

Developing Poverty Assessment Tools

Final Report on Peru Visit

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By June 29, 2004, the sampling, survey adaptations, interviewer and supervisor trainings, manuals and data entry preparations were completed, with survey implementation scheduled for the following several weeks.

After having pre-discussed and explained the questionnaires with the Cuanto staff members only, during the first few days, we needed a whole week for the interviewer training (including two days of pre-tests in Lima and the corresponding evaluation). In parallel with the training (and supported by many valuable comments by experienced enumerators from all over the country), extensive survey adaptations were necessary to reflect the diverse climatic and sociocultural regions in Peru.

Sampling

The random sample of 800 households is representative in terms of the respective population size in the three geographical regions, the urban/ rural distribution, and the poverty levels within the population. Also the random selection of households at the community level has been carefully discussed and trained.

With respect to the client sample, up to my last day there were still problems with the new client list of one MFI (Cooperative San Pedro in Apurimac), but as their clients are planned to be interviewed in the last part of the field surveys, Cuanto still has time to finish the sampling of their clients. I am in contact with Lucho about this and will keep you informed.

Furthermore, despite the email by Kate we haven't had the expected success in obtaining the whole additional client information of each MFI in terms of absolute numbers of total clients and total new clients per region/ office, which is an issue that Lucho and Pedro want to address personally on their supervising trips to the different MFI districts. (According to their experience, such personal contacts are much more successful than phone calls and letters.) We need the summary information on total new and total all-client numbers in order to assess the representative adequacy of our client samples (based on the detailed extract lists) within each MFI. While the total new client information is already available for most MFIs (except for the two big ones), the total client numbers is something the MFIs don't want to provide easily. For this information, an additional letter on behalf of IRIS might be necessary; Lucho will inform us after having talked personally to the Caja Rural Cruz de Chalpon and others this week.

Questionnaire adaptations

The important adaptations are described in Sections II and III below, on the composite and benchmark questionnaire, as discussed with Manfred Zeller, Chris Grootaert and Omar Azfar.

In general, the division of the country into a coastal, a highland, and a jungle region was the greatest challenge in terms of questions on food and housing materials in both questionnaires.

As the community questionnaire in Peru does not need to serve the sampling procedure in the way it did in Bangladesh, and also due to the different geo-political organizational structures in urban and rural areas, some questions are not appropriate for the urban sample districts and have been limited to rural areas only. The rest have been minor country-specific adaptations in both the community and price questionnaire.

Field work

The survey teams left Lima two days before my flight back to Germany, and Lucho already started his visits to the different teams for supervision today. Despite the careful team organization by Cuanto, there is still an aspect that could influence the timely implementation during July and August. The difficult social situation in the provinces and the announced general strike around July 14th could hamper the mobility of the survey teams within and between the sampled districts and thus delay the time schedule in some districts. However, up to now there seem to be no problems, and we hope that the strike will only last for one day as announced.

Data entry

We had a three-day data entry discussion and training with the main individuals responsible for data entry at Cuanto and with the usual project staff. Cuanto has long experience with an alternative data entry program that is totally based on programming language and allows a wide range of control rules and consistency checks during data entry. From my point of view it is at least as powerful as the SPSS data entry version proposed by IRIS. In addition, only a few individuals at Cuanto have any experience with SPSS at all (excluding the person mainly responsible for data entry, who is in contrast well versed in using the ISSA program). As it is the usual practise at Cuanto to convert the data entry files into SPSS sav-files, **I expect no loss in format or information by allowing Cuanto to use their ISSA-program.** In fact, I think we can speed up the data entry process and increase the data quality this way. For the short price and community questionnaires that do not require extensive adaptations of the existing data shells, we agreed that Cuanto will use SPSS data entry. The responsible individuals have been trained in using the program.

I had a very fruitful time with the Cuanto team in Peru. Despite some other important survey work at Cuanto, Lucho, Pedro and Mario have done their best for our project and work very professionally. At the same time, my own workload was higher than expected, extending through June 23 (the day of my flight back to Germany).

I plan to go back to Lima in mid-August - which is when the last enumerator teams finish their work and data entry should be advanced - to have the two-day debrief and further meetings with the Cuanto staff.

