



The Rise of the South: Human Progress in a Diverse World

Explanatory note on 2013 HDR composite indices

Egypt

HDI values and rank changes in the 2013 Human Development Report

Introduction

The *2013 Human Development Report* presents Human Development Index (HDI) values and ranks for 187 countries and UN-recognized territories, along with the Inequality-adjusted HDI for 132 countries, the Gender Inequality Index for 148 countries, and the Multidimensional Poverty Index for 104 countries. Country rankings and values in the annual Human Development Index (HDI) are kept under strict embargo until the global launch and worldwide electronic release of the Human Development Report.

It is misleading to compare values and rankings with those of previously published reports, because the underlying data and methods have changed. Readers are advised in the Report to assess progress in HDI values by referring to table 2 ('Human Development Index Trends') in the Statistical Annex of the report. Table 2 is based on consistent indicators, methodology and time-series data and thus shows real changes in values and ranks over time reflecting the actual progress countries have made. Caution is requested when interpreting small changes in values because they may not be statistically significant due to the sampling variation. Generally speaking, changes in third decimal of all composite indices are considered insignificant.

For further details on how each index is calculated please refer to Technical Notes 1-4 and the associated background papers available on the Human Development Report website.

Human Development Index (HDI)

The HDI is a summary measure for assessing long-term progress in three basic dimensions of human development: a long and healthy life, access to knowledge and a decent standard of living. As in the 2011 HDR a long and healthy life is measured by life expectancy. Access to knowledge is measured by: i) mean years of schooling for the adult population, which is the average number of years of education received in a life-time by people aged 25 years and older; and ii) expected years of schooling for children of school-entrance age, which is the total number of years of schooling a child of school-entrance age can expect to receive if prevailing patterns of age-specific enrolment rates stay the same throughout the child's life. Standard of living is measured by Gross National Income (GNI) per capita expressed in constant 2005 international dollars converted using purchasing power parity (PPP) rates.

To ensure as much cross-country comparability as possible, the HDI is based primarily on international data from the United Nations Population Division, the United Nations Educational, Scientific and Cultural Organization (UNESCO) Institute for Statistics (UIS) and the World Bank. As stated in the introduction, the HDI values and ranks in this year's report are not comparable to those in past reports (including the 2011 HDR) because of a number of revisions done to the component indicators by the mandated

agencies. To allow for assessment of progress in HDIs, the 2013 report includes recalculated HDIs from 1980 to 2012.

Egypt's HDI value and rank

Egypt's HDI value for 2012 is 0.662—in the medium human development category—positioning the country at 112 out of 187 countries and territories. Between 1980 and 2012, Egypt's HDI value increased from 0.407 to 0.662, an increase of 63 percent or average annual increase of about 1.5 percent.

The rank of Egypt's HDI for 2011 based on data available in 2012 and methods used in 2012 was— 112 out of 187 countries. In the 2011 HDR, Egypt was ranked 113 out of 187 countries. However, it is misleading to compare values and rankings with those of previously published reports, because the underlying data and methods have changed.

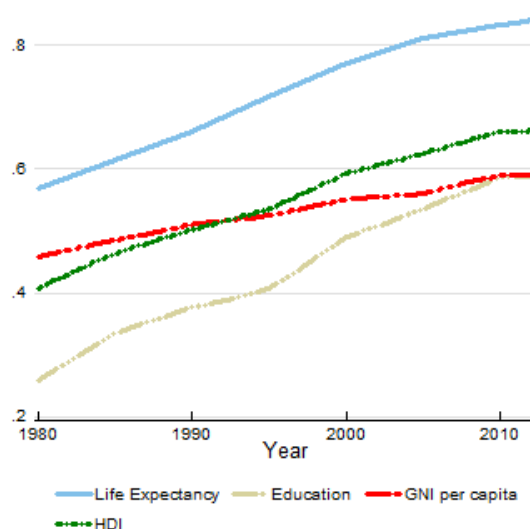
Table A reviews Egypt's progress in each of the HDI indicators. Between 1980 and 2012, Egypt's life expectancy at birth increased by 17.3 years, mean years of schooling increased by 4.3 years and expected years of schooling increased by 4.8 years. Egypt's GNI per capita increased by about 141 percent between 1980 and 2012.

Table A: Egypt's HDI trends based on consistent time series data, new component indicators and new methodology

	Life expectancy at birth	Expected years of schooling	Mean years of schooling	GNI per capita (2005 PPP\$)	HDI value
1980	56.2	7.3	2.1	2,241	0.407
1985	59	8.5	3	2,679	0.464
1990	62	9.1	3.5	3,157	0.502
1995	65.6	9.3	4	3,515	0.535
2000	69.1	11.6	4.7	4,182	0.593
2005	71.6	11.7	5.5	4,480	0.625
2010	73	12.1	6.4	5,433	0.661
2011	73.2	12.1	6.4	5,403	0.661
2012	73.5	12.1	6.4	5,401	0.662

Figure 1 below shows the contribution of each component index to Egypt's HDI since 1980.

