0	0.0	0.0	6.4	1.0	10.0	1.9
Common tomato (beef tomato, long-life)	21.9	3.9	17.5	11.5	18.6	3.3	19.6	10.9
Carrots	16.4	5.9	14.0	6.9	18.8	6.7	13.8	7.8
Onions, spring onions, chives	23.3	8.5	16.0	11.2	23.9	8.7	15.1	10.8
Pumpkin and butternut squash	11.7	3.5	13.3	4.7	10.5	3.1	13.0	4.1
Red peppers	8.0	2.0	33.3	8.0	8.7	2.1	30.0	7.8
Potatoes, baby potatoes	117.8	63.5	10.0	35.4	127.3	68.5	9.5	36.3
Sweet potatoes	15.8	10.4	11.0	5.2	21.4	14.2	10.0	6.4
Bergamot oranges, oranges	15.6	5.6	9.0	4.2	12.5	4.5	9.0	3.4
Mandarins	6.1	1.7	9.0	1.7	5.5	1.5	9.5	1.6

Table A6.17 (continued)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Peaches, apricots, nectarines	4.8	1.7	19.0	2.8	4.6	1.7	20.0	2.8
Bananas	27.4	16.8	14.0	11.5	26.2	16.1	14.0	11.0
Manzanas	29.1	11.5	14.0	12.2	27.1	10.7	15.0	12.2
Refined white sugar	48.6	187.9	20.0	29.1	60.4	233.7	20.0	36.2
Milk caramel (*dulce de leche*)	4.7	15.2	40.0	5.7	7.3	23.5	37.7	8.3
Fruit jelly for spreading	4.7	16.8	32.6	4.6	7.6	27.4	30.0	6.9
Candies, chewing gum, lollipops	1.0	4.4	173.3	5.1	1.4	6.0	148.1	6.0
Edible oils, all kinds (except olive and sunflower)	22.1	194.2	24.4	16.2	22.2	195.6	26.0	17.3
Butter	1.9	17.3	100.0	5.8	1.4	12.9	70.0	3.0
Dried greeted cheese	1.6	6.3	120.0	5.8	1.1	4.2	120.0	3.8
Mozzarella and sandwich cheese	1.7	4.9	100.0	5.2	0.0	0.0	0.0	0.0
Other fresh cheeses	0.0	0.0	0.0	0.0	3.3	13.0	90.0	9.0
Plain whole milk, packaged, with vitamins and minerals	203.2	124.8	10.8	66.1	97.6	60.0	11.0	32.2
Dairy milk, unpasteurized	78.4	43.6	7.0	16.5	339.6	188.7	7.0	71.3
Yogurt plain, fruit-flavoured, diet and bioyogurt	14.7	12.0	22.0	9.7	9.0	7.3	20.0	5.4
Ground beef, regular	17.5	43.6	60.0	31.6	8.5	21.1	60.0	15.3
Ground beef, special	11.4	15.6	71.0	24.3	5.6	7.7	72.0	12.2
Beef rib	18.6	17.1	45.0	25.1	19.5	17.9	46.5	27.1
Chuck, brisket, shoulder, flank	22.4	37.9	48.0	32.2	22.3	37.9	46.7	31.3
Ovine meat, cuts of mutton and lamb	0.0	0.0	0.0	0.0	41.6	65.4	40.0	50.0
Whole chicken, fresh or frozen, with or without giblets	21.7	25.6	35.9	23.3	24.9	29.5	36.8	27.5
Chicken, cuts on the bone	6.8	7.3	39.1	8.0	0.0	0.0	0.0	0.0
Ham, centre cut ham, cured ham, bondiola, pastrami, etc.	1.9	4.3	100.0	5.6	0.0	0.0	0.0	0.0
Deli meats, bologna, stuffed flank roll, etc.	2.3	7.3	80.0	5.6	1.8	5.7	80.0	4.4
Frankfurters loose or vacuum-packed	4.2	9.2	74.7	9.3	0.0	0.0	0.0	0.0
Chorizos	8.8	40.1	58.8	15.6	5.9	26.9	65.0	11.5
Eggs	19.8	28.4	44.4	26.5	26.8	38.3	44.4	35.7

Table A6.17 (concluded)

Product	Urban				Rural			
	Grams	Kcal.	Price per kg.	Monthly cost	Grams	Kcal.	Price per kg.	Monthly cost
Instant coffee or soluble barley	0.9	2.1	500.0	12.8	0.4	1.1	560.0	7.4
Yerba mate	28.2	21.4	46.0	38.9	35.2	26.8	48.0	50.7
Powdered cocoa and chocolate	2.1	8.5	70.0	4.5	3.1	12.2	60.0	5.5
Carbonated beverages	95.1	39.0	12.9	36.8	108.7	44.6	13.3	43.5
Bottled water	81.5	0.0	8.0	19.5	54.0	0.0	7.3	11.7
Powdered beverages	2.1	7.9	177.8	11.0	2.0	7.8	166.7	10.2
Plain salt	6.4	0.0	24.0	4.6	9.8	0.0	22.0	6.5
Tomato sauce and similar	19.0	5.7	18.5	10.5	15.8	4.7	17.0	8.1
Mayonnaise, cocktail sauce, mustard, ketchup, soya sauce	3.9	27.7	64.0	7.4	4.4	31.4	48.3	6.3
Stick cubes, regular and light	0.0	0.1	2 000.0	2.5	0.0	0.0	0.0	0.0
Yeast, baking powder	0.8	2.3	135.0	3.1	1.3	4.0	142.9	5.8
Consumption outside the home	3.4	5.3	38.1	3.9	2.2	3.4	38.1	2.5
Total	1 336.7	2 099.0		837.4	1 547.1	2 305.0		876.9

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the National Household Expenditure and Income Survey, 2005–2006.

