AFRICAN SOCIAL DEVELOPMENT INDEX:
MEASURING HUMAN EXCLUSION FOR STRUCTURAL TRANSFORMATION

East Africa
(Draft report)

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Employment and Social Protection Section
Social Development Policy Division
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Acknowledgements

The present report is the result of two sub regional capacity-building workshops on the theme “Reducing human exclusion for structural transformation: the African Social Development Index (ASDI)”, which were co-organized by the Employment and Social Protection Section of the Social Development Policy Division of the Economic Commission for Africa (ECA) and the Eastern and Central Africa sub regional offices of ECA, and held in June 2015. The main objective of the workshops was to equip member States with a conceptual background and practical experience of ASDI at the national and sub national levels. In addition to providing participants with increased capacities in monitoring exclusion, the workshops allowed member States to share the results of ASDI and the impact of social policies in reducing exclusion over time.

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ECA would like to thank all member States for their engagement and for providing the core data and technical inputs contained in this report. Special thanks goes to the ECA Eastern and Central Africa subregional offices for their invaluable support in the organization of the trainings workshops and other outreach activities.

The Rockefeller Foundation’s invaluable financial support and assistance in ASDI outreach activities, including the capacity-building workshops, is gratefully acknowledged.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>AfDB</td>
<td>African Development Bank</td>
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<td>ASDI</td>
<td>African Social Development Index</td>
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<tr>
<td>AUC</td>
<td>African Union Commission</td>
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<tr>
<td>COMESA</td>
<td>Common Market for Eastern and Southern Africa</td>
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<td>EAC</td>
<td>East African Community</td>
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<td>ECA</td>
<td>Economic Commission for Africa</td>
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<td>ECE</td>
<td>Economic Commission for Europe</td>
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<td>EIU</td>
<td>Economist Intelligence Unit</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>HDR</td>
<td>Human Development Report</td>
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<td>HDI</td>
<td>Human Development Index</td>
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<td>ICT</td>
<td>Information and communication technology</td>
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<tr>
<td>ILO</td>
<td>International Labour Organization</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>MDGs</td>
<td>Millennium Development Goals</td>
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<tr>
<td>NEPAD</td>
<td>New Partnership for Africa’s Development</td>
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<tr>
<td>OECD</td>
<td>Organization for Economic Cooperation and Development</td>
</tr>
<tr>
<td>SADC</td>
<td>Southern African Development Community</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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<tr>
<td>UNESCO</td>
<td>United Nations Educational, Scientific and Cultural Organization</td>
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<td>WHO</td>
<td>World Health Organization</td>
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Executive summary

Africa’s positive economic growth over the last two decades has shown resilience in the wake of the international financial crisis of 2008. However, this positive performance has not yet translated its economic gains into meaningful social development outcomes. Although social outcomes have improved over the last two decades, this improvement has been selective with higher-income urban males as beneficiaries (United Nations, 2014a). High inequalities persist in most countries and growth has not been sufficiently inclusive and equitable for some segments of the population. As a result, exclusion has become a challenge for Africa’s development; however, no meaningful indicators exist to properly monitor the patterns of exclusion and help member States develop appropriate inclusive policies. The construction of an index that addresses these challenges emanates from this vision and from a request by African member States to develop a tool that reflects specific development challenges on the continent.

The proposed African Social Development Index (ASDI) is built on an important premise that social development should be reflected in the improvement of human conditions. Too often, the focus is on measuring contextual elements that are expected to have an impact on improving people’s lives, such as expansion of coverage and increased involvement in planning and service delivery. However, challenges seem to arise in directly translating these contextual changes into meaningful impacts at the human level.

Using a life-cycle approach, ASDI focuses on six key dimensions of wellbeing that reflect the impact of human exclusion over time. As a monitoring and policy tool, ASDI should help member States devise more inclusive social policies and guide them in the implementation of Agenda 2063 and Agenda 2030 development frameworks, both of which place a high premium on inclusiveness as a driver of sustainable and equitable development.

The policy reference to the regional Africa Vision Agenda 2063 and Agenda 2030 reiterate the requirement to ‘leave nobody behind’ and the Sustainable Development Goals (SDGs)’ insistence on tackling inequality, thus reinforcing the relevance of the ASDI.

Against this backdrop, ASDI is relevant to East Africa within the context of the East African Community’s (EAC) Vision 2030 and the Common Market for Eastern and Southern Africa’s (COMESA) strategic plan. Moreover, the EAC-COMESA-SADC tripartite agreement for an integrated market and improved regional integration is a blueprint to accelerate poverty eradication and to attain economic and social development goals. ASDI can also assist in supporting the subregional efforts of relevant regional economic communities’ strategic frameworks to track progress in selected social and economic indicators.
Section 1:
Introduction
1. Introduction

1.1 Background

African countries have experienced unprecedented economic growth since the early 2000s, and have shown strong resilience to the global downturn affecting most of the world’s economies. Growth on the continent has averaged 5 per cent yearly, with some countries posting 7-11 per cent growth in gross domestic product (GDP) in recent years. Despite this remarkable progress, member States have yet to transform their economies and achieve the level of social development witnessed in other regions.

The continent is still fraught with inequalities and exclusion caused by differences in income, ethnicity, gender, age, disability and location, among others. Evidence shows that poorer children in Africa are still about two and a half times more likely to be underweight and up to three times more likely to be out of school than those from the richest households (United Nations, 2012). Such inequalities often lead to a lack of social and economic opportunities in life, excluding these individuals from development and full participation in society.

The dominant view is that Africa has long focused on economic growth, with the expectation that improvements in social development would follow. However, growth on the continent is largely driven by capita-intensive sectors, with limited value addition and job creation and unfair redistribution of economic gains. In short, growth is not sufficiently inclusive and equitable, thus compromising its sustainability and fuelling the risk of social and political instability in the region.

Limited social protection in many countries has exacerbated the exclusion of the most marginalized social groups, which, in addition to having limited access to social and economic opportunities, are also more vulnerable to external shocks, thus reducing their productive capacities and pushing them back or further into poverty.

Promoting a more inclusive development path in Africa is an urgent priority and a precondition for building more sustainable and cohesive societies. However, policy interventions based on aggregate figures are generally not conducive to optimum decision-making, and the inadequacy of relevant data and monitoring mechanisms is likely to lead to weak policy formulation and planning.