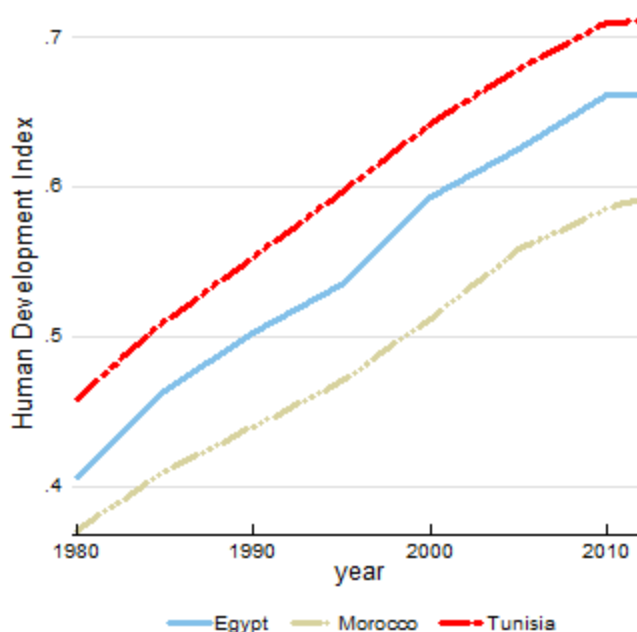
Figure 1: Trends in Egypt's HDI component indices 1980-2012



Assessing progress relative to other countries

Long-term progress can be usefully assessed relative to other countries—both in terms of geographical location and HDI value. For instance, during the period between 1980 and 2012 Egypt, Morocco and Tunisia experienced different degrees of progress toward increasing their HDIs (see figure 2).

Figure 2: Trends in Egypt’s HDI 1980-2012



Egypt’s 2012 HDI of 0.662 is above the average of 0.64 for countries in the medium human development group and above the average of 0.652 for countries in Arab States. From Arab States, countries which are close to Egypt in 2012 HDI rank and population size are Morocco and Syrian Arab Republic, which have HDIs ranked 130 and 116 respectively (see table B).

Table B: Egypt’s HDI indicators for 2012 relative to selected countries and groups

	HDI value	HDI rank	Life expectancy at birth	Expected years of schooling	Mean years of schooling	GNI per capita (PPP US\$)
Egypt	0.662	112	73.5	12.1	6.4	5,401
Morocco	0.591	130	72.4	10.4	4.4	4,384
Syrian Arab Republic	0.648	116	76	11.7	5.7	4,674
Arab States	0.652	—	71	10.6	6	8,317
Medium HDI	0.64	—	69.9	11.4	6.3	5,428

We also compare Egypt with other countries with rapidly emerging economies (see Table B.1). The number of such countries is larger and more varied but we concentrate on CIVETS (Columbia, Indonesia, Viet Nam, Egypt, Turkey, and South Africa).

Table B.1: Egypt's HDI indicators for 2012 relative to countries from the CIVETS group

	HDI value	HDI rank	Life expectancy at birth (years)	Expected years of schooling (years)	Mean years of schooling (years)	GNI per capita (2005 PPP \$)
Colombia	0.719	91	73.9	13.6	7.3	8,711
Egypt	0.662	112	73.5	12.1	6.4	5,401
Indonesia	0.629	121	69.8	12.9	5.8	4,154
South Africa	0.629	121	53.4	13.1	8.5	9,594
Turkey	0.722	90	74.2	12.9	6.5	13,710
Viet Nam	0.617	127	75.4	11.9	5.5	2,970
CIVETS	0.661	-	70.6	12.7	6.3	6,189

The average HDI for CIVETS is 0.661. Egypt performs slightly above the average of the group. It lags behind the average in expected years of schooling and in GNI per capita.

Inequality-adjusted HDI (IHDI)

The HDI is an average measure of basic human development achievements in a country. Like all averages, the HDI masks inequality in the distribution of human development across the population at the country level. The 2010 HDR introduced the Inequality Adjusted HDI (IHDI), which takes into account inequality in all three dimensions of the HDI by 'discounting' each dimension's average value according to its level of inequality. The HDI can be viewed as an index of 'potential' human development and the IHDI as an index of actual human development. The 'loss' in potential human development due to inequality is given by the difference between the HDI and the IHDI, and can be expressed as a percentage. (For more details see technical note 2).

Egypt's HDI for 2012 is 0.662. However, when the value is discounted for inequality, the HDI falls to 0.503, a loss of 24.1 percent due to inequality in the distribution of the dimension indices. Morocco and Syrian Arab Republic, show losses due to inequality of 29.7 percent and 20.4 percent respectively. The average loss due to inequality for medium HDI countries is 24.2 percent and for Arab States it is 25.4 percent.

