

Report reveals increase in poverty in Colombia in 2020



Poverty in Colombia on the rise

Bogota, April 30 (RHC)-- A report by the National Administrative Department of Statistics (DANE) of Colombia revealed that in 2020 monetary poverty in the country increased 6.8 percent compared to 2019; so 42.5 percent of the Colombian population is affected by this problem.

In the document, DANE detailed that monetary poverty rose to 42.5 percent in 2020 from 35.7 percent in 2019, with a difference of 6.8 points, meaning that 21.2 million Colombians do not have enough income to

supply their basic needs. "In total, almost 3.6 million Colombians became part of this population last year, as a result of the greatest economic recession in the last 120 years, derived from the Covid-19 pandemic and the Government's measures to contain the contagions", expresses the document.

According to DANE's departmental breakdown, more than 1 million people who are now in poverty come from Bogota (capital city), where 31.3 percent of the total indicated by the specialized entity's report was registered.

With respect to extreme monetary poverty, it stood at 15.1 percent at the national level, 14.2 percent in the municipal capitals and 18.2 percent in population centers and dispersed rural areas. The country went from 4.6 million people in this condition to 7.4 million, according to DANE.

The monetary poverty figure was slightly higher in populated centers and dispersed rural areas, with 42.9 percent, than in municipal capitals, with 42.4 percent. But, the latter was the one that rose the most, since the previous year it was at 32.3 percent, while the former closed at 47.5 percent for 2019.

The director of DANE, Juan Daniel Oviedo, explained at a press conference that a household is classified as poor, according to the entity's methodology, if its sources of income added and divided by the number of members is less than \$332,000 pesos, around \$90, and as extremely poor if that figure is less than \$145,000 or \$39 per household.

This value is defined based on the cost of a basic food basket that guarantees a minimum daily diet of 2,100 calories along with other basic goods and services. However, this value also varies from city to city.

It is worth noting that the projections of economic think tanks coincide with the DANE report. The National Association of Financial Institutions estimated that poverty would reach 42.6 percent in 2020; while Fedesarrollo indicated 42.3 percent.

Analysts state that according to Colombia's economic and social outlook, the percentage of poverty could increase to 49 percent, which would be equivalent to almost half of the Colombian population, who since the beginning of the pandemic has been affected by the lack of employment and insufficient economic aid measures by the Government.

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