Composite Questionnaire Adaptation

The country-specific adaptations of the composite tool refer to significant changes as well as to obvious adaptations such as currencies, school types and others. Please note that this

questionnaire version is NOT the backtranslated version by CUANTO but rather my own adaptation of the cut and revised English version (based on “prototype composite questionnaire for Uganda Kazakhstan_proposed cuts version.doc”). Thus, all the changes proposed in that version are already included here.

A. Identification

- CUANTO will use a nicely edited Excel version for the questionnaire with their detailed identification section as used in the LSMS. The religions are distinguished only as “Catholic,” “other Christian,” and “non-Christian,” because 90% in Peru are Roman Catholics.
- A11b: Manfred and I sent you a separate calculation sheet of the respective benchmarks based on the seven poverty lines in Peru for the respective questions (A11b, D18, D19, H8...), as reaction to the comments by Don Sillers. Taking those calculations as a basis, the quintiles in A11b would be:

	per person per year		per hh per year
	2000	2004	2004
0-20%	1.246,7	1360,3	6801,3
20-40%	1.792,8	1956,1	9780,4
40-60%	2.394,3	2612,3	13061,5
60-80%	3.568,4	3893,3	19466,5
80-100%	17.413,1	18998,6	94992,8

We rounded them to 7000, 10000, 13000, and 19500 Soles for A11b.

B. Household roster

- B7: According to the LSMS experience in Peru, the code for “can sign only” is not relevant and does not mean any improvement in alphabetization. (People sign with their finger print if they cannot write, which is accepted for all bureaucratic issues like elections, bank etc.)
- B8: The code has been adapted to the country-specific education levels and differentiates between “attended” and “completed” studies for the education levels primary and secondary school. Police and military subofficials fall below “non-universitarian superior (tecnico)” although they usually study only 1-2 years. In general, this category described 3 years of non-university studies to become any kind of “tecnico”. This category, as well as the university category “superior universitario”, belong to higher education levels known not to be significant in terms of correlation with poverty; thus the distinctions between “attended” and “completed” are not necessary for these categories.
- B9: As the CUANTO (LSMS) code B9 for education includes pre-school, we include children of 3 and more years of age in the question.
- B11: In agriculture (and other sectors), unpaid family worker is a very common employment category which we included in the housework category (code 12).
- B13: With respect to chronic illnesses, the enumerators found it difficult to identify whether or not some of them were chronic (Malaria, Dengue and diarrhea are NOT). A respective prompt has been included in the question. On the other hand, widespread chronic illnesses like Cancer and TBC were not included in the original code for which the code has been adapted completely. In order not to spend too much time on this question in the interviews (as illiterate people often do not know exactly which illness they have), the

interviewer manual stresses that the most important information is whether the person is chronically ill or not, and that the identification of the type of illness can only be an approximation.

C. Summary questions on expenditures

- We changed the example to explain consumption expenditures from irrigation water to fuel, as irrigation is not very common in Peru.
- C13: We propose 10 Soles as amount for estimating the share of food expenditure. This is approx. \$3 and can easily be converted into percentages. More importantly, however, this amount is close to the required daily income of a working adult, reflecting a per-capita income in the household close to or slightly above the upper poverty line. In Bangladesh, this minimum income per working adult was 83 Taka (see question D18 for the amount). It was rounded up to 100 (it must be a round number, equivalent to a bill, if possible, or a big coin). For Peru, we computed first the exact amount for question D18, i.e. 4.14 Soles (average Peru poverty line) times 5 (average household size) divided by 2.4 (number of working/ earning adults) = 8.6 Soles. Then we rounded up to the next bill (10 Soles). Note that we do not differentiate the amount in this question by region. (In order to reduce enumerator error in the calculation of percentages, we prefer to let them write the amount in Soles and convert them later during data analysis into percentages.)
- C14: The question on Eid festival (or similar events) is not applicable in Peru. Although there are many important annual events (like the Patronal festivals in each village), none provokes significant clothing expenditures as part of a general social norm.