1.2 Rationale behind an African Social Development Index

In Africa, recognizing social development as a central pillar of economic development has gained impetus. The need for an inclusive and transformative growth strategy has been firmly expressed by African leaders, in the context of Agenda 2063 and the 2030 Agenda for Sustainable Development, which are anchored on the principles of equality, sustainability and ‘leaving no-one behind’ (AUC and ECA, 2013).

Awareness of inclusiveness in sustaining development is not new. At the 1995 World Summit on Social Development, world leaders acknowledged the importance of social inclusion and integration to achieving sustainable development worldwide. For the first time, there was a shift from a simple model of deprivation to a holistic one of human poverty, exclusion and participation.

At the 2012 United Nations Conference on Sustainable Development, global leaders renewed their commitments to promoting social integration through the creation of more cohesive and inclusive societies.
Following the Conference, the objective of tackling exclusion started to gain resonance in the development discourse.

At the regional level, African Governments have also become increasingly aware of the centrality of inclusiveness to the continent’s development agenda. This is reflected in their commitment to the 1995 Copenhagen Declaration and Programme of Action and underscored by the 2008 Windhoek Declaration on Social Development and the Social Policy Framework for Africa, which have been instrumental in advancing the New Partnership for Africa’s Development’s (NEPAD) social development priorities across the continent. African countries have also taken action to address the specific challenges of excluded groups, including young people, women and the elderly, using platforms such as the International Conference on Population and Development, the Beijing Platform for Action, the Ouagadougou Plan of Action, the Addis Ababa Action Agenda and the Madrid Plan of Action on Ageing.

However, the implementation of these commitments has not led to the desired outcomes for a number of reasons. Firstly, until recently, only a few policymakers had a clear understanding of the challenges of exclusion, and of how it could be addressed and incorporated into national development planning (ECA, 2008).

Secondly, so far, none of the internationally-agreed development goals, including the Millennium Development Goals, have explicitly addressed the inclusive dimension of development and their aggregate nature has failed to identify in-country inequalities that would require different policy interventions from those devised at national or regional levels.

Thirdly, capacity gaps persist and there is a lack of monitoring mechanisms to assess inclusion in Africa, thereby leading to inadequate statistical follow-up and social policy formulation.

To accelerate progress, Governments need to develop policies that make equality and inclusion a direct result of development strategies rather than a potential by-product. For Africa’s structural transformation to be inclusive, the continent requires strong and responsive developmental States and long-term development planning, as envisioned in Agenda 2063 and the 2030 Agenda.

1.3 Human exclusion: a new paradigm for inclusive development

Exclusion is a multidimensional phenomenon, whose contours are difficult to define unless a clear framework is established on how it should be assessed and what aspects should be covered in the process. It is acknowledged that, despite strong economic growth, an excluded population group is likely to affect the human and social development of all citizens. This is indeed what the continent is currently experiencing, with strong economic growth unable to ensure an inclusive and equitable distribution of benefits across all sections of society.

There is evidence that progress towards inclusive development in Africa has been slow, and its drivers limited, to meet the needs of its people. This increases exposure to economic volatility and vulnerability to external shocks, particularly for the poorest and most marginalized groups. It is critical to ensure that these groups are included in the development process, accelerating the transition towards more equitable development (see figure 1.1).

\footnote{Inclusive society was defined as “a society for all, in which every individual, each with rights and responsibilities, has an active role to play”. Such a society is based on the fundamental values of equity, equality, social justice, human rights and freedoms. It should also be equipped with appropriate mechanisms that enable its citizens to participate in the decision-making processes that affect their lives and shape their common future (United Nations, 1995).}
In this context, the economic transformation of the continent seems to be well defined and under way, with four essential and interrelated processes, namely a declining share of agriculture in GDP and employment; a rural-urban migration stimulating urbanization; the rise of a labour-intensive industrial and service economy; and a demographic transition from high to lower mortality and fertility rates, associated with better health standards in both rural and urban areas (ECA, 2013b). However, the human and social development impacts underpinning this process require further analysis.

A key component of this framework is the need to tackle the issue of excluded groups for a balanced transformative agenda. This would provide the basis for redressing country-specific exclusion patterns through effective policy formulation, both at the national and subnational levels.

As part of this effort, a new paradigm is proposed for the social transformation of Africa, which revolves around reducing human exclusion. Human inclusion should be a precondition to social and economic inclusion, because allowing individuals to be part of the development process is a first step towards social and economic integration. The challenge for African countries is therefore to accelerate the path of structural transformation, while addressing the factors that contribute to exclusion.

### 1.4 Key drivers of human exclusion

Exclusion is structural and its elimination must be prioritized to sustain growth and maintain peace. Exclusion also skews development dynamics, economic opportunities and job creation, leaving an economy with a narrow base and higher vulnerability to external shocks. In addition to its economic impact, exclusion – whether based on income, gender, geographical, political or other factors – has critical social costs. It is argued that the drivers of exclusion are often determined by the interaction of a series of contextual factors, as illustrated in figure 1.2.
Figure 1.2 Determinants of Exclusion

- Social determinants include elements associated with access to basic social services, including health, education, and social security
- Economic determinants take into account access to productive resources, including land and credit, as well as the degree of economic and market integration
- Political/institutional determinants encompass government policies and programmes aimed at addressing instability and insecurity, thus ensuring political participation and access to civil and human rights
- Cultural determinants define the norms and environment in which individuals live, in terms of traditions or gender-based barriers.

These factors, often a consequence of policies and programmes, can impact whether individuals are included or excluded from the development process. Within this framework, human exclusion can be defined as the result of social, economic, political, institutional and cultural barriers that are manifested in deprived human conditions and that limit the capacity of individuals to benefit and contribute to economic growth.

It is important to highlight the distinction between human exclusion and the commonly-used term ‘social exclusion’, which refers to a person or group’s inability to participate in social, economic, political and cultural life. Human exclusion, however, refers to individuals’ inability to participate and benefit from the growth process itself. Human inclusion can therefore be described as the stage prior to social inclusion – people need to be part of the growth process, and benefit from it, before they can participate in society.

Human exclusion can manifest itself at different stages of a person’s life. For example, infants may receive adequate nutrition during the early stages of their lives, but they may face discrimination in school or the workplace. Gender-based exclusion is also common in many societies.

1.5 Differential impacts of exclusion on women and men

In each phase of their lives, women and girls are differently affected by vulnerabilities because women have different roles to men in society, different access to and control over resources and different concerns that may impact their inclusion in or exclusion from mainstream development.

