

Highlights of the 2021 City and Municipality Level Poverty Estimates

In 2021, about 41.4 percent of the 1,612 cities and municipalities¹ in the country had poverty incidences (proportion of individuals with income less than the poverty threshold) below or equal to 20 percent or classified under Level 5. These are the areas with relatively low poverty incidences. This is equivalent to 667 cities and municipalities, including the 14 sub-municipalities of the City of Manila.

About 48.0 percent of the cities and municipalities had poverty incidences of more than 20 percent but not greater than 40 percent or classified under Level 4. On the other hand, only 9.3 percent of the cities and municipalities had poverty incidences of more than 40 percent but not greater than 60 percent or classified under Level 3, while 1.4 percent of the cities and municipalities had poverty incidences ranging from 60 percent to 80 percent or classified under Level 2. There were no cities or municipalities with poverty incidence greater than 80 percent or classified under Level 1. (Table 1 and Figure 1)

Table 1. Distribution of Cities and Municipalities
Based on the Level of Poverty Incidence Estimates¹

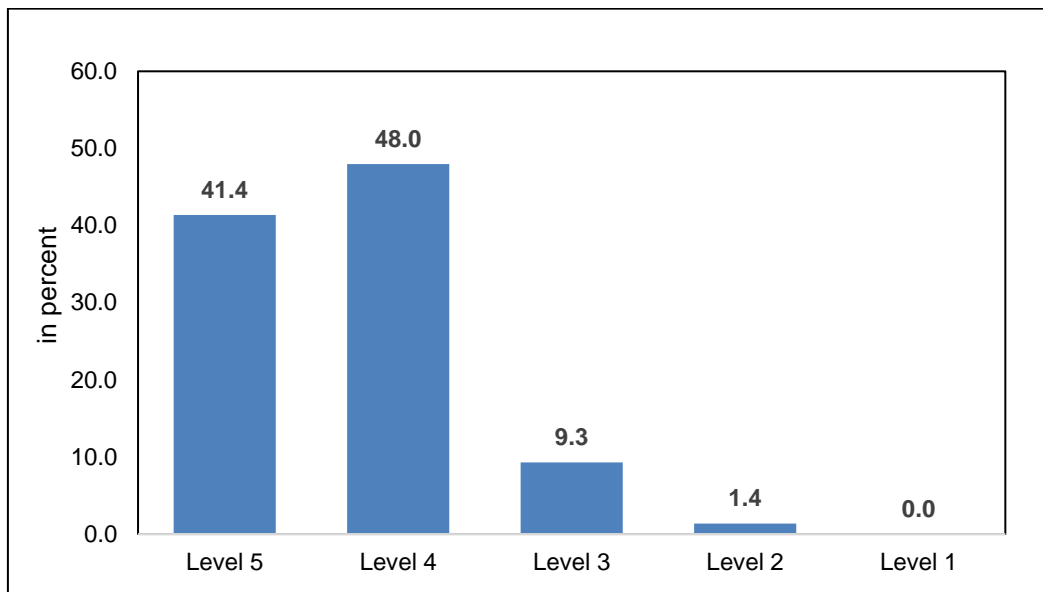
Poverty Classification	Poverty Incidence Among Population (%)	Count	%	Cumulative Relative Frequency
Level 5	At most 20.0	667	41.4	41.4
Level 4	>20.0 to 40.0	773	48.0	89.3
Level 3	>40.0 to 60.0	150	9.3	98.6
Level 2	>60.0 to 80.0	22	1.4	100.0
Level 1	Greater than 80.0	0	0	100.0
	TOTAL	1,612	100.0	

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¹ The number includes the 14 sub-municipalities of the City of Manila and excludes the highly urbanized cities (HUCs), the Cities of Isabela in Region IX and Cotabato in Region XII since their estimates are already available from the 2021 Official Poverty Statistics.



Figure 1. Percentage Distribution of the 2021 Municipal and City Level² Poverty Incidence Estimates, by Poverty Classification