D. Housing indicators and wages

- D1: As the term rent is sometimes misunderstood as including payments for electricity and water supply, the prompt “exclude electricity and water” has been included in code D1 and question D1c.
- Remark D2: The qualitative assessment of the house structure, size and walls by the enumerators provoked discussions among them, as these housing indicators are not appropriate indicators of living standard in Peru and are difficult to measure. This might be particularly true for rural areas, where wealth is expressed in animal or land ownership. The house, in contrast, is seen as shelter to protect against adverse weather and as storing facility but not as a place of living as such. I am looking forward to confirm this or not in the statistical analysis.
- D7: CUANTO adapted the ordinal code following the model of those used in the LSMS. In section D, we left the original codes whenever possible, although some categories (such as in D6, D8, D9) might simply not be relevant in Peru and will therefore not get many scores. In D7 (walls), however, it is recommended to use the country-specific code that considers the specific wall materials used in Peru and the option “no wall” for up-lifted jungle houses that have extended roofs but no walls.
- D9: We omitted the public gas grid option in the code because it does not exist in Peru.
- D10: As an additional source of electricity, people use car batteries to illuminate their rooms.
- D11: With respect to drinking water, some changes in the code were necessary in order to include both access (distance) and quality (source) of the water. Some households, for example, do have piped water, but its origin is the next river and the pipeline is self-made in order to reduce the walking distance. In this case, “piped” does not mean treated water of drinking quality! Furthermore, trucked-in water in Peru does not reflect a better water

access than a borehole (as proposed in the original ordering of the code). In contrast, people with a borehole do at least have water any time and so do not depend on the (in most cases only weekly) trucked-in water, of only slightly or no better quality. We adapted the code accordingly.

- D12: According to Cuanto, latrines are too rare in Peru to deserve own categories. With respect to the pit toilet, what counts in Peru is if it is treated with calcium (“septic”) and therefore does not smell, rather than if it is shared. I will, however, find out if the own/shared distinction (not considered in the LSMS) makes sense within each of the pit toilet types..
- D13: This question on the enumerator’s assessment of the quality of dwelling using a 5 point scale has been dropped. First, as mentioned above, dwelling is known as not being a good poverty indicator, so it is difficult to differentiate housing qualities in such a detailed scale. Second, Peru is so diverse in climatic regions (and consequently in dwelling conditions and forms) that neither CUANTO nor the regional interviewer groups have been able to establish common national or regional (costa, selva, sierra) criteria for the code.
- D15: The code has slightly been changed in order to reflect the sleeping habits in the different regions (e.g. animal skin in the Andes, hammock in the jungle). Thick mattresses made of natural fibres do not exist.
- D17a and 17b on piped water and electricity have been dropped because they are already covered in D10 and D11 where CUANTO uses a detailed country-specific code including own and shared connections.
- D18 and D19: The amounts of Soles (included in the poverty line calculations previously sent) have been included as a regional code in the footnote of section D (a specific amount for each of the seven regions).
- D18b,c and D19b,c on the minimum wages are directed to rural, agricultural areas with low and high income seasons. We added an alternative formulation for urban areas without such seasons but with varying subjective minimum wages according to the personal employment situation, such as prolonged personal unemployment versus a period with many personal employment opportunities. A person who has been unemployed for a long time would be expected to accept lower wages than someone used to have many employment opportunities. “Urban” refers to big towns where no seasonal wage differences exist according to the harvest season, and not to the LSMS definition of “urban” in Peru that includes villages of only 2000 inhabitants. A corresponding note has been included in the interviewer manual.

E. Food consumption

- E1b: Since in Peru it might be difficult to identify 2 days without any food aid (as proposed in question E1 on special events), question E1b has been added to find out if the household is currently beneficiary of a social safety or food aid program and to what extent this influences the number of meals received during the last two days (question E1a). (See also our report on the prototype questionnaire on section E and G for a more detailed assessment of the social food aid programs.)
- E3: Together with CUANTO and a selected group of enumerators, we defined an ordinal scale of superior foods including nationally consumed ones like beef, red meat, white meat (chicken) and eggs as well as regionally adapted ones (like three fish types for coast, highland and jungle). As wealth indicator, the butter/margarine distinction is interesting because butter can be produced by rural households themselves (and would therefore not be a good indicator for them) but is sold in form of packages of 5 Soles each (expensive!)

in urban areas. In contrast, margarine cannot be produced by agricultural households. It is sold in small packages of 1 Sol each in rural areas and cannot be afforded by many poor households.