■ Table A6.18
Bolivarian Republic of Venezuela: basic food basket, 2008

Product	Nacional			
	Grams	Kcal.	Price per kg.	Monthly cost
Rice (all varieties)	70.3	256.5	3.0	6.3
Oats and oat products	2.3	8.7	8.8	0.6
Precooked maize flour	96.4	348.0	2.3	6.7
Wheat flour	6.3	22.8	4.5	0.9
Cereal flakes and similar	1.6	6.1	20.7	1.0
Pastas, spaghettis	45.2	167.5	5.9	8.0
Biscuits	3.2	15.5	24.0	2.3
Wheat bread	26.1	79.5	6.0	4.7
Prepared cereals (*Polly, Nenerina*)	2.6	9.6	18.8	1.5
Black beans, packaged	10.7	37.2	5.0	1.6
Lentils, packaged	3.4	11.9	4.0	0.4
Sweet chilies	2.1	0.7	10.0	0.6
Garlic	1.8	2.2	16.0	0.9
Onions	14.2	5.2	8.0	3.4
Herbs (coriander, parsley, oregano)	2.0	0.6	10.0	0.6
Bell peppers	3.3	0.9	10.0	1.0
Tomatoes	15.2	2.3	6.0	2.7
Carrots	8.3	3.1	5.4	1.3
Leafy vegetables	11.3	4.3	5.0	1.7
Potatoes	17.5	10.3	6.0	3.1
Cassava	6.0	6.1	3.0	0.5
Bananas	8.4	7.3	3.5	0.9
Guava	7.8	3.2	5.0	1.2
Papaya	7.2	2.3	4.7	1.0
Melons	9.3	1.2	4.0	1.1
Bananas	21.2	18.5	5.6	3.5
Sugar	51.0	197.3	2.0	3.1
Compotes	2.2	2.2	18.7	1.2
Corn oil	10.8	95.8	6.8	2.2
Soybean oil	3.0	26.8	3.0	0.3
Margarine	6.6	47.8	7.0	1.4
Other vegetable oils	4.3	37.7	5.6	0.7
Powdered whole milk	16.6	82.2	14.7	7.3
Pasteurized milk	10.1	6.2	3.0	0.9
Yellow cheese	1.3	4.8	33.5	1.3
White cheese	10.4	40.5	21.0	6.6

Table A6.18 (concluded)

Product	Nacional			
	Grams	**Kcal.**	**Price per kg.**	**Monthly cost**
Pasteurized white cheese	1.7	6.6	24.0	1.2
Semi-hard cheese	3.7	14.4	21.7	2.4
Ground beef	11.1	27.7	18.3	6.1
Beef rib	7.0	7.0	13.0	2.7
Skirt	3.7	9.1	18.0	2.0
Top round steak	9.9	18.5	18.9	5.6
Slaughtered chicken meat	85.0	125.8	8.2	20.9
Chicken parts (thighs, breast, wing)	9.3	13.2	11.0	3.1
Loin ham	1.6	2.8	33.3	1.6
Cured leg ham	1.7	3.0	36.5	1.9
Bologna	8.7	26.9	10.0	2.6
Ham spread	0.8	2.7	46.7	1.2
Canned and/or smoked tuna	4.2	6.5	25.9	3.2
Canned sardines	3.2	6.7	12.4	1.2
Chicken's eggs	17.0	24.9	8.9	4.6
Ground coffee	7.2	3.0	17.5	3.8
Carbonated beverages	76.6	31.4	3.5	8.0
Instant beverages	1.0	3.9	33.2	1.0
Fruit juices, pasteurized, concentrated and pulp	9.2	4.1	5.6	1.5
Stock cubes	0.6	1.1	41.7	0.7
Mayonnaise	5.3	38.0	10.1	1.6
Snacks (*pepito* sandwiches, pork rinds, etc)	0.6	1.3	37.0	0.6
Salt	6.2	0.0	2.6	0.5
Tomato sauce, purée or paste	4.4	3.6	8.1	1.1
Consumption outside the home	38.7	87.2	11.3	13.1
Total	838.3	2 042.0		174.8

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official data from the IV National Household Budget Survey.

Annex A8

Comparing ECLAC poverty measurements with national poverty measurements

The poverty measurements presented in this study aim to optimize cross-country comparability. The methodological decisions made in order to achieve this are not necessarily the same as those made by each of the countries, and the results may therefore differ. Insofar as the available information will permit, this section compares some elements involved in ECLAC poverty measurements with those from countries' measurements in order to illustrate the impact of those differences.[1]

Three successive decompositions —ranging from the most general elements to specific aspects of the methodology— are presented (see diagram A8.1). First, the differences in poverty rates (and extreme poverty rates) are broken down into the two main components of the methodology: poverty lines and household income. In the cases of countries that use adult-equivalent units rather than per capita units, this element is added to the comparison.

The second decomposition is used to take a closer look at possible differences in the value of the poverty line. To this end, differences in poverty lines (and extreme poverty lines) are broken down into their three principal elements: mean calorie requirements, the implicit cost per kilocalorie of the basic food basket and the Orshansky index. The first two elements account for discrepancies between extreme poverty lines, while the third element is relevant only in the case of poverty lines.

The third decomposition is used to analyse the differences between ECLAC measurements of the cost per kilocalorie of the basic food basket and the countries' measurements of that cost. In this case, the relevant explanatory factors are the composition of the baskets and the prices assigned to those goods.

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[1]   Not all the countries have official figures on monetary poverty. In Brazil the comparison is done with the statistics published by the Institute of Applied Economic Research (IPEA), which, of all the available measurement systems, uses the methodology that is the most similar to the one employed by ECLAC (see Institute of Applied Economic Research (IPEA), "Pobreza - taxa de pobreza (P0)", Brasilia, 2016 [online] http://www.ipeadata.gov.br/ExibeSerie.aspx?serid=37814&module=M). In the case of Mexico, whose official figures are based on a multidimensional approach to poverty measurements published by the National Council for the Evaluation of Social Development Policy (CONEVAL), the comparison uses as a non-official reference point the figures for "population below the minimum welfare line" (for extreme poverty) and "population below the welfare line" (for total poverty).

