The State of Poverty in Rural Nicaragua: Evidence from Tawa, Wanawás, and Cuatro Esquinas

Editor’s Notes
The research article featured below is based from the research paper entitled "Monitoring Poverty in rural Nicaragua through the Community-Based Monitoring System: A SDGs and MPI report" prepared by Milagros Romero and Guillermo Bornemann of Nitlapan Institute for Research and Development.

Background Information
The Government of Nicaragua aims to promote the well-being of its people through various programs and policies underlined in the National Human Development Plan (NHDP). The NHDP’s guidelines are associated with the Sustainable Development Goals (SDGs) which seek to eradicate all forms and dimensions of poverty and are adopted by governments around the world.

With the NHDP in place, although there has been an improvement in the past decade in terms of economic growth and overall poverty reduction, inequality and poverty are still prevalent in the country, especially among vulnerable groups.

At present, multiple methods or strategies are being used to monitor poverty in Nicaragua. Three methods

Enumerators visit the study sites and prepare for the data collection in the selected sites in Rio Blanco, Nicaragua

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that have been used in the past are the Unsatisfied Basic Needs (UBN) approach which was used in 2005, the Living Standards Measurement (LSM) approach which was used in 2009 to 2016, and the Multidimensional Poverty Index (MPI) approach which was used in 2012 to 2017.

The UBN approach which aims to measure multidimensional poverty and the incidence of poverty deals with a series of indicators which result to well-represented and disaggregated information while the LSM approach which aims to measure the welfare of households is relatively cheaper to implement frequently and allows researchers to analyze the effects of specific policies on poverty reduction. Both methods, however, have limitations when it comes to measuring the welfare of households is relatively cheaper to implement frequently and allows researchers to analyze the effects of specific policies on poverty reduction. Both methods, however, have limitations when it comes to measuring the incidence of poverty. Since the poverty lines are based on the total consumption of households, not all poor households are captured or are classified as poor because other demographic variables are not taken into account.

The MPI, on the other hand, aims to measure the different dimensions of poverty using weighted indicators that represent different types of deprivation experienced by the households. More indicators can also be added depending on the country’s setting. It can be said that the MPI approach is more comprehensive in terms of identifying signs of poverty compared to previous attempts.

**A CBMS study in Nicaragua facilitates monitoring of SDGs at the local level**

By implementing a community-based monitoring system (CBMS) in Rio Blanco, an urban municipality in the center of Nicaragua, the local research team pilot tested the use of the CBMS Accelerated Poverty Profiling (APP). The system enables districts to collect and generate local level data on the different dimensions of poverty. While it generates a core set of indicators, the system has flexibility to accommodate community-specific indicators relevant to a particular country as well as other indicators that can aid more in depth analysis of emerging thematic concerns such as the SDGs, among others. CBMS also provides the necessary local level data for generating the MPI, which was used to measure poverty in this study.

The CBMS census covers a total of 2,235 households in the selected “Comarcas” (Regions) in Rio Blanco, namely, Comarca Cuatro Esquinas, Comarca Tawa, and Comarca Wanawás.

Figure 1. Coverage of 2018 CBMS Census in Rio Blanco, Nicaragua

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**Source of figure:** Monitoring Poverty in rural Nicaragua through the Community-Based Monitoring System: A SDGs and MPI report by Milagros Romero and Guillermo Bornemann (Forthcoming PEP Working Paper 2019)
**SDG Profile of Selected Comarcas in Rio Blanco, Nicaragua (2018)**

**GOAL 1 - NO POVERTY**

1.2.1 Proportion of population below the international poverty line ($1.9/day)

- **77 in 100**
  - or 77% of men are poor according to the international poverty line

- **78 in 100**
  - or 78% of women are poor according to the international poverty line

1.2.1 Proportion of population below the national poverty line ($1.7/day)

- **75 in 100**
  - or 75% of men are poor according to the national poverty line

- **74 in 100**
  - or 74% of women are poor according to the national poverty line