- E4 to E8: The inferior foods (staples) have been regionally adapted to coast (rice), highland (potato), and jungle (cassava).
- E6: In the case that a household does not purchase staples because of sufficient home-production, we added a code to indicate that: “We do not buy it because of sufficient home production.” Note that the codes do not allow for an implicit consideration of purchase AND home-production at the same time for this question (harvest intervals would not fit here). See also our comments on E6 in the report on the prototype questionnaire.
- E12a: In Peru, particularly in coastal regions and urban areas, instead of borrowing food from neighbors and relatives (which is more common in rural areas), people “borrow” food from the corner shop (buy on credit). These are informal arrangements of small magnitude between the vendor and a well-known client that are usually paid back at the end of the month (with the new salary). It is much too common to be neglected in Peru, and we decided to include this as additional question. If the same situation is common in other countries, E12a should be included in the prototype version of the questionnaire.
- E13a,c,e: The expression “last year” in the codes was too misleading in Peru. (The enumerators took it as “2003”.)
- E15: For the most inferior foods, again, a regional distinction was necessary: urban (*collect remaining fruits and vegetables at the market place or eat the inferior parts of chicken and fish*) and rural (*collect remaining tubers etc. after harvest on other people’s fields*). In fact, it is an unwritten law in Peru that landlords do not clean their fields completely after harvest to leave something for the rural poor/ landless. While these criteria apply perfectly to the coastal region, for the Andes and jungle region we added some more foods that are typical meals of the very poor and left an option for “others” in case of an important inferior food in some particular region.
- E16 and E17: In addition to the long-term reliance on food aid asked for in section G1 (on vulnerability), E16 and E17 address the recent participation and the usual frequency of receipt in the different food aid programs during the past three months.

F. Assets

- F1: There are many different local land units in different regions in Peru. In order to reduce calculation errors by the enumerators, we decided to include a code for the local unit that will allow us to convert all numbers into square meters or hectares during data analysis (Cuanto has a pre-established code for all land units used in Peru that has been given to the interviewers).
- Animals: The ranking differs regionally, and there are some additional highland animal types (camelids!) and regional adaptations in the small animals. The interviewers have been asked, however, to give rough values and not to count fishes and bees (jungle).
- Cooking and cleaning assets: Among poorer households in Peru, kerosene stoves are common. As they cost much less than gas/electric ones, we included an additional category.
- Cooling assets: The only one (although rarely found) is a standing fan.
- Heating assets: As discussed before, in Peru questions on heating are not applicable. In the rare case that it exists, it refers to chimneys as part of the house construction that is difficult to measure in terms of monetary value.
- Other assets: In order to distinguish between the poor and the very poor, apart from the bed and metal cooking pots, some clothing items have been identified as applicable

criteria. However, most of them are not applicable in the jungle region. Also, the interviewer training did not reveal any additional goods that are applicable in the whole country.

G. Vulnerability, Social Capital and Reliance on Networks

- G1.5 and 1.6: These questions on dowry are not applicable in Peru. Cuanto will define a skip rule for variable G1.4 that skips over question 5 and 6.
- G1.18: As probably many respondents will refuse to answer section K completely or in part, we moved the whole section K from the composite tool to the end of the benchmark questionnaire, but saved the question on informal moneylenders (formerly K1.3) by including it here as G1.18.
- G1. 19 and G1.20: The question on food aid programs already introduced in the prototype questionnaire has been adapted in the form of a five-item code, each with a yes/no answer, given the great importance of these programs in Peru. The most important ones are:
 - o the school feeding of children (“Desayuno y/o almuerzo escolar”: the children receive a breakfast at school (often it consists of a glass of milk and a dry biscuit) and/or lunch);
 - o direct food aid to households with school children (“Vaso de leche”: the household receives milk powder and staples to be prepared at home, or goes somewhere to eat/drink prepared meals/snacks);
 - o subsidized community kitchens of the central and regional governments, churches, mother clubs, etc. (“Comedor popular/municipal/ parroquial/club de madres...”: donated staples and symbolic payments of 1 Sol per meal by the inscribed household that is used to buy vegetables, meat etc.. The cooking is done once a day during 5 days a week and organized by weekly rotating women groups, whose households do not have to pay during that week.);
 - o direct food donations, only in case of emergencies, natural disasters etc. (e.g. governmental PRONAA program).