■ Diagram A8.1

Comparisons of measurements made by the Economic Commission for Latin America and the Caribbean and national measurements
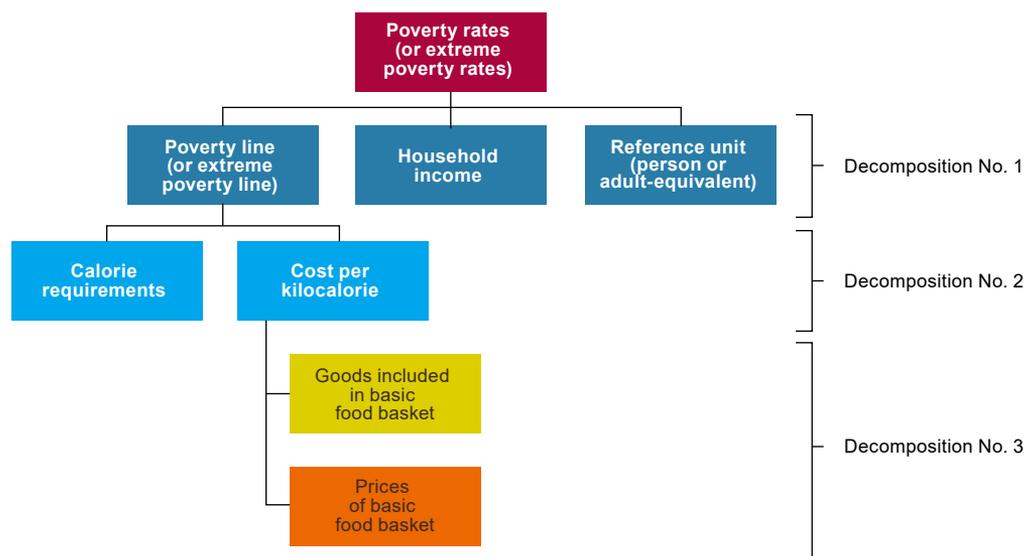
Source: Economic Commission for Latin America and the Caribbean (ECLAC).

These comparisons use 2016 or an earlier year for which figures are available for each country as the reference year. This analysis therefore does not encompass the differences between time series or the impact of the use of different criteria for updating the lines from year to year. While the discrepancies identified in any given year are not necessarily representative of the entire series, they nonetheless do provide a general picture of the most relevant explanatory elements.

The general comparisons of the poverty and extreme poverty rates calculated by ECLAC and by the countries fall into one of four categories. In the case of nine countries (Argentina, Bolivia (Plurinational State of), Costa Rica, Guatemala, Honduras, Mexico, Panama, Uruguay and Venezuela (Bolivarian Republic of)), the ECLAC figures for these two rates are lower than the countries' figures. In three countries (Brazil, Chile and Ecuador), the ECLAC figures are lower for extreme poverty but higher for total poverty. In three other countries (Dominican Republic, Paraguay and Peru), the figures for extreme poverty computed by ECLAC are higher, but its figures for total poverty are lower. Finally, in another three countries (Colombia, El Salvador and Nicaragua), the rates calculated by ECLAC are higher for both indicators (see tables A8.1 and A8.2).

■ **Table A8.1**

Poverty and extreme poverty rates computed by the Economic Commission for Latin America and the Caribbean and by the countries, around 2016
(Percentages of the population)

	Extreme poverty			Poverty		
	ECLAC	Country[a]	Difference	ECLAC	Country[a]	Difference
Argentina, 2016	2.9	6.1	–3.3	21.1	30.3	–9.2
Bolivia (Plurinational State of), 2015	14.7	16.8	–2.1	35.0	38.6	–3.6
Brazil, 2014	3.3	4.2	–0.9	16.5	13.3	3.2
Chile, 2015	1.8	3.5	–1.7	13.7	11.7	2.0
Colombia, 2016	12.0	8.5	3.5	30.9	28.0	2.9
Costa Rica, 2016[b]	3.7	6.3	–2.6	13.6	20.5	–6.7
Dominican Republic, 2016	8.4	6.1	2.3	27.4	30.0	–2.6
Ecuador, 2016	6.6	8.7	–2.1	23.3	22.9	0.3
El Salvador, 2016[b]	8.0	7.9	0.1	34.1	32.7	1.1
Guatemala, 2014	15.4	23.4	–8.0	50.5	59.3	–8.8
Honduras, 2016	18.8	42.5	–23.7	53.2	65.7	–12.5
Mexico, 2016[c]	11.7	17.5	–5.9	43.7	50.6	–6.9
Nicaragua, 2014	18.3	8.3	10.0	46.3	29.6	16.7
Panama, 2016	8.5	9.9	–1.4	17.0	22.1	–5.1
Paraguay, 2016	7.9	5.7	2.2	24.0	28.9	–4.8
Peru, 2016	5.2	3.8	1.4	19.1	20.7	–1.6
Uruguay, 2016	0.2	0.3	–0.1	3.5	9.4	–5.9
Venezuela (Bolivarian Republic of), 2012	5.1	7.1	–2.0	20.9	25.4	–4.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information from the countries and the Household Survey Data Bank (BADEHOG).

[a] The countries' measurements come from the following sources: Argentina: National Institute of Statistics and Censuses (INDEC); Bolivia (Plurinational State of): National Institute of Statistics (INE); Brazil: Institute of Applied Economic Research (IPEA); Chile: Ministry of Social Development; Colombia: National Administrative Department of Statistics (DANE); Costa Rica: National Institute of Statistics and Censuses (INEC); Dominican Republic: Ministry of Economy, Planning and Development; Ecuador: National Institute of Statistics and Censuses (INEC); El Salvador: Department of Statistics and Censuses (DIGESTYC); Guatemala: National Institute of Statistics (INE); Honduras: National Institute of Statistics (INE); Mexico: National Council for the Evaluation of Social Development (CONEVAL); Nicaragua: National Information and Development Institute (INIDE); Panama: Ministry of Economic Affairs and Finance; Paraguay: Department of Statistics, Surveys and Censuses (DGEEC; Peru: National Institute of Statistics and Informatics (INEI); Uruguay: National Institute of Statistics (INE); Venezuela (Bolivarian Republic of): National Institute of Statistics (INE).

[b] The figures refer to percentages of households, in line with the way in which the countries' official figures are expressed.

[c] Estimates of the National Council for the Evaluation of Social Development Policy (CONEVAL) for the "population below the minimum welfare line" and the "population below the welfare line".