**1.1.1 Proportion of population living in poverty in all its dimensions according to national definitions**

<table>
<thead>
<tr>
<th>Unsatisfied Basic Needs Index</th>
<th>Multidimensional Poverty Index</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Not Poor</strong></td>
<td><strong>Not Extreme Poor (One Deprivation)</strong></td>
</tr>
<tr>
<td>16%</td>
<td>58%</td>
</tr>
</tbody>
</table>

**GOAL 2 - ZERO HUNGER**

2.4.1 Proportion of agricultural area under productive and sustainable agriculture

At least 1/7 sustainable farming practices has been applied to 94% of the agricultural lands

**GOAL 3 - GOOD HEALTH**

3.1.1 Maternal mortality rate; 3.2.1 Under 5 mortality rate; 3.2.2 Neonatal mortality rate; Mortality attributed to cardiovascular disease, cancer, diabetes or chronic respiratory disease

- **6 in 100**
  - or 6% of children under the age of 5 died

- **1 in 1,000**
  - or 0.1% died due to the listed diseases

(There were no cases of maternal/neonatal mortality reported)

Source of basic data: CBMS Census in Tawa, Wanawás, and Cuatro Esquinas, Nicaragua (2018)
### SDG Profile of Selected Comarcas in Rio Blanco, Nicaragua (2018) (Cont.)

**Goal 4 - Quality Education**

- **4.1.1** Proportion of children and young people at the end of primary and secondary school:
  - **41 in 100** or 41% of the youth are at the end of primary school
  - **8 in 100** or 8% of the youth are at the end of secondary school

- **4.4.1** Proportion of youth and adults with information and communications technology (ICT) skills:
  - **45 in 100** or 45% of the population (older than 10 years old) are using cellphones

**Goal 6 - Clean Water and Sanitation**

- **6.1.1** Proportion of population using safely managed drinking water services:
  - **69 in 100** or 68.8% of the households have access to safe water

- **6.2.1** Proportion of population using safely managed sanitation services, including a hand-washing facility with soap and water:
  - **24 in 100** or 24% of the households have access to sanitary toilet facilities

**Goal 7 - Affordable and Clean Energy**

- **7.1.1 & 7.1.2** Proportion of households with access to electricity and primary reliance on clean energy:
  - **54 in 100** or 54% of the households have access to electricity and rely primarily on clean energy

Source of basic data: CBMS Census in Tawa, Wanawás, and Cuatro Esquinas, Nicaragua (2018)
GOAL 8 - DECENT WORK AND ECONOMIC GROWTH

8.3.1 Proportion of informal employment in non-agriculture employment

85% of the workers in the non-agricultural sector are informal workers

8.5.1 Average hourly earnings of female and male employees (in US$)

$92.50

8.5.2 Unemployment rate, by sex

2.1% (male) 12.8% (female)

8.5.1 Proportion of youth not in education, employment or training

38 in 100

or 38% of the youth are not studying, working, or training

8.7.1 Proportion of children (aged 5-17 years old) engaged in child labor

15 in 100

or 15% of children aged 5 to 17 years old are engaged in child labor

GOAL 10 - REDUCED INEQUALITIES

10.2.1 Proportion of people living below 50 percent of median income

28 in 100

or 28% of the people are living below 50 percent of the median income (US$148.6)

GOAL 15 - LIFE ON LAND

15.1.1 Forest area as a proportion of total land area

The site’s forest area makes up 6.2% of the total land area

Source of basic data: CBMS Census in Tawa, Wanawás, and Cuatro Esquinas, Nicaragua (2018)
**News Updates**

**SDG Profile of Selected Comarcas in Rio Blanco, Nicaragua (2018) (Cont.)**

**GOAL 17 - PARTNERSHIP FOR GOALS**

17.8.1 Proportion of individuals using the Internet

![10 in 100](or 9.8% of the people in the study area are using the Internet)

Source of basic data: CBMS Census in Tawa, Wanawás, and Cuatro Esquinas, Nicaragua (2018)

**Summary and Conclusions**

The study area in Rio Blanco is very poor in almost all the dimensions addressed in the SDGs. Poverty related to income, education, employment, and sanitation are the main challenges in the site. Households that are located in mountainous areas and have limited access to roads are the poorest in the study area. These households are the most deprived in terms of access to basic needs and/or services.