Some of these differences are intrinsic to gender while others are the result of cultural biases and social factors, which can affect women throughout their lives. There are large number of studies showing that women and
girls generally bear the brunt of unpaid care work; are generally paid lower wages; suffer the consequences of a truncated education more than boys; are more likely to enter into unskilled informal labour; and are more often victims of exploitation, violence or early marriage. All of this may critically affect their future development and ability to participate in social, economic and decision-making processes.

However, these effects can vary across life stages. For instance, in developing countries, girls who survive early stages of life and reach adulthood have a life expectancy that approaches that of women in developed countries. This gap will most likely narrow later on in their lives, given that mortality declines at younger ages. On the other hand, child malnutrition is higher among boys than girls in most developing countries, although results are not uniform across countries. In India, for instance, because of their lower social status, girls are more at risk of malnutrition than boys (Smith and Haddad, 2000).

Early marriage and other traditional practices also have a significant bearing on girls’ educational achievements, limiting future opportunities and aspirations. These differential outcomes, whether intrinsic to gender or based on contextual factors, must be tackled. Policies that do not adequately address such differences tend to perpetuate gender inequalities (Hedman and others, 1996; ECE and World Bank Institute, 2010).

### 1.6 Exclusion in urban and rural areas

Patterns of exclusion are also influenced by the geographical location in which individuals are born and live. People in rural areas are more likely to lack the minimum social and economic infrastructure, including basic social services, which would allow them to develop to their full potential. Globally, 75 per cent of those living in extreme poverty in 2002 resided in rural areas, although only 52 per cent of the world’s population was living in those areas (Ravallion and others, 2008).

Latest findings also point to higher rural poverty rates in Africa (United Nations, 2014a). African cities are also increasingly faced with other challenges, such as urban congestion, environmental and health hazards, poor infrastructure, social fragmentation, limited access to land and increased competition that excludes unskilled workers from economic and social opportunities.
Section 2:
African Social Development Index (ASDI)
2. African Social Development Index

The African Social Development Index (ASDI) has been developed to assess the overall degree of human exclusion. It follows a life-cycle approach on the premise that exclusion manifests itself at different stages of an individual’s life.

For each life phase, a dimension of human development has been identified from which individuals in that specific age group are more likely to be excluded thus affecting their development and integration later in life (Table 2.1).

Table 2.1 Exclusion Throughout the life Cycle

<table>
<thead>
<tr>
<th>Period</th>
<th>Stage in the life Cycle</th>
<th>Dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Birth to 28 days</td>
<td>Birth</td>
<td>Survival</td>
</tr>
<tr>
<td>28 days to 5 years</td>
<td>Early childhood</td>
<td>Health/Nutrition</td>
</tr>
<tr>
<td>6-14 years</td>
<td>Formative years</td>
<td>Quality education</td>
</tr>
<tr>
<td>15+</td>
<td>Entering the labour market</td>
<td>Productive employment</td>
</tr>
<tr>
<td>25+</td>
<td>Productive life</td>
<td>Means of subsistence</td>
</tr>
<tr>
<td>60+</td>
<td>Old age</td>
<td>Living a decent life</td>
</tr>
</tbody>
</table>

To make this framework operational, each dimension is associated with one indicator that best captures the aspects of exclusion identified in the model (see figure 2.1).

Figure 2.1 Indicators of Human exclusion using a life-cycle approach

The value of each indicator ranges between 0 and 1, and the aggregate value of ASDI lies between 0 and 6. The higher the value of ASDI, the higher the extent of human exclusion.

The Index seeks to capture the differential impacts of exclusion based on gender and location, which captures inequalities within countries and social groups that would otherwise remain unaccounted for. The findings should guide development-planning processes and improve policy targeting at the local level and for different population clusters.2

2 The application of ASDI in Africa is currently led by national implementation teams, including senior experts from relevant ministries and national statistical offices. ASDI was developed by those teams with technical support from ECA. Data needed to compute ASDI was drawn from national statistics, mainly censuses and household and demographic/health surveys.
Selection of indicators

The selected indicators are the result of a strong consultative/participatory process, involving experts from member States, regional institutions and development partners. Final selection was based on the following three main criteria: relevance of dimensions/indicators to the African context; readily available data, possibly at various administration tiers; and ‘impact’ rather than ‘output’ indicators.

While these selected indicators may not capture the full dimension of exclusion in each phase of life, they were chosen as the best proxy indicators based on available data and empirical evidence on exclusion in Africa. The methodological foundations of the Index are detailed in Annex I to the present report.

Key features of the Index

ASDI has a number of key features that distinguishes it from other indicators, including the following:

- Developed on the basis of a request from member States
- Uses national data and therefore does not rank countries
- Simple to comprehend and compute
- Only indicator to measure human exclusion
- Follows a life-cycle approach.
Section 3:
East Africa – A brief Introduction
3. East Africa: A brief introduction

Africa’s growth, although positive over the last 15 years, declined slightly from 3.9 per cent in 2014 to 3.7 per cent in 2015. Importantly, economic growth in Africa continues to be driven by private consumption and investment. Continued government spending in infrastructure projects, in particular, has also positively contributed to growth (ECA, 2015).

Economic growth varies across subregions, and East Africa has maintained the highest growth rate in the region, at 6.2 per cent in 2015 with a projected increase to 6.8 per cent in 2016. East Africa current total GDP stands at $229.6 billion with an estimated population of 299 million in 2016 (United Nations, 2013; IMF World Economic Outlook, 2013).

Infrastructure development, robust private consumption and exports have continued to drive growth in most countries in the subregion. In 2016, growth is expected to be led by the increased inflow of foreign direct investment, increased public spending on infrastructure and growing domestic markets. However, on the downside, the subregion faces both exogenously and endogenously determined uncertainties. International commodity prices have fallen sharply, with oil prices dropping by 43 per cent and metal prices falling by 17 per cent between June 2014 and October 2015; prospects remain the same for 2016 (IMF, 2015). The subregion also faces food security challenges because of climate change induced variations in agricultural production. There are also political uncertainties in Burundi, the Democratic Republic of the Congo and South Sudan and terrorist threats in Kenya and Somalia, which continue to undermine the subregion’s growth prospects.

The resilience in the subregion’s growth pattern, while noteworthy, has not led to improved social outcomes. Poverty reduction, although varying across the subregion, remains high as do income inequalities (ECA, 2014). Furthermore, inequalities in accessing education and health across income groups, and owing to location and gender, reinforce disparities in outcomes.