In addition to E16 and E17 that ask for the recent participation and frequency of receipt in the different food aid programs (during the past three months), G.1.19 and G1.20 address the long-term reliance on such programs in terms of the total number of months the household participated in each of them during the past three years.

- Remark G2A: We did not drop this section on membership in organizations in Peru, because the pre-test showed that the duration of the interviews was still within the limit of two hours even when including this sub-section.
- G2b5: The animals are adapted to coast (goat), highland (sheep) and jungle (pig).
- Remark G3: many parts of the survey at first appeared repeated and in disorder to CUANTO (based on their LSMS experience), until they understood the objective of testing poverty indicators of different existing tools. Section G3 on discrimination, however, seemed very interesting to them right from the beginning and is a highly relevant topic in Peru.

H. Estimates of objective and subjective poverty

- Remark H6: According to the enumerators, particularly urban and (better-off) MFI households will most likely want to include expenditures for health and education in their estimation. We should let them do with respect to the subjective poverty assessment in this section, and we probably want to develop a broader definition of basic needs in Peru going beyond shelter, clothing and food.

- H8: I split this question into two parts. H8a: “Where on the ladder would you locate a household (husband, wife, 3 children or other dependents) with an income equal to [cut-off of 50% below regional pov line] per month?” And H8b: “Where on the ladder would you locate a household (husband, wife, 3 children or other dependents) who has an income equal to [international pov line equal to 312 Soles, rounded to 300] per month?”. In countries where the two benchmarks differ considerably (as in Peru) it would be interesting to compare this perception in H8 with the objective differences of living standards between both benchmarks. The amounts of Soles for H8a (included in the poverty line calculations previously sent) have been included as a regional code in the footnote of section H (one amount for each of the seven regions).

I. MFI and BDS transactions

- I.1 and I.12b: We divided the CAT code into two to make the codification easier for enumerators not familiar with the MFI/ BDS sector. The original CAT codes of section I-1 are named MFI code.
- The same applies to I.13 in Section I-2, where the original CAT codes are named BDS code (see code lists at the end of survey).
- Remark I.18: As explained in the report for the prototype composite tool (for Uganda and Kazakhstan), we included a question on the type of activity/ sector the BDS refers to (agriculture, trade etc.).
- I.19: We moved the perception of the enumerator on the living standard of the household (parallel to A11b) as well as the final thanks to the informants from the end of section K here.

K. Voluntary monetary savings and informal lending and debt

As explained before, CUANTO identified this section as extremely critical to ask these days in Peru. People have experienced super inflations (in the late 80s) that made hundreds of thousands of Peruvians lose all of their savings and pensions and had a strong negative impact in their confidence in banks and politicians (reinforced by the disappearance of millions of dollars of the government budget under the last administration). For this reason, every time that political instability and corruption scandals shake the country (as at present), people are extremely reluctant not only to answer these types of questions but also to let our interviewers return for a second interview. In order not to risk the whole benchmark survey, we recommended therefore either to move section K to the very end of the interview or to drop it completely (saving question K1.3 on traditional moneylenders by moving it as G1.18 into section G).

Benchmark Tool Adaptation

Section 1: Weekly expenditures

Food aid programs are of great importance in Peru and are handled as separate questionnaire sections in the Peruvian LSMS. As a matter of principle, however, from the perspective of maintaining the strictest possible comparability of the benchmarks across our four countries, Chris Grootaert recommended against any structural modification of the benchmark. The existence of food aid programs has therefore been handled within the existing questionnaire

within the framework of weekly expenditures on food consumed outside the residence (in section 1) or in the gift column of each food item (in section 2) (depending on whether the food received was consumed at home or outside). All food received to be consumed at home, whether from private donors or through food aid programs, are recorded in question 2.10: “What is the total value of the [FOOD] consumed that you received as a gift over the past 12 months?”. We added the explicit prompt to the question “Including food received from friends, relatives and food aid programs to be consumed at home,” to remind the respondent that this includes food aid. The same applies to question 1.3., under weekly expenditures in section 1 “How many [MEALS/SNACKS] were eaten by household members outside of the home during the past 7 days?” Here the prompt says “Including meals in restaurants, in other people’s houses and those eaten in social community kitchens, school feeding programs etc.”.