■ **Table A8.2**
Poverty and extreme poverty rates according to the measurements of the Economic Commission for Latin America and the Caribbean and national measurements, around 2016

		Countries for which ECLAC extreme poverty rates are:	
		Lower	**Higher**
Countries for which ECLAC poverty rates are:	Lower	Argentina, 2016	Dominican Republic, 2016
		Bolivia (Plurinational State of), 2015	Paraguay, 2016
		Costa Rica, 2016	Peru, 2016
		Guatemala, 2014	
		Honduras, 2016	
		Mexico, 2016	
		Panama, 2016	
		Uruguay, 2016	
		Venezuela (Bolivarian Republic of), 2012	
	Higher	Brazil, 2014	Colombia, 2016
		Chile, 2015	Nicaragua, 2014
		Ecuador, 2016	El Salvador, 2016

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information from the countries and the Household Survey Data Bank (BADEHOG).

1. Decomposition of differences between poverty rates

Two basic inputs are needed in order to calculate a poverty rate or an extreme poverty rate: a poverty line and a household income vector (obtained from each country's household survey). There is a direct link between these inputs and the resulting poverty rate: the higher the poverty line is and the lower household income is, the higher the poverty rate will be. Any difference between the rates estimated by ECLAC and by the countries is attributable to differences in one or both of these inputs.

The surveys listed in table II.4 are the tool used both by ECLAC and by the relevant country to measure household income. This makes it possible to estimate the effect of differences in the poverty line and in income levels using the same household survey database, as follows:

- difference attributable to poverty lines: $H_{ECLAC} - H_{EC}$

- difference attributable to income: $H_{EC} - H_{COUNTRY}$

where H_{ECLAC} and $H_{COUNTRY}$ represent the ECLAC and country measurements, respectively, and H_{EC} denotes the poverty rate calculated using the income measurements of ECLAC and the poverty line computed by the country concerned.[2]

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[2] The magnitude of each of the explanatory factors may change depending on the order in which they are calculated (i.e. if the line or the income level is the first to be modified). Nevertheless, this simple scheme provides a sufficiently accurate description of the causes of inter-measurement discrepancies.

For 10 of the 18 countries whose household survey results are regularly processed by ECLAC, the information needed to analyse the factors that account for these differences is available. In addition to possible differences in the extreme poverty and poverty lines and in income levels, some countries in the region base their monetary poverty estimates on poverty lines and income levels expressed in terms of adult-equivalents rather than in per capita terms. In these cases, the poverty and extreme poverty lines of these countries are first expressed in per capita units and are then multiplied by the mean number of adult-equivalents per households and divided by the mean number of persons per household.

In the case of extreme poverty, the differences between the results obtained by ECLAC and by the countries arise from differing combinations of the factors concerned. In two of the cases where the ECLAC figures are higher, the difference is almost entirely accounted for by differences in the extreme poverty line (Colombia and the Dominican Republic). In another, the explanation lies in a combination of a higher line and lower income figures (Paraguay, due to the truncation of the imputed rents by ECLAC) and, in the other case (Peru[3]), by a combination that is just the reverse (a lower line and higher income figures). When the extreme poverty line computed by ECLAC is lower than the line drawn by the countries, in some cases this is because the line is lower and income levels are higher (Costa Rica and Mexico), in others because a positive difference in the line is more than offset by a negative difference in income (Argentina and Ecuador) and in still others because a lower line has been partially offset by a lower mean level of household income (Chile, due to the truncation of imputed rent). In Uruguay, the extreme poverty rates calculated by the country and by ECLAC are virtually the same (see figures A8.1 and A8.2).

■ Figure A8.1
**Two-factor decomposition of differences in extreme poverty and poverty rates**
(Percentage points)
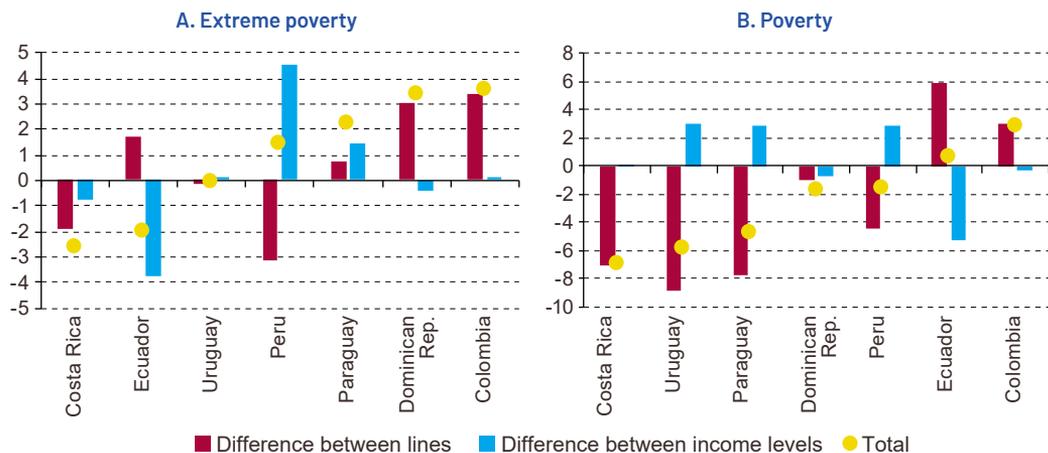
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information from the countries and the Household Survey Data Bank (BADEHOG).

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[3]   In the case of Peru, official figures are based on expenditure, whereas ECLAC bases its calculations on income levels.