An estimated 10-12 million new entrants join the labour force each year in Africa; however, all African countries combined have created only 37 million jobs over the last decade, of which only 28 per cent were in wage-paying formal jobs (McKinsey, 2012). Consequently, informal sector employment is high on the continent, with weak social protection (only 10 per cent coverage) and significant wage differentials between informal and formal employment, thus perpetuating poverty.

These aggregate statistics indicate the marginalization and exclusion of some groups from the positive benefits of growth. Employment, poverty and inequality figures for East Africa are driven by an array of common factors across the subregion, including quality of growth, low industrial development, gender disparity and informal employment. However, identifying country-specific drivers of exclusion provides better opportunities for policy planning, monitoring and targeting.

In this context, ASDI assists in identifying the extent of human exclusion for six social and economic indicators across the subregion. Subregional workshops were held in Kigali and Douala in June 2015 for both Anglophone and Francophone East African countries, so as to build the capacity of national representatives on the computations and use of ASDI for policy analysis. Eight countries attended and each country was represented by senior officials from national statistical offices and ministries of finance and social affairs. The results of the ASDI analysis developed with the country teams are presented in chapter IV.

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3 Burundi, Comoros, Djibouti, Democratic Republic of the Congo, Madagascar, Kenya, Rwanda and Uganda.
Figure 3.1 Geographical Map of East Africa
Section 4: ASDI country analyses
4. Country analyses

4.1 Burundi

Socio economic conditions

Burundi has had moderately good economic growth rates for a number of years (see figure 4.1.1); however, actual growth figures vary from estimated economic performance. The initial projections for 2014, set at 5.2 per cent, were off target by 0.6 per cent. This drop in economic performance was caused by volatile coffee prices on the international market combined with a decrease in agricultural production due to rainfall variation.

Figure 4.1.1 GDP Growth Rate

Source: African Economic Outlook 2014.

Note: *(e) stands for estimates.

Growth over the period 2013-2014 was driven by the secondary sector (16 per cent of GDP) and tertiary sector (45 per cent of GDP). Growth in the primary sector (39 per cent of GDP) fell from 5.2 per cent to 3.9 per cent. Green coffee production in the 2013-2014 season contracted by 42.5 per cent. The vulnerability of the economy to exogenous shocks has seriously affected overall economic performance and limited improvements in social outcomes.

Social development

Poverty remains a major concern affecting 64.6 per cent of the population (68.8 per cent in rural areas and 27.6 per cent in urban areas), according to data from the 2014 Household Survey (Government of Burundi, 2014), which is far above the African average of 48 per cent (Government of Burundi, 2015). Over half the population lives below the poverty line, and poverty in rural areas is double that of urban areas. Poverty and poverty correlates were estimated for Burundi that provide a more analytical lens of specific features of Burundi. The proportion of the population below the poverty line is high and those in severe poverty are nearly 12.5 per cent of the population. Life expectancy remains low, though slightly improving (see table 4.1.1) over time. Poverty remains very high, way above the African average of 48 per cent (Government of Burundi, 2015).
Factors that contribute to poverty are largely driven by living standards at 48.8 per cent followed by health and education at 25 per cent and 26.2 per cent, respectively. The figures provided indicate that living standards, estimated using six indicators, 4 drive overall deprivation (UNDP, 2015).

There has been significant improvement in human development in Burundi since the adoption of the national Cadre stratégique de croissance et de lutte contre la pauvreté (CSLP II) in February 2012. However, poverty and quality of health care and education remain serious challenges, particularly in terms of location, income and gender.

Expenditure on agriculture and social sectors increased from 28.9 per cent of total expenditure to 38 per cent in 2013. This was complemented by social welfare programmes providing support to vulnerable groups. The Government rolled out a health insurance card in 2013, but it covers only 20 per cent of the population with access to health care.

Table 4.1.1 Socio-Economic Indicators

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<tr>
<td>Total population, in millions</td>
<td>7.1</td>
<td>8.5</td>
<td>9.7</td>
</tr>
<tr>
<td>GDP total in billions of BIF*</td>
<td>768,235</td>
<td>146,710</td>
<td>466,312</td>
</tr>
<tr>
<td>GNI per capita (atlas method current US$)</td>
<td>120</td>
<td>160</td>
<td>270</td>
</tr>
<tr>
<td>Population below the national line (percentage of the population)</td>
<td>…</td>
<td>67.1</td>
<td>64.6</td>
</tr>
<tr>
<td>Gini Index</td>
<td></td>
<td>33.4 (2006)</td>
<td></td>
</tr>
<tr>
<td>Unemployment, percentage of total labour force</td>
<td>7.3</td>
<td>7.2</td>
<td>6.9</td>
</tr>
<tr>
<td>Unemployment, youth total (percentage of total labour force ages 15-24)</td>
<td>10.9</td>
<td>10.8</td>
<td>10.7</td>
</tr>
<tr>
<td>Population growth (annual percentage)</td>
<td>3.0</td>
<td>3.5</td>
<td>3.3</td>
</tr>
<tr>
<td>Life expectancy at birth, total (years)</td>
<td>47.6</td>
<td>46.5</td>
<td>51.9 (2014)</td>
</tr>
</tbody>
</table>

Source: World Development Indicators, World Bank.

4 The six indicators are electricity, improved sanitation, flooring, asset ownership, cooking fuel and improved drinking water.

*2015 Statistics, World Economic Outlook Database, IMF
Measuring human exclusion in Burundi

Using national data, the African Social Development Index provides a different perspective on poverty and human exclusion, which has a number of interesting features that compare the same country over time and over a life cycle. ASDI thus offers more pertinent information for targeted policymaking.

There was a positive change in ASDI in Burundi between 2000 and 2010 (see figure 4.1.2). However, exclusion still remains relatively high.

**Figure 4.1.2 ASDI in Burundi**

![Graph showing ASDI in Burundi]

Source: Computed using national data.

Disaggregation by gender and rural-urban location shows significant progress for vulnerable groups (see figures 4.1.3 and 4.1.4). There was an approximately equal drop in gender exclusion for both men and women during the period under review. Policies on overall exclusion had a slight positive effect during the period under consideration, indistinctive of gender differentials.