Section 2: Food Expenditures

General comments:

We used as a basis of comparison the data on household expenditure per food item of the LSMS of the National Statistical Office INEI. Those food items or sets of items that represent a significant share of the expenditures (at least 1.5-2% of the overall household expenditures on food) have been included. The exceptions are important home-produced subsistence crops such as roots and tubers (for questions 2.7-2.9), as well as a few specific items (e.g., red onions “roja cabeza”, whole chicken “enviscerado”, the fish type “Jurel”) that are included in the price questionnaire and should therefore be listed individually in the benchmark tool in order to cross-check the prices in both surveys.

After the adaptation of the food items to the country conditions, column 2.4 was shaded to indicate aggregated food items that do not have the same measurement unit, e.g. “other [ITEMS]”, or prepared food like “fried items such as ...”, “biscuits and cakes” etc. In addition, columns 2.7, 2.8, 2.9 have been shaded for those items not produced at home (in agricultural production, fishing, or recollection). It is important to shade either all three columns (2.7, 2.8, 2.9) or none of them.

During the interviewer training, there has been a general agreement among all of the enumerators with respect to most of the measurement units in 2.4 (and 2.8) for cereals, roots/tubers/ vegetables, animal products, and fruits. Only for these cases, the units have been included in the printed questionnaire version. In addition, Cuanto provided them a conversion table for different widespread measurement units for products such as condensed milk, bread, bottled beverages etc., in order to reduce conversion errors by the enumerators, e.g. Instant Coffee:

Kilograms	KG
Grams	Grs
Big package	0.2 KG (200 Grs)
Small package	0.07 KG (70 Grs)
Big can	0.5 KG (500 Grs)
Midsized can	0.2 KG (200 Grs)
Small can	0.05 KG (50 Grs) etc.

For your interest: The most important (grouped!) expenditure items in Peru (excluding non-cash subsistence items) are:

- Red meat, chicken and other birds, rice, bread, milk, and sugar (4-8% of household food expenditures each),

- Noodles, fish, other vegetables, potatoes and oils (3-4% of exp. each),
- Pulses, other cereals, prepared food, citrus fruits and papaya, other fruits, eggs, and sodas (2-3% of exp. each)

We preferred to categorize in a logical order from the point of view of the respondent rather than follow the theoretical classification of food types (for example, we include pseudocereals in the cereal section, although in a strict sense, as dicotyledoneae they are vegetables; we include coffee powder and instant coffee in the beverage rather than the prepared food section; and we include butter under plant oils and fats). By doing so, we expect less respondent errors because the items are grouped according to function and appear together with their substitution goods.

Cereals:

We include pseudocereals and noodles in this section (see reasons above). White Maize appears as an individual item in order to cross-check its prices with the price survey. In general, rice refers to the coast (although consumed in all urban areas), maize to the lower highlands, and pseudocereals to the high altitudes. All other cereals (wheat etc.) are of minor importance and therefore grouped together, while in the jungle regions, cereals are replaced by tubers.

Pulses:

In terms of expenditures, individual pulses are not very significant, so they have been grouped into only one item.

Oils:

Composite oil refers to mixed oils including fish and other inferior oils. In contrast to Bangladesh, and based on the share of overall food expenditures, it is not worthwhile to differentiate more oil types than the two mentioned (composite and plant oil) and solid fats.

Roots, tubers, vegetables:

Tubers (and roots) are of major importance in the highlands and jungle region, and are represented by various varieties of potato and cassava, as well as camote which are also important subsistence items of home-production). Onions are considered vegetables rather than spices and are important expenditure items, together with tomatoes. Carrots and red onions have been listed in order to cross-check their price.

Animal products:

The “unique cut” and “mondongo” of beef have been listed individually for cross-checking prices. The “unique cut” is the most important and most widely spread beef type across Peru. The same applies to the fish type “Jurel,” while the other two fish types, as well as brown eggs, are taken from the price questionnaire. At the same time, the three fish types represent the three regions (coast/ highlands/ jungle). For a more easy understanding, processed meat products have been included in this section rather than under prepared foods. Condensed and powdered milk are separated to reflect their different package types and for cross-checking their prices with the price survey. Apart from home-made fresh cheese in some rural areas, other milk products are of minor importance in terms of household expenditure and have been grouped together.