■ Figure A8.2
Three-factor decomposition of differences in extreme poverty and poverty rates
(Percentage points)

A. Extreme poverty   B. Poverty

- Difference between lines
- Difference between income levels
- Difference due to use of equivalence scales
- Total
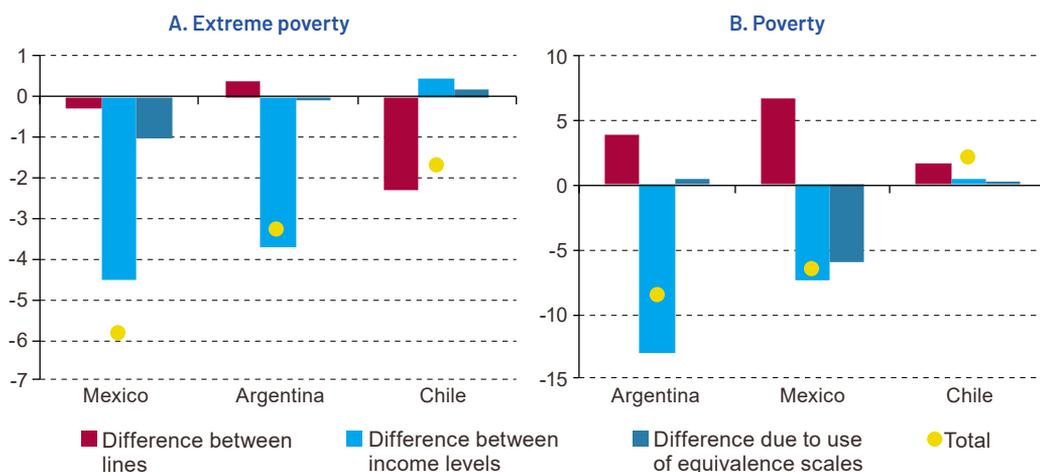
In the case of total poverty, the differences in poverty lines and income levels generally are opposite to one another. The ECLAC poverty line is lower than the line set by five countries (Costa Rica, Dominican Republic, Paraguay, Peru and Uruguay), and the positive differential in income levels partially or fully offsets this difference (except in the case of the Dominican Republic, where the difference in income levels reinforces the difference in poverty lines). The poverty line drawn by ECLAC is higher than the line computed by another five countries. In two of them (Chile and Colombia), this factor is great enough that the overall poverty measurements estimated by ECLAC are also higher. In the other three (Argentina, Ecuador and Mexico) the inclusion of imputed rent in aggregate household income (which is not done in the country measurements) more than outweighs the difference in the poverty line, and the ECLAC poverty estimates are therefore lower. Of the three countries that use equivalence scales (Argentina, Chile and Mexico), Mexico is the only one in which this has the effect of making the country's poverty measurements higher than those of ECLAC.

2. Decomposition of the differences in poverty lines

To analyse the differences between the poverty lines used by the countries and those used by ECLAC, it is helpful to break them down into three components, two of which correspond to the extreme poverty line, while the third relates only to the poverty line. Differences between extreme poverty lines are due to the mean calorie requirement implicit in the basic food basket or the cost per kilocalorie of that basket. The third element that may account for differences between the ECLAC poverty line and the countries' poverty lines is the Orshansky coefficient.

Table A8.3 summarizes the results of this analysis for the 10 countries of the region for which the necessary information is available.

■ **Table A8.3**
Decomposition of differences in poverty and extreme poverty lines

Country	Difference in extreme poverty lines		Difference in poverty lines
	Requirement	Cost per kilocalorie	Orshansky index
Argentina	ECLAC requirement: 3% less than the requirement of the National Institute of Statistics and Censuses	Cost per kilocalorie – ECLAC: 16% higher than the cost per kilocalorie of INDEC	Orshansky index – ECLAC: 2% lower than the Orshansky index of the National Institute of Statistics and Censuses (2016)
Chile	ECLAC requirement: 7% greater than the requirement used for official measurements	8.5 % of the calories assigned a price of zero in the official measurements (estimated contribution of the School Meals Programme)	Orshansky index – ECLAC: 7% lower than the Orshansky index used for official measurements (as of the year that the income and expenditure survey was conducted)
		Cost per kilocalorie – ECLAC: 4% higher than the cost per kilocalorie used in official measurements	
	Differing definitions of the extreme poverty line: defined by ECLAC as the cost of the basic food basket; defined by the country as two-thirds of the poverty line		
Colombia	ECLAC requirement: 3% less than the requirement used in official measurements for urban areas and 6% greater for rural areas	Cost per kilocalorie – ECLAC: 19% higher than the cost per kilocalorie used in official measurements for urban areas and 15% higher for rural areas	Orshansky index – ECLAC: 10% lower than the Orshansky index used in official measurements for urban areas and 4% lower for rural areas (as of the year that the income and expenditure survey was conducted)
		ECLAC measurements include food consumed outside the home; the official measures do not include this component	
Costa Rica	ECLAC requirement: 2% less than the requirement used in official measurements for urban areas and 1% greater for rural areas	Cost per kilocalorie – ECLAC: 25% lower for urban areas and 20% lower for rural areas	Orshansky index – ECLAC: 3% higher than the Orshansky index used in official measurements for urban areas and 2% higher for rural areas
Dominican Republic	ECLAC requirement: same as the requirement used in official measurements for urban areas and 2% higher for rural areas	Cost per kilocalorie – ECLAC: 8% higher than the cost per kilocalorie used in official measurements for urban areas and 12% higher for rural areas	Orshansky index – ECLAC: 5% lower than the Orshansky index used in official measurements for urban areas and 11% lower for rural areas (as of the year that the income and expenditure survey was conducted)
Ecuador	ECLAC requirement: 2% less that the requirement used in official measurements for urban areas and 3% greater for rural areas[a]	Cost per kilocalorie – ECLAC: 16% higher than the cost per kilocalorie used in official measurements for urban areas and 3% lower for rural areas[a]	Orshansky index – ECLAC: same as the Orshansky index used in official measurements for urban areas and 6% lower for rural areas[a]
Mexico	ECLAC requirement: 1% greater than the requirement used in the measurements of the National Council for the Evaluation of Social Development Policy for both urban and rural areas	Cost per kilocalorie – ECLAC: 21% lower than the cost per kilocalorie used in the measurements of the National Council for the Evaluation of Social Development Policy for urban areas and 34% higher than the cost used in measurements of the National Council for rural areas	Orshansky index – ECLAC: 4% higher than the Orshansky index used by the National Council for the Evaluation of Social Development Policy for urban areas and 12% higher for rural areas (as of the year that the income and expenditure survey was conducted)

Table A8.3 (concluded)