**Figure 4.1.3 Human Exclusion by Gender**

![Graph showing human exclusion by gender]

Source: Computed using national data

Nevertheless, the rural-urban dichotomy remains a serious challenge in the country. Rural exclusion, although decreasing, shows a much higher score than in urban areas (see figure 4.1.4). Unsurprisingly, rural exclusion is aligned to high rural poverty. Furthermore, urban decline in human exclusion is much faster than rural decline.
Progress in human exclusion over time can also be gauged at the subnational level. Data show that a large amount of government expenditure (up to 80 per cent) is spent at lower levels of Government (ECA, 2008), so as to reduce human exclusion. This is however predicated on efficient spending and distribution across subregions within a country, based on specific social and economic features. In Burundi, there has been overall progress towards less human exclusion in all subregions. The north and centre of the country have achieved better progress and possibly indicate some reprioritization\(^5\) of fiscal transfers from the central Government towards regions.

The change over the period 2000-2010 in each of the six ASDI indicators is useful in directing specific areas of CSLP II. When monitoring the implementation of this national policy, identifying the factors driving human exclusion could be of benefit (see figure 4.1.6).

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\(^5\) ASDI by location is computed for five of the six indicators. From the indicators, ‘life expectancy at 60’ (elderly) is not available.
In 2000 and 2010, the two largest contributors to human exclusion were nutrition and poverty. The increase in the share of poverty and stunting suggests that previous poverty reduction and malnutrition strategies did not have had a positive impact. Infant mortality (survival) and stunting (nutrition) still contribute significantly to overall exclusion.

An important aspect of ASDI is disaggregation by gender, which can facilitate the formulation of targeted gender and social policies (see figure 4.1.7). The data provided is cross-sectional, but still offers some important features for better policy formulation. The lack of gender parity in education clearly stands out (6.4 per cent for men against 12.3 per cent for women), yet it is not reflected in employment variances across gender.
The reasons for high differentials between urban and rural poverty can be assessed by examining drivers at the subnational level. Neonatal mortality, poverty and education demonstrate the largest differences. An interesting observation is that child stunting/nutrition and employment are worse in urban areas.

**Figure 4.1.8 Drivers of Human Exclusion by Location**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Urban</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>Survival</td>
<td>1.3</td>
<td>44.6</td>
</tr>
<tr>
<td>Nutrition</td>
<td>14.9</td>
<td>36.7</td>
</tr>
<tr>
<td>Education</td>
<td>10.4</td>
<td>18.4</td>
</tr>
<tr>
<td>Employment</td>
<td>7.7</td>
<td>1.2</td>
</tr>
<tr>
<td>Poverty</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Note: ASDI score by location is computed based on five indicators. From the indicators, life expectancy at 60 (Elderly) is missing.

Source: Computed using national data.

**Policy considerations**

The rural nature of exclusion mirrors national poverty figures, with a predominance of poor rural households. It is therefore vital to focus on agricultural households and reduce vulnerability to exogenous shocks through asset building.

The negative gender difference in human exclusion needs to be closely monitored and remedial action must be taken. Equitable access to education by girls is important as it provides a number of positive spill over effects in the short and medium term for reducing poverty. Increasing public incentives to keep girls in school is an important policy direction.

Weak nutritional policies have a negative effect on individuals’ life chances and need to be strengthened. Tackling child stunting, particularly in urban areas through targeted infant and child support policies, has the overall effect of improving educational performance, productivity gains and health. This takes on importance in urban areas where adequate nutrition is possibly dependent on household income more than in rural areas.

Lastly, the variation in drivers of human exclusion across location could be used to recalibrate formulas for fiscal transfers to subregions by focusing on indicators that show the least progress.
4.2 Comoros

Socioeconomic conditions

The Comoros is one of the smallest African nations. The country consists of four major islands, namely Grand Comore, Moheli, Anjouan and Mayotte, the last of which continues to be administered by France as an overseas department.

The economy has been erratic over the past decade, because of a series of political and institutional crises. GDP grew by an average of 1.8 per cent between 2003 and 2011, before picking up in 2012, but remains largely below the regional average. The growth rate for 2016 is expected to remain stable at 3.6 per cent, mainly propelled by international remittances and development assistance (see figure 4.2.1).

Figure 4.2.1 GDP Growth Rate

![GDP Growth Rate](image)

*Source: African Economic Outlook 2014*

*Notes: Estimates*

As a small island state, Comoros’ economy depends largely on fishing and subsistence agriculture. In 2014, agriculture accounted for about 50 per cent of GDP, while industry and services contributed to 12 and 38 per cent respectively, a sharp decline from the recent past. Agriculture is also the main provider of jobs (employing 80 per cent of the population) and exports (65 per cent). Major export commodities include spices (vanilla, cloves) and essence (ylang-ylang, copra), yet the trade flow is not sufficient to cover the large current account deficit. The country is highly reliant on imports, especially energy and subsistence crops.

Social development

Social progress in Comoros has been extremely slow, reflecting the lack of structural transformation, political instability and poor institutional capacities, which have failed to prompt a real change in people’s life. The population remains predominantly rural (72.1 per cent), and the majority is young, with an average age of 24.1 years. High fertility rates both contribute to accelerating this trend, putting a strain on the provision of social services, as well as on human capital development and employment creation.

The lack of a private sector is a major hindrance to economic and employment opportunities in the country. The State remains the main provider of jobs, but its capacity to absorb the increasingly large population is limited. The population, particularly women and young people, is poorly equipped to respond to the needs of
the labour market. Overall, 70 per cent of the working population in the Comoros still lives below the poverty line, and 50 per cent of qualified young people are unemployed (UNDP, 2015). Women are also largely excluded from political and economic participation. In 2014, there were no women in parliament (AfDB, 2015). There are also no social measures in place to protect informal workers or vulnerable populations on any of the four islands.

This state of affairs is reflected in a low level of human development. In 2014, the Comoros was ranked 159th from 188 countries in the Human Development Index, with a score of 0.488 – a less than 8 per cent increase from 2005 placing it well below the average for countries in Africa, excluding North Africa (UNDP, 2015).