Compared to other dimensions of poverty, the incidence of income poverty in Rio Blanco is the highest; around 7 out of 10 of the people are income poor using the national poverty line. In terms of access to basic services, 76% of the population do not have access to safe sanitation and 20% of the households do not have access to any sanitation facility.

Around 75% of the households are involved in agricultural activities, but only 33% of the households have their own land. Hence, only few are able to apply the practices needed/necessary to promote productive and sustainable agriculture.

On the other hand, results show that the unemployment rate among women at 12.8% is significantly higher than that of men at 2.1%. Between the three locations, unemployment is most prevalent in Wanawás.

**Policy Implications and Recommendations**

Based on the analysis of the data from the CBMS census in the study sites in Nicaragua, the research team proposes the following policy recommendations to improve the well-being of the community in relation to the SDGs.

Reducing poverty requires institutional changes. In the case of Rio Blanco, since majority of the households are involved in agricultural activities, there needs to be more support towards farmers, allowing them to produce and market their products more effectively. This also involves helping farmers gain land of their own, allowing them to apply productive and sustainable forms of agriculture.

Meanwhile, encouraging the youth to engage in agricultural activities should help lessen the proportion of youth who are not in employment, education, or training.

On the other hand, although a number of programs already exist and are implemented in these communities, other households are unable to receive financial and technical assistance and have limited or no access to basic services due to lack of infrastructure. Hence, there is a need to add and/or improve roads, bridges, and collections and processing centers.

Removing these hindrances builds the capacity of people to make better use of their resources and become more productive.
ASEAN-China-UNDP Symposium Highlights Use of CBMS for Prioritization and Tracking the SDGs

The complementarities between the Community-Based Monitoring System (CBMS), the national statistical system, and local governance in the context of meeting the sustainable development goals (SDGs) was presented and discussed at the ASEAN-China-UNDP Symposium held in Siem Reap, Cambodia on August 20-21, 2018.

The 2 day policy forum, participated by at least a hundred delegates composed of heads of national and local government agencies and development partners, was organized by the ASEAN Secretariat in collaboration with the United Nations Development Programme (UNDP) and the Peoples Republic of China. The forum is part of ASEAN’s initiative to further promote the implementation of the SDGs in ASEAN in the context of complementarities between the ASEAN Vision 2025 and the SDGs. The symposium aims to elaborate ways forward to mainstream the SDGs at regional and sub-national level.

Dr. Celia Reyes, President of the Philippine Institute for Development Studies and CBMS Network Director, was among the panelists in the roundtable session on Data for Prioritization and Tracking which primarily aimed to raise awareness on issues on data and statistical management particularly in terms of challenges of identifying population who are left behind, where they are, and the reasons they are (or at risk) of being left behind. Other panelists during the session were Mr. Poch Sovanndy, Deputy Director-General, Ministry of Planning, Cambodia and Mr. Sanny Ramos Jegillos, UNDP Regional Advisor on Disaster Risk Reduction. The session was chaired by Mr. Patrick Keuleers, Director of Governance and Peacebuilding, UNDP.

In her presentation on the uses of CBMS, Dr. Reyes highlighted the need for disaggregated data, particularly for local planning and prioritization, in order to achieve the core principle of the SDGs of leaving no one behind. According to Dr. Reyes, this need can be responded to with the implementation of the CBMS. The CBMS complements national statistical systems by filling data gaps at the local level which are critical for evidence-based local planning and implementation. During the session, Dr. Reyes provided some examples and shared on how CBMS generates the necessary data and corresponding disaggregation (by age, sex, geographical local, ethnicity and disability among others), facilitates multi-dimensional poverty analysis, and more importantly points out to specific areas of deprivation that needs priority action by local authorities and development partners to achieve the SDGs while empowering communities in the process. Moreover, the use of CBMS as a platform for local governance assessment particularly on quality of service delivery was also shared during the forum.

The discussion during session on Data Prioritization and Tracking points out that SDG agenda is much more complex and requires identifying who are at risk of being left behind.
and understanding why they are at risk which is a multidimensional concern that needs to be looked at. On the other hand, another issue raised for discussion is how to deal with distinguishing who are “poor” and who are “vulnerable”.