Country	Difference in extreme poverty lines		Difference in poverty lines
	Requirement	Cost per kilocalorie	Orshansky index
Panama	ECLAC requirement: same as the requirement used by the country	Cost per kilocalorie – ECLAC: 13% lower than the cost per kilocalorie used in official measurements	Orshansky index – ECLAC: 9% lower than the Orshansky index used for official measurements
Paraguay	ECLAC requirement: 0.4% less than the requirement used in official measurements for urban areas and 1% lower for rural areas	Cost per kilocalorie – ECLAC: 1% higher than the cost per kilocalorie used in official measurements for urban areas and 7% higher for rural areas	Orshansky index – ECLAC: 23% lower than the Orshansky index used in official measurements for urban areas and 15% lower for rural areas (as of the year that the income and expenditure survey was conducted)
Uruguay	ECLAC requirement: 3% less than the requirement used in official measurements for urban areas and 8% lower for rural areas	Cost per kilocalorie – ECLAC: 20% lower than the cost per kilocalorie used in official measurements for urban areas and 6% lower for rural areas	Orshansky index – ECLAC: 32% lower than the Orshansky index used in official measurements for urban areas and 2% lower for rural areas (as of the year that the income and expenditure survey was conducted)

Source: Economic Commission for Latin America and the Caribbean (ECLAC).
[a] Official measurements are for the country as a whole and are not broken down by type of geographic area. These national figures are compared with the ECLAC figures for both types of areas.

3. Decomposition of differences in cost per kilocalorie

Based on the components analysed in section 2, the differences in the structure and cost of the basic food basket can be examined in detail. A good way to go about this is by performing a series of decompositions in succession (see diagram A8.2).

The first step in analysing differences in the cost per kilocalorie of the basic food basket is to draw a distinction between the amount of kilocalories that come from food consumed in the home and the amount that come from food consumed elsewhere. The next step is to undertake separate analyses of the food products that are consumed in the home and that are in both the ECLAC and the national basic food baskets and those consumed in the home that are present in only one of the two baskets. The products that are included in both baskets may differ in terms of the amounts of each product, the price assigned to each product and the factors used to convert amounts of food into kilocalories.

In those cases for which the necessary information is available, a detailed analysis is then conducted to see how each of the components influences the cost per kilocalorie and, hence, the final cost of the basket (see tables A8.4a, A8.5a, A8.6a, A8.7a and A8.8a). The breakdown of the difference in the cost per kilocalorie is conducted by making successive changes in each of the components, starting with the cost per kilocalorie estimated by the country in question and ending with the cost per kilocalorie estimated by ECLAC, both measured as the mean cost per kilocalorie of the products in the country's basket and the ECLAC basked (see tables A8.4b, A8.5b, A8.6b, A8.7b and A8.8b).

■ Diagram A8.2
Factors that influence the cost of the basic food basket
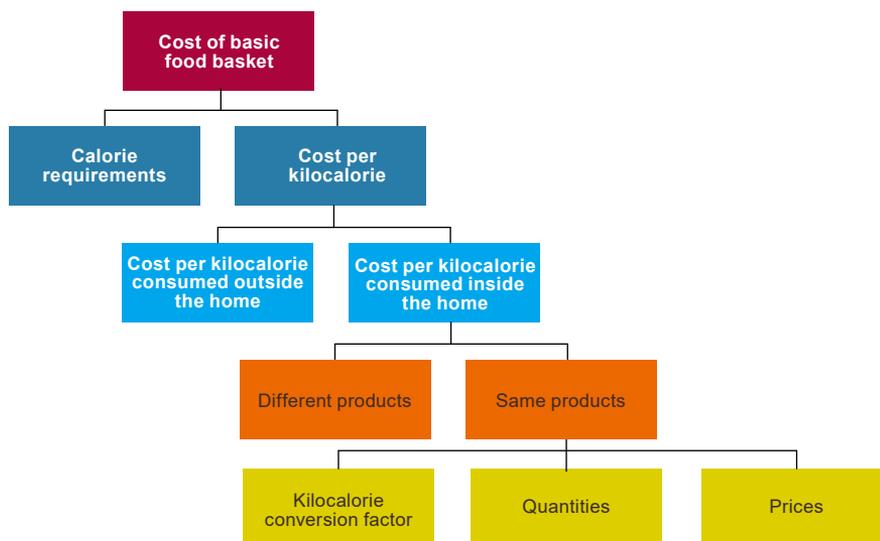
Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ Table A8.4a
Chile: differences in the cost per kilocalorie between official measurements and the measurements of the Economic Commission for Latin America and the Caribbean

	Cost per kilocalorie (Pesos)	Share (Percentages)
Total basket – country	572	
Total basket – ECLAC	594	
Total difference	22	
Consumed outside the home – country	2 062	2
Consumed outside the home – ECLAC	986	1
Difference	–1 076	
Consumed inside the home – country	543	98
Consumed inside the home – ECLAC	591	99
Difference	48	
Different products – country	1 046	13
Different products – ECLAC	1 046	13
Difference	1	
Same products – country	469	87
Same products – ECLAC	523	87
Difference	54	

■ **Table A8.4b**

Chile: decomposition of differences in the cost per kilocalorie between official measurements and the measurements of the Economic Commission for Latin America and the Caribbean

	Cost per kilocalorie (Pesos)	Variation
Consumed outside the home and inside the home		
Cost per kilocalorie-CI country, cost per kilocalorie-CO country, S country	572	
Cost per kilocalorie-CI country, cost per kilocalorie-CO country, S ECLAC	554	-17
Cost per kilocalorie-CI ECLAC, cost per kilocalorie-CO country, S ECLAC	602	48
Cost per kilocalorie-CI ECLAC, cost per kilocalorie-CO ECLAC, S ECLAC	594	-8
		22
Consumed inside the home: same and different products		
Cost per kilocalorie-SP country, cost per kilocalorie-DP country, S country	543	
Cost per kilocalorie-SP country, cost per kilocalorie-DP country, S ECLAC	544	1
Cost per kilocalorie-SP country, cost per kilocalorie-DP ECLAC, S ECLAC	544	0
Cost per kilocalorie-SP ECLAC, cost per kilocalorie-DP ECLAC, S ECLAC	591	47
		48
Same products: price effect, kilocalorie effect and quantity effect		
Cost per kilocalorie country, Q country, Kcal country	469	
Cost per kilocalorie ECLAC, Q country, Kcal country	502	32
Cost per kilocalorie ECLAC, Q country, Kcal ECLAC	599	97
Cost per kilocalorie ECLAC, Q ECLAC, Kcal ECLAC	523	-76
		54

Source: Economic Commission for Latin America and the Caribbean (ECLAC).
Note: CI: consumed in the home; CO: consumed outside the home; S: structure (share of kilocalories); SP: same products (found in both the basket defined by the country and the basket defined by ECLAC); DP: different products (found in only one of the two baskets); Q: quantity in grams; Kcal: kilocalorie conversion factor.