Table C: Egypt's IHDI for 2012 relative to selected countries and groups

	IHDI value	Overall Loss (%)	Loss due to inequality in life expectancy at birth (%)	Loss due to inequality in education (%)	Loss due to inequality in income (%)
Egypt	0.503	24.1	13.9	40.9	14.2
Morocco	0.415	29.7	16.7	45.8	23
Syrian Arab Republic	0.515	20.4	10	31.5	18.3
Arab States	0.486	25.4	16.7	39.6	17.5
Medium HDI	0.485	24.2	19.3	30.2	22.7

Gender Inequality Index (GII)

The Gender Inequality Index (GII) reflects gender-based inequalities in three dimensions – reproductive health, empowerment, and economic activity. Reproductive health is measured by maternal mortality and adolescent fertility rates; empowerment is measured by the share of parliamentary seats held by each gender and attainment at secondary and higher education by each gender; and economic activity is measured by the labour market participation rate for each gender. The GII replaced the previous Gender-related Development Index and Gender Empowerment Index. The GII shows the loss in human development due to inequality between female and male achievements in the three GII dimensions. (For more details on GII please see Technical note 3 in the Statistics Annex).

Egypt has a GII value of 0.59, ranking it 126 out of 148 countries in the 2012 index. In Egypt, 2.2 percent of parliamentary seats are held by women, and 43.4 percent of adult women have reached a secondary or higher level of education compared to 59.3 percent of their male counterparts. For every 100,000 live births, 66 women die from pregnancy related causes; and the adolescent fertility rate is 40.6 births per 1000 live births. Female participation in the labour market is 23.7 percent compared to 74.3 for men.

In comparison Morocco and Syrian Arab Republic are ranked at 84 and 118 respectively on this index.

Table D: Egypt's GII for 2012 relative to selected countries and groups

	GII value	GII Rank	Maternal mortality ratio	Adolescent fertility rate	Female seats in parliament (%)	Population with at least secondary education (%)		Labour force participation rate (%)	
						Female	Male	Female	Male
Egypt	0.59	126	66	40.6	2.2	43.4	59.3	23.7	74.3
Morocco	0.444	84	100	10.8	11	20.1	36.3	26.2	74.7
Syrian Arab Republic	0.551	118	70	36.5	12	27.4	38.2	13.1	71.6
Arab States	0.555	—	176	39.2	13	31.8	44.7	22.8	74.1
Medium HDI	0.457	—	121	44.7	18.2	42.1	58.8	50.5	79.9

Multidimensional Poverty Index (MPI)

The 2010 HDR introduced the Multidimensional Poverty Index (MPI), which identifies multiple deprivations in the same households in education, health and standard of living. The education and health dimensions are based on two indicators each while the standard of living dimension is based on six indicators. All of the indicators needed to construct the MPI for a household are taken from the same household survey. The indicators are weighted, and the deprivation scores are computed for each household in the survey. A cut-off of 33.3 percent, which is the equivalent of one-third of the weighted indicators, is used to distinguish between the poor and nonpoor. If the household deprivation score is 33.3 percent or greater, that household (and everyone in it) is multidimensionally poor. Households with a deprivation score greater than or equal to 20 percent but less than 33.3 percent are *vulnerable* to or at risk of becoming multidimensionally poor.

The most recent survey data available for estimating MPI figures for Egypt were collected in 2008. In Egypt 6 percent of the population lived in multidimensional poverty (the MPI 'head count') while an additional 7.2 percent were vulnerable to multiple deprivations. The intensity of deprivation – that is, the average percentage of deprivation experienced by people living in multidimensional poverty – in Egypt was 40.7 percent. The country's MPI value, which is the share of the population that is multidimensionally poor adjusted by the intensity of the deprivations, was 0.024. Morocco and Syrian Arab Republic had MPI values of 0.048 and 0.021 respectively.

Table E compares income poverty, measured by the percentage of the population living below PPP US\$1.25 per day, and multidimensional deprivations in Egypt. It shows that income poverty only tells part of the story. The multidimensional poverty headcount is 4.3 percentage points higher than income poverty. This implies that individuals living above the income poverty line may still suffer deprivations in education, health and other living conditions. Table E also shows the percentage of Egypt's population that live in severe poverty (deprivation score is 50 percent or more) and that are vulnerable to poverty (deprivation score between 20 and 30 percent). The contributions of deprivations in each dimension to overall poverty complete a comprehensive picture of people living in poverty in Egypt. Figures for Morocco and Syrian Arab Republic are also shown in the table for comparison.

Table E: The most recent MPI figures for Egypt relative to selected countries

	Survey year	MPI value	Headcount (%)	Intensity of deprivation (%)	Population			Contribution to overall poverty of deprivations in		
					Vulnerable to poverty (%)	In severe poverty (%)	Below income poverty line (%)	Health	Education	Living Standards
Egypt	2008	0.024	6	40.7	7.2	1	1.7	37.3	48.1	14.5
Morocco	2007	0.048	10.6	45.3	12.3	3.3	2.5	27.5	35.5	37
Syrian Arab Republic	2006	0.021	5.5	37.5	7.1	0.5	1.7	42.7	45.4	11.8