Table 4.2.1 Socio-Economic Indicators

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population, in millions</td>
<td>575,428</td>
<td>649,404</td>
<td>769,991</td>
</tr>
<tr>
<td>GDP total in billions of KMF*</td>
<td>131,293</td>
<td>167,126</td>
<td>253,167</td>
</tr>
<tr>
<td>GNI per capita (atlas method current US$)</td>
<td>390</td>
<td>670</td>
<td>790</td>
</tr>
<tr>
<td>Poverty - $1.90 a day (PPP) (percentage of population)**</td>
<td>…</td>
<td>13.5 (2004)</td>
<td>…</td>
</tr>
<tr>
<td>Gini Index</td>
<td>…</td>
<td>55.9 (2004)</td>
<td>…</td>
</tr>
<tr>
<td>Unemployment, percentage of total labour force</td>
<td>6.7</td>
<td>6.6</td>
<td>6.5</td>
</tr>
<tr>
<td>Unemployment, youth total (percentage of total labour force ages 16-24)</td>
<td>10.5</td>
<td>10.6</td>
<td>10.6</td>
</tr>
<tr>
<td>Population growth (annual percentage)</td>
<td>2.4</td>
<td>2.4</td>
<td>2.4</td>
</tr>
<tr>
<td>Life expectancy at birth, total (years)</td>
<td>60</td>
<td>61</td>
<td>63 (2013)</td>
</tr>
</tbody>
</table>

Source: World Development Indicators, World Bank.

*2015 Statistics, World Economic Outlook Database, IMF

**National data was not available

Measuring human exclusion in the Comoros

The Comoros demonstrates a relatively high level of human exclusion. ASDI shows how social, political, economic and cultural factors can affect the levels and type of exclusion in a society, across time and population groups. In the Comoros, the ASDI score was at 2.06 in 2012, a 36 per cent reduction from 1996. This shows that the country has made some progress, although current economic performance is not sufficient to drive real change (see figure 4.2.2).

Figure 4.2.2 ASDI in Comoros

Source: Computed using national data
The gender gap in exclusion has increased over the past decade or so. Reduction in exclusion has been faster for women than it has been for men – possibly as a result of effective gender policies (see figure 4.2.3). However, the coexistence of customary, Islamic and modern laws in the Comoros is still a major challenge for women’s full participation in development. Literacy rates have improved over time, and infant mortality among girls has decreased but at a slower pace than among boys. The largest improvement has been in poverty reduction, with rates dropping from 75 per cent to 25 per cent for women, compared to a 10 per cent reduction for men.

**Figure 4.2.3 Human Exclusion by Gender**

![Bar chart showing human exclusion by gender](image)

*Note: The average of ASDI score disaggregated by gender is higher (male 3.15 & 2.47 and Female 3.05 & 1.91) than the national values (2.9 and 2.05) in the two periods. This is due to the fact that the gender disaggregated Poverty level is higher than the National average Poverty level.*

*Source: Computed using national data*

Irrespective of gender, exclusion in the Comoros remains largely a rural phenomenon. Overall, exclusion is almost twice as high in rural areas as it is in the cities, and the gap has further increased over time (see figure 4.2.4). This calls for more investments in local-based development by expanding basic infrastructure, transport and social services to rural communities.

**Figure 4.2.4 Human Exclusion by Location**

![Bar chart showing human exclusion by location](image)

*Source: Computed using national data*
The drop in human exclusion is reflected at the subnational level, with marked differences across the four islands. Grand Comore has benefited from the largest progress towards more inclusiveness across all sectors (50 per cent). This calls for further investments in Moheli, Anjouan, Mayotte and other minor islands that are geographically, socially and economically isolated (see figure 4.2.5). Improvements in communication and transport, and the creation of commercial hubs in some strategic locations across the islands could be an important step forward.

**Figure 4.2.5 Changes in ASDI at Sub-National Level (%)**

![Figure 4.2.5 Changes in ASDI at Sub-National Level (%)](image)

*Source: Computed using national data*

Inclusion in education has significantly improved most likely as a result of recent educational policies under the accelerated growth strategy (2010-2014), which has prioritized human capital development, among other things. Poverty and infant mortality continue to be important determinants of exclusion in the Comoros, and their contributions have increased over time (see figure 4.2.6).

**Figure 4.2.6 Drivers of Human Exclusion**

![Figure 4.2.6 Drivers of Human Exclusion](image)

*Note: Infant Mortality (Survival) reference value for 2013 is based on the Upper Middle Income country reference value.*

*Source: Computed using national data*
Policy considerations

Poor in natural resources, the Comoros needs to diversify and rapidly transform the structure of its economy. This will help reduce the risks of external shocks, particularly those affecting agriculture which is currently the main driver of growth and employment. Structural reforms are also needed to create a more enabling environment for business development and for improving fiscal management and communication between the main islands.

The Government has recently put in place the Strategy for Accelerated Growth and Sustainable Development 2015-2019. Its implementation, however, will depend on the capacity of the State to solve the energy crisis, which is inhibiting most business activities. Strategic focus should be placed on infrastructural development and support to the private sector, which could generate much-needed jobs, particularly for young people.
Poverty remains a major obstacle to development, which is intensified by migration from the poorest areas towards the main cities, mostly to Grand Comore, thus exacerbating spatial and economic inequalities. Current demographic trends are likely to intensify these flows and trigger social tensions calling for improved urban planning, equitable distribution of resources and social protection coverage.
4.3 Djibouti

Socioeconomic conditions

The economy of Djibouti has been resilient over the past decade, with a GDP growth rate of 5 per cent in 2013, which is estimated to have reached 5.9 per cent in 2014 (see figure 4.3.1).

Figure 4.3.1 GDP Growth Rate

![GDP Growth Rate Graph]


Note: (e) stands for estimates.

The economy, however, remains concentrated around port activity in Djibouti City – mainly transit goods to and from Ethiopia – as well as foreign direct investments (FDI) channelled to port infrastructure, roads, buildings and hotels. In 2013, FDI accounted for 18.6 per cent of GDP, a record high. Exports remain below 8 per cent of GDP, mostly concentrated in livestock to Somalia, the United Arab Emirates and Yemen.

Despite positive economic performance, diversification remains a major challenge. Industrial development is weak, hindered by high production costs, particularly those related to energy and water. Agriculture is challenged by arid land and harsh weather conditions. Hence, the service sector continues to dominate the economy, contributing 76 per cent of GDP and providing jobs to over 60 per cent of the population. Traditional sectors, such as transport and construction, have been bolstered by the recent expansion in tourism and telecommunications. Most jobs created in the service sector, however, are largely informal, with little social protection and opportunities for workers, particularly young people (DSP, 2011-2015 not in list).

The development of the private sector is also hindered by limited access to credit and unskilled labour. In 2014, the country was ranked 140thin the Doing Business Report, owing to obstacles in property registration, ease of credit and protection of investors. The Government, however, has recently embarked on a number of reforms and investment programmes to promote the development of the private sector. A vast infrastructural development project is underway to strengthen the country’s strategic position as a logistical, commercial and financial hub. Moreover, regional integration continues to expand under the COMESA trade mechanisms. In 2012, a tripartite agreement was signed between Djibouti, Ethiopia and South Sudan, promoting transport and other economic activities in East Africa.