■ **Table A8.5a**

Colombia: differences in the cost per kilocalorie between official measurements and the measurements of the Economic Commission for Latin America and the Caribbean

	Cost per kilocalorie (Pesos)	Share (Percentages)
Total basket – country	1 179	
Total basket – ECLAC	1 404	
Total difference	225	
Consumed outside the home - country	0	0
Consumed outside the home - ECLAC	2 177	11
Difference	2 177	
Consumed inside the home - country	1 179	100
Consumed inside the home - ECLAC	1 309	89
Difference	131	
Different products - country	3 010	1
Different products - ECLAC	2 207	6
Difference	-803	
Same products - country	1 165	99
Same products - ECLAC	1 249	94
Difference	83	

■ **Table A8.5b**

Colombia: decomposition of the differences in the cost per kilocalorie between official measurements and the measurements of the Economic Commission for Latin America and the Caribbean

	Cost per kilocalorie (Pesos)	Variation
Consumed outside the home and consumed inside the home		
Cost per kilocalorie-CI country, cost per kilocalorie-CO country, S country	1 179	
Cost per kilocalorie-CI country, cost per kilocalorie-CO country, S ECLAC	1 050	-129
Cost per kilocalorie-CI ECLAC, cost per kilocalorie-CO country, S ECLAC	1 167	116
Cost per kilocalorie-CI ECLAC, cost per kilocalorie-CO ECLAC, S ECLAC	1 404	237
		225
Consumed inside the home: same and different products		
Cost per kilocalorie-SP country, cost per kilocalorie-DP country, S country	1 180	
Cost per kilocalorie-SP country, cost per kilocalorie-DP country, S ECLAC	1 282	102
Cost per kilocalorie-SP country, cost per kilocalorie-DP ECLAC, S ECLAC	1 231	-51
Cost per kilocalorie-SP ECLAC, cost per kilocalorie-DP ECLAC, S ECLAC	1 309	78
		129
Same products: price effect, kilocalorie effect and quantity effect		
Cost per kilocalorie at the country level, Q country, Kcal country	1 165	
Cost per kilocalorie - ECLAC, Q country, Kcal country	1 141	-24
Cost per kilocalorie - ECLAC, Q country, Kcal ECLAC	1 162	21
Cost per kilocalorie - ECLAC, Q ECLAC, Kcal ECLAC	1 249	87
		83

Source: Economic Commission for Latin America and the Caribbean (ECLAC).
Note: CI: consumed in the home; CO: consumed outside the home; S: structure (share of kilocalories); SP: same products (found in both the basket defined by the country and the basket defined by ECLAC); DP: different products (found in only one of the two baskets); Q: quantity in grams; Kcal: kilocalorie conversion factor.

■ **Table A8.6a**

Paraguay: differences in the cost per kilocalorie between official measurements and the measurements of the Economic Commission for Latin America and the Caribbean

	Cost per kilocalorie (Guaraníes)	Share (Percentages)
Total basket -country	108	
Total basket -ECLAC	109	
Difference total	1	
Consumed outside the home-country	296	3
Consumed outside the home-ECLAC	192	3
Difference	-104	
Consumed inside the home-country	103	97
Consumed inside the home-ECLAC	107	97
Difference	5	
Different products - country	134	4
Different products - ECLAC	570	0
Difference	436	
Same products - country	101	96
Same products - ECLAC	107	100
Difference	6	

■ **Table A8.6b**

Paraguay: decomposition of the differences in the cost per kilocalorie between official measurements and the measurements of the Economic Commission for Latin America and the Caribbean

	Cost per kilocalorie (Guaraníes)	Variation
Consumed outside the home and consumed inside the home		
Cost per kilocalorie-CI country, cost per kilocalorie-CO country, S country	108	
Cost per kilocalorie-CI country, cost per kilocalorie-CO country, S ECLAC	108	0
Cost per kilocalorie-CI ECLAC, cost per kilocalorie-CO country, S ECLAC	112	4
Cost per kilocalorie-CI ECLAC, cost per kilocalorie-CO ECLAC, S ECLAC	109	–3
		1
Consumed inside the home: same and different products		
Cost per kilocalorie-SP country, cost per kilocalorie-DP country, S country	103	
Cost per kilocalorie-SP country, cost per kilocalorie-DP country, S ECLAC	101	–1
Cost per kilocalorie-SP country, cost per kilocalorie-DP ECLAC, S ECLAC	102	0
Cost per kilocalorie-SP ECLAC, cost per kilocalorie-DP ECLAC, S ECLAC	107	6
		5
Same products: price effect, kilocalorie effect and quantity effect		
Cost per kilocalorie country, Q country, Kcal country	101	
Cost per kilocalorie ECLAC, Q country, Kcal country	104	2
Cost per kilocalorie ECLAC, Q country, Kcal ECLAC	97	–7
Cost per kilocalorie ECLAC, Q ECLAC, Kcal ECLAC	107	10
		6

Source: Economic Commission for Latin America and the Caribbean (ECLAC).ECLAC
Note: CI: consumed in the home; CO: consumed outside the home; S: structure (share of kilocalories); SP: same products (found in both the basket defined by the country and the basket defined by ECLAC); DP: different products (found in only one of the two baskets); Q: quantity in grams; Kcal: kilocalorie conversion factor.