Fruits:

Lemon, type “sutil acido,” is the most wide-spread citrus fruit used all over the country in every dish (like salt and hot sauce) and is therefore an important individual item in the price survey; so is the sweet banana type “seda”.

Spices and condiments:

Chilies and salt are the most important spice types in Peru. Therefore, the other products have been aggregated into one single item called “other herbs and spices”.

Sweeteners:

In contrast to white sugar, brown sugar and molasses can be produced at home.

Beverages:

As explained above, we included coffee powder, instant coffee and tea in this section. Similar maybe to the puffed rice in Bangladesh, coffee might be grown and transformed to powder in home production in the mountainous jungle regions, for which we left 2.7 to 2.9 open for response. Kola Real is the national cheap alternative to Coca Cola and serves as an important price item in the price survey (bottled in 3.1 litres). Mineral water and juice have been listed separately, to reflect their different package types when compared to bottled sodas. Beer expenditures are not important enough as to be listed individually.

Prepared foods:

Apart from bread (whose popular “toilette” type is a very significant expenditure group) and cakes, we aggregated all important prepared foods that are frequently bought in the form of home-delivery or purchased from street vendors, although they could also be prepared at home (see open space for 2.7 to 2.9 in the whole prepared food section). Among them, fried chicken (Pollo a la brasa) is the most important one in terms of expenditure and therefore should be listed separately.

Cooking fuels:

As candles, though not very helpful as cooking fuel, should appear in this section, I renamed the category “cooking fuels and candles” and defined a new item for candles.

Section 3: Non-Food Expenditures

Codes 13 and 6. D/E (Education section 6. at the end) on textbooks were misleading. For the expenditure category on education, we therefore defined textbooks and (published) exercise books as those used in school, university and adult education. All others (Bible, poems, novels...) go into 13 at the beginning.

Code 14: In Peru, it is important to include internet costs here, but to additionally leave the “etc.”, as for example cost for fax is not listed. By keeping the original “etc.”, enumerators can include other communication expenses (except telephone, including cell phone).

Codes 39 and 40: In urban areas, housing and land tax (the latter referring to the tax for homestead land for construction) are paid together in one payment (called “autovaluo”),

making it impossible for respondents to distinguish between them. In rural areas, however, big landowners will know their land tax (excluding the land for their homestead here).

Codes 47 and 48 are not applicable in Peru. In urban areas, the family of the bride traditionally pays for the marriage festivities and the groom pays for the apartment (including furniture etc) the couple will live in. But there is no dowry as in Asia.

Section 4: Durable goods

The items “boat” and “computer etc.” have been added.

Section 5: Remittances

In Peru, it is not appropriate (and from our point of view not necessary) to ask for the names of recipients (for reasons of trust and humiliation). All we need to obtain is a differentiation of the possible recipients, which we can do through alternative information (e.g. uncle in Huanuco, oldest brother in Bolivia...)

Section 8: Dwelling

The questions on heating 8.9 and 8.10 are not applicable. Even in the high altitude regions, there is no heating. Instead, people use various layers of clothes and sleep (often in clothes) under lots of heavy covers. And even if heating exists (very rarely and not as centralized heating), its value is difficult to estimate (e.g., chimney as part of the house construction).

Section 9: Education

I added a note to the interviewer to explain to the respondent what is meant under education (i.e., pre-school, primary and secondary school, university, training courses, adult education and others). This was thought to be necessary because the education concept in the benchmark questionnaire differs from the one in section B of the composite tool and might cause confusion or mistakes. In addition, the explanation is included in the interviewer manual.

As discussed before, section K from the composite questionnaire has been included at the end of the benchmark tool.

The questionnaire adaptation was prepared by Julia Johannsen and Pedro Llontop (the individual mainly responsible for questionnaire set-up in the IRIS project at CUANTO). All of the changes have been carefully discussed with the Cuanto staff and enumerators prior to and during the training/pre-test and have been approved by Manfred Zeller and Chris Grootaert.