



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

Explanatory note on 2013 HDR composite indices

Cape Verde

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.

Cape Verde's HDI value and rank

Cape Verde's HDI value for 2012 is 0.586—in the medium human development category—positioning the country at 132 out of 187 countries and territories. Between 2000 and 2012, Cape Verde's HDI value increased from 0.532 to 0.586, an increase of 10 percent or average annual increase of about 0.8 percent.

The rank of Cape Verde's HDI for 2011 based on data available in 2012 and methods used in 2012 was—131 out of 187 countries. In the 2011 HDR, Cape Verde was ranked 133 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.

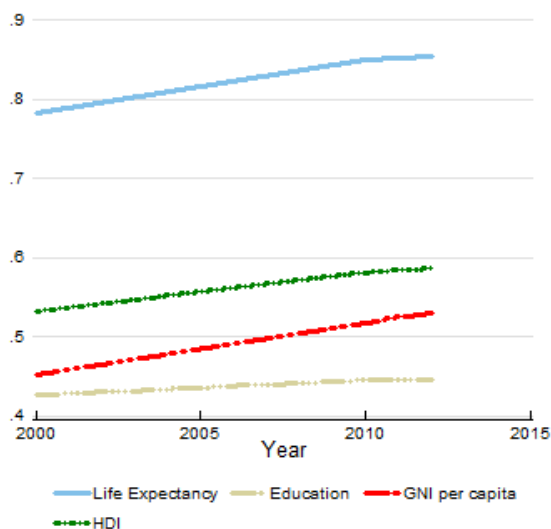
Table A reviews Cape Verde's progress in each of the HDI indicators. Between 1980 and 2012, Cape Verde's life expectancy at birth increased by 14.4 years and expected years of schooling increased by 1.1 years between 1990 and 2012. Mean years of schooling was estimated by the cross-country regression. Cape Verde's GNI per capita increased by about 275 percent between 1980 and 2012.

Table A: Cape Verde'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	59.9			0,963	
1985	62.8			1,218	
1990	65.3	11.6		1,440	
1995	67.4	11.6		1,610	
2000	69.7	11.6	3.5	2,130	0.532
2005	72.4	11.7		2,540	
2010	74	12.7	3.5	3,325	0.581
2011	74.2	12.7	3.5	3,508	0.584
2012	74.3	12.7	3.5	3,609	0.586

Figure 1 below shows the contribution of each component index to Cape Verde's HDI since 2000.

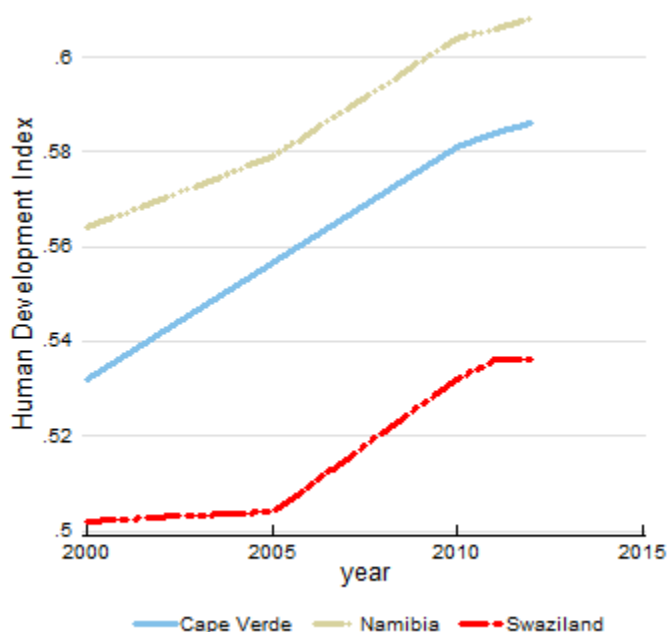
Figure 1: Trends in Cape Verde's HDI component indices 2000-2012



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 2000 and 2012 Cape Verde, Swaziland and Namibia experienced different degrees of progress toward increasing their HDIs (see figure 2).

Figure 2: Trends in Cape Verde's HDI 2000-2012



Cape Verde's 2012 HDI of 0.586 is below the average of 0.64 for countries in the medium human development group and above the average of 0.475 for countries in Sub-Saharan Africa. From Sub-Saharan Africa, countries which are close to Cape Verde in 2012 HDI rank and population size are Sao Tome and Principe and Equatorial Guinea, which have HDIs ranked 144 and 136 respectively (see table B).

Table B: Cape Verde'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\$)
Cape Verde	0.586	132	74.3	12.7	3.5	3,609
Sao Tome and Principe	0.525	144	64.9	10.8	4.7	1,864
Equatorial Guinea	0.554	136	51.4	7.9	5.4	21,715
Sub-Saharan Africa	0.475	—	54.9	9.3	4.7	2,010
Medium HDI	0.64	—	69.9	11.4	6.3	5,428

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). Due to a lack of relevant data, the IHDI has not been calculated for this country.

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). Due to a lack of relevant data, the GII has not been calculated for this country.

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. Due to a lack of relevant data, the MPI has not been calculated for this country.