■ **Table A8.7a**

Dominican Republic: differences in the cost per kilocalorie between official measurements and the measurements of the Economic Commission for Latin America and the Caribbean

	Cost per kilocalorie (Pesos)	Share (Percentages)
Total basket –country	23	
Total basket –ECLAC	25	
Difference total	2	
Consumed outside the home–country	87	3
Consumed outside the home–ECLAC	47	9
Difference	–40	
Consumed inside the home - country	21	97
Consumed inside the home– ECLAC	23	91
Difference	2	
Different products - country	33	1
Different products - ECLAC	13	25
Difference	–19	
Same products – country	21	99
Same products – ECLAC	26	75
Difference	5	

■ Table A8.7b

Dominican Republic: decomposition of the differences in the cost per kilocalorie between official measurements and the measurements of the Economic Commission for Latin America and the Caribbean

	Cost per kilocalorie (Pesos)	Variation
Consumed outside the home and consumed inside the home		
Cost per kilocalorie-CI country, cost per kilocalorie-CO country, S country	23	
Cost per kilocalorie-CI country, cost per kilocalorie-CO country, S ECLAC	27	4
Cost per kilocalorie-CI ECLAC, cost per kilocalorie-CO country, S ECLAC	29	2
Cost per kilocalorie-CI ECLAC, cost per kilocalorie-CO ECLAC, S ECLAC	25	-4
		2
Consumed inside the home: same and different products		
Cost per kilocalorie-SP country, cost per kilocalorie-DP country, S country	21	
Cost per kilocalorie-SP country, cost per kilocalorie-DP country, S ECLAC	24	3
Cost per kilocalorie-SP Country, cost per kilocalorie-DP ECLAC, S ECLAC	19	-5
Cost per kilocalorie-SP ECLAC, cost per kilocalorie-DP ECLAC, S ECLAC	23	4
		2
Same products: price effect, kilocalorie effect and quantity effect		
Cost per kilocalorie country, Q country, Kcal country	21	
Cost per kilocalorie ECLAC, Q country, Kcal country	24	3
Cost per kilocalorie ECLAC, Q country, Kcal ECLAC	24	1
Cost per kilocalorie ECLAC, Q ECLAC, Kcal ECLAC	26	2
		5

Source: Economic Commission for Latin America and the Caribbean (ECLAC).ECLAC
Note: CI: consumed in the home; CO: consumed outside the home; S: structure (share of kilocalories); SP: same products (found in both the basket defined by the country and the basket defined by ECLAC); DP: different products (found in only one of the two baskets); Q: quantity in grams; Kcal: kilocalorie conversion factor.

■ Table A8.8a

Uruguay: differences in the cost per kilocalorie between official measurements and the measurements of the Economic Commission for Latin America and the Caribbean

	Cost per kilocalorie (Pesos)	Share (Percentages)
Total basket -country	17	
Total basket -ECLAC	13	
Difference total	-3	
Consumed outside the home-country	35	5
Consumed outside the home-ECLAC	25	0
Difference	-11	
Consumed inside the home-country	16	95
Consumed inside the home-ECLAC	13	100
Difference	-2	
Different products - country	36	8
Different products - ECLAC	13	11
Difference	-23	
Same products - country	14	92
Same products - ECLAC	13	89
Difference	-1	

■ Table A8.8b

Uruguay: decomposition of the differences in the cost per kilocalorie between official measurements and the measurements of the Economic Commission for Latin America and the Caribbean

	Cost per kilocalorie (Pesos)	Variation
Consumed outside the home and consumed inside the home		
Cost per kilocalorie-CI country, cost per kilocalorie-CO country, S country	17	
Cost per kilocalorie-CI country, cost per kilocalorie-CO country, S ECLAC	16	–1
Cost per kilocalorie-CI ECLAC, cost per kilocalorie-CO country, S ECLAC	13	–2
Cost per kilocalorie-CI ECLAC, cost per kilocalorie-CO ECLAC, S ECLAC	13	0
		–3
Consumed inside the home: same and different products		
Cost per kilocalorie-SP country, cost per kilocalorie-DP country, S country	16	
Cost per kilocalorie-SP country, cost per kilocalorie-DP country, S ECLAC	16	1
Cost per kilocalorie-SP country, cost per kilocalorie-DP ECLAC, S ECLAC	14	–3
Cost per kilocalorie-SP ECLAC, cost per kilocalorie-DP ECLAC, S ECLAC	13	–1
		–2
Same products: price effect, kilocalorie effect and quantity effect		
Cost per kilocalorie country, Q country, Kcal country	14	
Cost per kilocalorie ECLAC, Q country, Kcal country	15	1
Cost per kilocalorie ECLAC, Q country, Kcal ECLAC	16	1
Cost per kilocalorie ECLAC, Q ECLAC, Kcal ECLAC	13	–2
		–1

Source: Economic Commission for Latin America and the Caribbean (ECLAC).
Note: CI: consumed in the home; CO: consumed outside the home; S: structure (share of kilocalories); SP: same products (found in both the basket defined by the country and the basket defined by ECLAC); DP: different products (found in only one of the two baskets); Q: quantity in grams; Kcal: kilocalorie conversion factor.

For over three decades, the Economic Commission for Latin America and the Caribbean (ECLAC) has performed measurements of poverty in the Latin American countries in order to estimate its prevalence in the region using a common methodology. Economic and social changes have prompted an update of the thresholds used to quantify poverty and a review of certain aspects of the methodology.

Now that all the countries of the region have progressed towards having official poverty measurements calculated by their own public agencies, the figures produced by ECLAC aim to provide a regional overview that is as comparable as possible given the differences in the data sources. Whereas the national measurements are tailored to each specific national context, the regional measurement affords importance to the standardization of methodological criteria. Insofar as the two measurements are designed for different purposes and contexts, they complement each other in informing the regional discussion on the transformations needed to end poverty and close social gaps.

ECLAC hopes that this publication —which describes and documents the main elements of the methodology for the estimates that permit regional comparability— will also serve as a reference for the countries in the process of updating their own poverty measurements.

The *ECLAC Methodologies* collection disseminates the conceptual bases, technical specifications and applications of the quantitative and qualitative instruments produced and used by ECLAC as part of its work. The ultimate aim of the collection is to contribute more and better tools for evidence-based policymaking to foster sustainable development with equality.

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