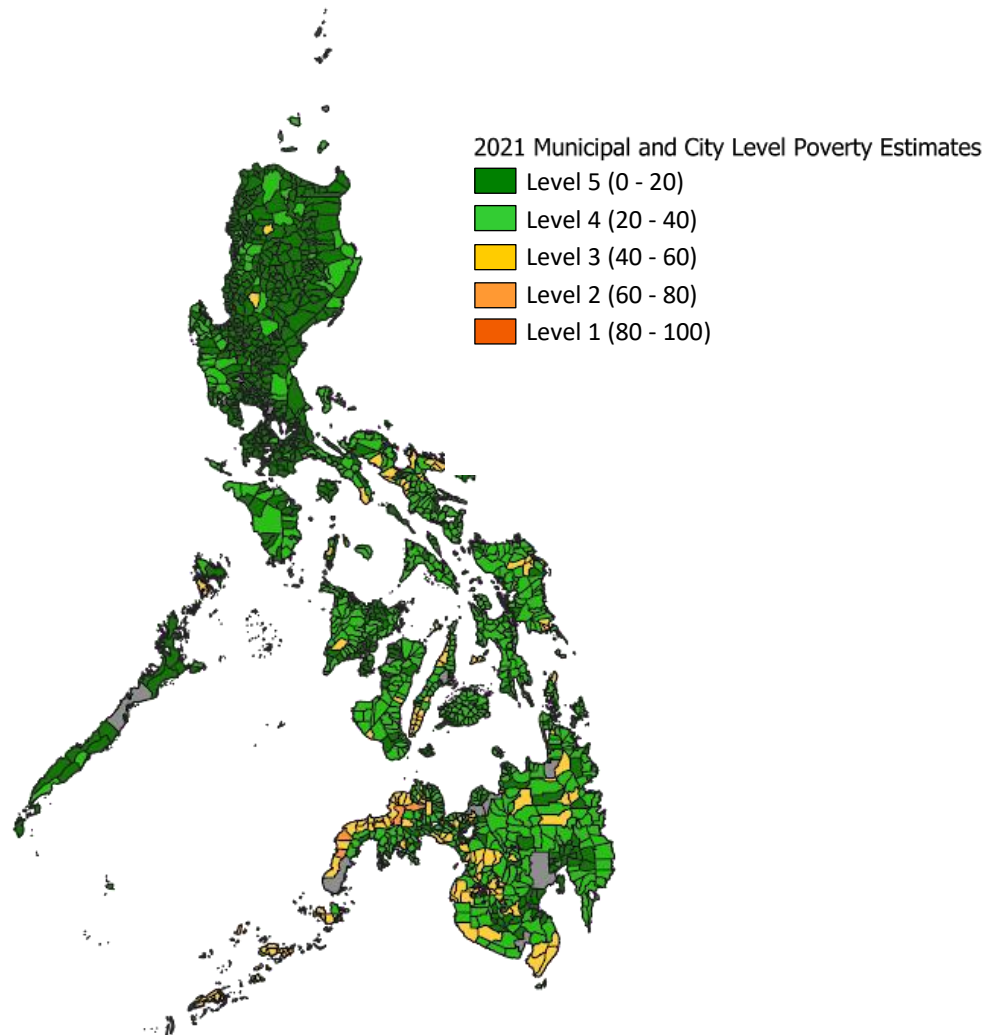


Looking at those in Level 2, 18 out of the 22 municipalities belonging to this category are from the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), while the four remaining municipalities were from the Zamboanga Peninsula. Specifically, four municipalities were from the Province of Zamboanga del Norte, eleven municipalities were from the Province of Sulu, and the remaining seven came from the Province of Basilan. Among these municipalities, the highest poverty incidence among population was estimated in the Municipality of Tabuan-Lasa, Province of Basilan with estimated poverty incidence of 73.4 percent or seven out of 10 residents were considered poor in 2021. (Figure 2)

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² The number includes the 14 sub-municipalities of the City of Manila and excludes the highly urbanized cities (HUCs), the Cities of Isabela in Region IX and Cotabato in Region XII since their estimates are already available from the 2021 Official Poverty Statistics.

Figure 2. Map of City and Municipal Level Small Area Poverty Estimates³: 2021



The generated small area poverty estimates provided more areas having reliable estimates as indicated by lower coefficients of variation compared to the small area poverty estimates in 2018. There were 1,527 cities and municipalities with poverty estimates whose coefficients of variation (CV) were less than 20 percent in 2021. This number is higher than in 2018, which had 1,440 cities and municipalities with less than 20 percent CV. (Table 2)

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³ Those shaded in gray refers to HUC, Cotabato City or Isabela City, with estimates included in the available official poverty statistics.

Table 2. Distribution of the Municipalities and Cities⁴
based on the Coefficient of Variation of the Estimates: 2018 and 2021

Type of Estimates	Coefficient of Variation (%)	2018 ⁵			2021		
		Count	%	<RCF	Count	%	<RCF
Reliable	At most 10.0	553	34.3	34.3	756	46.9	46.9
With acceptable measure of reliability	> 10.0 but <= 20.0	887	55.1	89.4	771	47.8	94.7
	> 20.0 but <= 30.0	136	8.4	97.8	68	4.2	98.9
Caution must be observed in using these estimates	> 30.0 but <= 40.0	29	1.8	99.6	8	0.5	99.4
	> 40.0 but <= 60.0	4	0.2	99.9	8	0.5	99.9
	> 60	2	0.1	100	1	0.1	100
TOTAL		1,611	100.0		1,612	100.0	

Notes: > (greater than), <= (less than or equal to), <RCF (Relative Cumulative Frequency)

The generation of these 2021 city and municipal level poverty estimates was made possible using an improved version of the Small Area Estimation (SAE) technique developed by the World Bank called Elbers, Lanjouw, and Lanjouw, which has been in use since 2002. This improved methodology is now referred to as the Census Empirical Best/Bayes estimation⁶.



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⁴ The number includes the 14 sub-municipalities of the City of Manila and excludes the highly urbanized cities (HUCs), the Cities of Isabela in Region IX and Cotabato in Region XII since their estimates are already available from the 2021 Official Poverty Statistics.

⁵ The Municipality of Kalayaan in Palawan was excluded in 2018 since it was a government-regulated island.

⁶ The Census EB or Census Empirical Best/Bayes estimation was introduced in Paul Andres Corral Rodas, Isabel Molina & Minh Cong Nguyen (2021) "Pull your small area estimates up by the bootstraps", *Journal of Statistical Computation and Simulation*