With the limited (if not lack of) available and up to date data that can be used for local planning and resource allocation, LGUs invest, using their own resources, in the adoption of the CBMS methodology for the establishment and maintenance of their own local databases. CBMS is being adopted by more than half of the LGUs in the Philippines as a tool for local governance since 2000. Moreover, CBMS has been developed and pilot tested from the mid-1990s to present in selected sites in at least 20 countries in Asia, Africa, and Latin and North America as a tool for various thematic concerns such as multidimensional poverty, gender and development, meeting the MDGs (now the SDGs), impact-analysis of policy shocks (i.e. global financial crisis, food and fuel price hike), vulnerability risk mapping, disaster risk reduction and climate change adaptation, migration and development, monitoring child labor, providing social protection to the workers in the informal sector, and youth unemployment and entrepreneurship, financial inclusion, among others.

Panabo City Experience on Mainstreaming the SDGs featured at the ASEAN-China-UNDP Symposium on Localizing the SDGs and Realizing Poverty Eradication

The City Government of Panabo was among the few selected local governments that were invited to present at the ASEAN-China-UNDP Symposium on Localizing the SDGs and Realizing Poverty Eradication held in Siem Reap, Cambodia last August 20-21, 2018. The LGU was represented by its City Planning and Development Coordinator Dr. Joseph Raymund Sumabal who presented during the conference session on Enhancing Capacities and Resources of Local Governments. Dr. Sumabal shared and discussed during the forum how Panabo City has geared towards mainstreaming the SDGs in its local plans and budgets, identified people’s needs with the use of the LGU-CBMS database combined with the local governance diagnostic (LOGOD) tool, and fostered sustainable partnerships for funding.

Panabo City is one of the many LGUs in the Philippines that had been implementing the community-based monitoring system (CBMS) as a tool for local development planning. The City has started adopting the CBMS in 2009 and thus far has completed 2 household census rounds of data collection. The LGU was also the project site in the Philippines of UNDP-CBMS Network collaboration in 2016-2017 on the pilot test of a local governance diagnostic tool kit that aimed to map out and examine existing capacities of local governments to plan and implement programs in the context of meeting the SDGs.
DLSU-AKI Research Paper on “Making Social Health Insurance and Micro-Savings Programs Work for the Informal Sector” Bags Outstanding Scientific Paper Award for 2018

A study of the De La Salle University-Angelo King Institute for Economic and Business Studies (DLSU-AKI) on “Making social health insurance and micro-savings programs work for the informal sector in the Philippines” was recognized by the National Academy of Science and Technology of the Philippines as one of NAST’s “Outstanding Scientific Paper for 2018”. The award is given annually for papers published in Thompson Reuters or SCOPUS listed journals in the Philippines within five years preceding the award. Papers are judged based on the quality of their content, contribution to science and technology, clarity of presentation, and thoroughness of documentation.

The awarding ceremony was held during the NAST’s 40th Annual Scientific Meeting held at the Manila Hotel last July 12, 2018. The convention was attended by a thousand delegates from across the country.

The paper, published in the DLSU Business and Economics Review in 2017, aims to determine the effect of social protection, particularly the social health insurance program PhilHealth and the micro-savings scheme AlkanSSSya, on the informal sector, especially on those who are poor and self-employed. This study seeks to find out whether or not people in the informal sector are better-off availing PhilHealth and the AlkanSSSya program. The micro level analysis was made possible using local level data from the community-based monitoring system (CBMS)-databases of selected provinces in the Philippines.

The DLSU-AKI Paper is one of the research outputs of the CBMS-DLSU-AKI partner led research initiative under its Partnership for Economic Policy (PEP) Project. The study was undertaken by DLSU Professors Dr. Mitzie Conchada and Dr. Marites Tiongo, using data gathered from the CBMS-databases by selected provinces in the Philippines. The research initiative was done with technical and mentoring support from the Community-Based Monitoring System (CBMS) Network Office led by Dr. Celia Reyes.

15th CBMS Philippines National Conference

Save the date! The 15th CBMS Philippines National Conference will be held on March 13-15, 2019. More information about this conference will be posted very soon!