The country’s external position, however, remains critical and its debt level is high, putting the country at risk of over-indebtedness.
Social development

Despite its positive economic performance, Djibouti has one of the highest poverty rates on the continent, caused by a lack of economic diversification and rural development. Poverty has almost doubled over the past decades from 41.4 per cent in 1996 to 79 per cent in 2012. Extreme poverty is at 42 percent, a level unchanged since 2002. In terms of human development, the country was ranked 168th globally at 0.470 in 2014, maintaining its position in the low human development category (UNDP, 2015).

The level of undernutrition increased by almost 50 per cent between 1990 and 2013, and one in three children in Djibouti today is undernourished (ECA 2014). Social inequalities and the lack of basic education, particularly among women, are among factors leading to a higher number of underweight children. This is further exacerbated by adverse weather conditions, including recurrent droughts and flooding, but also by high volatility in food prices and regional conflicts affecting the Horn of Africa leading to increased food insecurity and malnutrition. These factors have critically affected people’s adaptation and resilience to external shocks. Access to water and sanitation has also worsened in recent years, particularly in rural areas.

A recent study shows that education is the main driver of multidimensional poverty in Djibouti (AfDB, 2014). The net enrolment ratio is still below 75 per cent (lower for girls), thus failing to achieve the second Millennium Development Goal (ECA 2014). Completion rates have considerably improved, but were still below 60 per cent in 2011. The lack of social investment in education, particularly in rural areas, is among the main factors explaining this gap. Latest data also show slow progress in gender parity across all sectors, particularly in secondary education and under-five mortality rates (ibid).

Unemployment remains one of the most critical problems in Djibouti. Overall, 80 per cent of the young population today is unemployed, and 50 per cent of adults are seeking a job. The concentration of economic and employment opportunities in Djibouti City, notably around port activities and the foreign military base, has pushed most of the population to the capital. Currently, almost 80 per cent of the population is concentrated in urban areas, with over 60 per cent in Djibouti City. This is likely to increase human exclusion and strain the quality of service delivery and economic opportunities, particularly in remote areas.

Gaps between urban and rural areas are apparent in all social sectors. In 2012, 65 per cent of the rural population did not have access to safe drinking water, compared to almost full access in urban areas. Access to improved sanitation for rural dwellers regressed from 39.2 per cent in 1990 to 21.6 per cent in 2012 (ECA 2014).

To address these challenges, the authorities have made poverty eradication a key priority in their National Strategic Plan 2011-2015 and long-term Vision 2035. The Government is also focusing on key economic sectors to generate employment, particularly for women and young people.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population, in millions</td>
<td>745,459</td>
<td>799,309</td>
<td>876,174</td>
</tr>
<tr>
<td>GDP total in billions of DJF*</td>
<td>105,953</td>
<td>150,658</td>
<td>282,403</td>
</tr>
<tr>
<td>GNI per capita (atlas method current US$)</td>
<td>800</td>
<td>1,030</td>
<td>…</td>
</tr>
<tr>
<td>Population below the national line (percentage)</td>
<td>…</td>
<td>…</td>
<td>79</td>
</tr>
<tr>
<td>Gini Index</td>
<td>40.0</td>
<td>…</td>
<td>45.1 (2012)</td>
</tr>
<tr>
<td>Unemployment (percentage of total labour force)</td>
<td>…</td>
<td>…</td>
<td>…</td>
</tr>
<tr>
<td>Unemployment, youth total (percentage of total labour force ages 16-24)</td>
<td>…</td>
<td>…</td>
<td>…</td>
</tr>
<tr>
<td>Population growth (annual percentage)</td>
<td>1.5</td>
<td>1.3</td>
<td>1.3</td>
</tr>
<tr>
<td>Life expectancy at birth, total (years)</td>
<td>57</td>
<td>59</td>
<td>62</td>
</tr>
</tbody>
</table>

Source: World Development Indicators, World Bank.

*2015 Statistics, World Economic Outlook Database, IMF
Measuring human exclusion in Djibouti

Observed social inequalities are reflected in relatively low levels of human inclusion in the country. Despite strong economic performance, the ASDI score has only slightly decreased over the past decade from 2.58 to 2.37 (see figure 4.3.2).

Figure 4.3.2 ASDI in Djibouti

An interesting result is the reduced gender gap in human exclusion over time. Women appeared to be less excluded in 2013 compared to 2002, possibly as a result of effective gender social policies (see figure 4.3.3).

Figure 4.3.3 Human Exclusion by Gender

Exclusion in Djibouti remains largely a rural phenomenon. Overall, exclusion is almost twice as high in rural areas as it is in the cities, but has slightly decreased over time (see figure 4.3.4). This calls for further investments in local-based development by expanding infrastructure and basic social services to rural communities, among other things.
Progress has been negative in two subregions, Obock and Tadjourah, situated in the Gulf of Aden, where exclusion has increased by 12 per cent and 5 per cent, respectively. However, in the regions of Dijkyil and Ali Sabieh in the inlands, inclusion has improved over the past decade (see figure 4.3.5). This calls for further investments in local-based development and reallocation of resources to expand infrastructure and social services to the most vulnerable areas.

Youth unemployment is by far the leading factor of human exclusion in Djibouti, with over 40 per cent contribution, both in 2002 and 2013, followed by malnutrition and education (see figure 4.3.6).
The same trends appear when exclusion is disaggregated by gender. Youth unemployment continues to be the main driver of exclusion. However, the gender gap is far more pronounced in the area of education, with almost 22 per cent for women, against 10 per cent for men (see figure 4.3.7).

Unemployment also appears to be a largely urban phenomenon, in line with what is observed in other countries (see figure 4.3.8). For many, working is often a survival strategy, particularly in rural areas, where a lack of social protection measures forces people to take any job to secure a livelihood. Poverty is driving exclusion in rural locations, where State interventions and provision of social services are often inadequate. This is further exacerbated by a critical lack of human capital, another key driver of exclusion among rural dwellers.
Policy considerations

Social outcomes have improved in recent years, following a massive expansion in FDI and trade activities, but only in Djibouti City thus leaving behind rural populations.

In-country inequalities need urgent attention to reduce the risk of social tensions. Efforts should focus on making economic growth more inclusive and equitable, in line with the priorities stated in the National Initiative for Social Development (INDS, 2011), through better resource allocation and by expanding social protection and services to vulnerable populations.

There is wide recognition that the country’s major assets, including FDI and trade/transit activities, could be better shared among the population, particularly women and young people the majority of whom are unemployed. A recent Least Developed Countries Report indicates that less than half of the key priority actions and programmes under the Poverty Reduction Strategic Paper have been implemented, 17 per cent have been completed and over a third never initiated, pointing to weak political and economic governance (République de Djibouti, 2009).
4.4 Democratic Republic of the Congo

Socioeconomic conditions

The Democratic Republic of the Congo is emerging from conflict, posting substantial improvement in overall macroeconomic performance since the cessation of war as a result of robust copper and cobalt exports. Economic growth has for a number of years achieved 8 per cent and the medium-term perspective confirms the continuation of this high trend (see figure 4.4.1). Growth has been driven by extractive industries, manufacturing, agriculture, trade and construction, with mining contributing the largest share at 3.1 per cent.

Inflation has also declined remarkably and has stabilized at single-digit levels, thanks in major part to a restrictive fiscal policy achieved through expenditure compression. These positive developments notwithstanding, the country remains confronted with structural problems at the sectoral level as well as high levels of poverty, high unemployment especially among young people, and inadequate access to basic social services for the majority of the population, especially in rural areas.

The Democratic Republic of the Congo, the second largest country in Africa, has limited infrastructural endowments that result in more homogenous socioeconomic development. For example, national electrification is at 10.3 per cent coverage but Kinshasa and Katanga, two important cities, are at 59.5 per cent and 17.7 per cent, respectively, with other sub regions only registering 4 per cent (AfDB, 2015).

Figure 4.4.1 GDP Growth Rate

Source: African Development Bank, 2014. Note: (e) stands for estimates.

Social development

Poverty levels remain at 61.3 per cent and the Human Development Index improved only slightly from 0.333 to 0.338 between 2013 and 2014 (AfDB, 2014). Child malnutrition is particularly critical, yet showing some signs of improvement, with 43 per cent of under five children registering chronic malnutrition. Malaria prevalence stands at 60 per cent and, in 2014, there was an Ebola outbreak that was successfully quelled. Anti-retroviral treatment coverage remains at 12 per cent of HIV patients.
The non-inclusive nature of growth has been recognized by the country, and the national plan for social cohe-
sion, social protection and decent work 2014-2016 is being implemented as a result. An interesting innovation
in this regard is government screening of social investments and their impact on employment creation. The
education budgetary allocation was increased from 20.9 per cent in 2013 to 25.2 per cent in 2014. An important
aspect of gender equality and the empowerment of women is that, in the national plan, a new family code was
presented in parliament, which recognizes decisions taken by women within households without the need for
male authorization. This had an immediate effect of female-headed enterprises, which increased from 27 per
cent to 32 per cent between January and April 2014.

Table 4.4.1 Socio-Economic Indicators

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population, in millions</td>
<td>50,971,407</td>
<td>59,834,875</td>
<td>74,877,030</td>
</tr>
<tr>
<td>GDP total in billions of CDF*</td>
<td>3,025,871</td>
<td>8,456,110</td>
<td>33,224,281</td>
</tr>
<tr>
<td>GNI per capita (atlas method current US$)</td>
<td>190</td>
<td>250</td>
<td>380</td>
</tr>
<tr>
<td>Population below the national line (percentage of the population)</td>
<td>...</td>
<td>...</td>
<td>61.3</td>
</tr>
<tr>
<td>Gini Index</td>
<td>...</td>
<td>44.2 (2004)</td>
<td>42.1 (2012)</td>
</tr>
<tr>
<td>Unemployment, percentage of total labour force</td>
<td>8.2</td>
<td>8.2</td>
<td>8.0</td>
</tr>
<tr>
<td>Unemployment, youth total (per cent of total labour force ages 15-24)</td>
<td>12.5</td>
<td>12.4</td>
<td>11.9</td>
</tr>
<tr>
<td>Population growth (annual percent)</td>
<td>3.0</td>
<td>3.2</td>
<td>3.2</td>
</tr>
<tr>
<td>Life expectancy at birth, total (years)</td>
<td>51</td>
<td>55</td>
<td>58 (2013)</td>
</tr>
</tbody>
</table>

Source: World Development Indicators, World Bank.

*2015 Statistics, World Economic Outlook Database, IMF

Measuring human exclusion in the Democratic Republic of the Congo

There has been some progress in ASDI over the period 2001-2014 (see figure 4.4.2), with a positive drop in
human exclusion over 13 years. This does to some extent reflect improved economic performance, resulting in
positive social outcomes.

Figure 4.4.2 ASDI in DRC

Source: Computed using national data
In the Democratic Republic of the Congo, gender differentials and their trends present an interesting picture. The exclusion of women in 2001 was much higher than that of men. Although human exclusion progress between 2001 and 2014 was better for women than for men, the gender differential remains. The effects of gender-based policies seem to be positive but some further steps are necessary.

The disaggregation of ASDI by gender and location provides interesting results (see figures 4.4.3 and 4.4.4).

**Figure 4.4.3 Human Exclusion by Gender**

<table>
<thead>
<tr>
<th>Year</th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>2.50</td>
<td>2.88</td>
</tr>
<tr>
<td>2014</td>
<td>2.48</td>
<td>2.61</td>
</tr>
</tbody>
</table>

Source: Computed using national data

The rural-urban differences in access to public services and the spatial distribution of providers, such as schools and clinics, are an important source of exclusion. In the Democratic Republic of the Congo, rural areas have improved their human exclusion, while urban areas have slightly deteriorated. This is the result of effective social policy at the subnational level and a migratory flow to more urban areas that has led to strains on public services delivery.

**Figure 4.4.4 Human Exclusion by Location**

<table>
<thead>
<tr>
<th>Year</th>
<th>Urban</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>2.28</td>
<td>3.01</td>
</tr>
<tr>
<td>2014</td>
<td>2.44</td>
<td>2.65</td>
</tr>
</tbody>
</table>

Source: Computed using national data

The vastness of the Democratic Republic of the Congo and its recent past of political instability have affected its progress towards social outcomes, particularly at the subnational level. As can be observed from figure 4.4.5, there has been high increase in exclusion in four provinces, with Kinshasa registering a 17 per cent increase,
Kasai a 15 per cent and Bandundu at 7 per cent. Nevertheless, four subregions have improved human exclusion and have given rise to an aggregate improvement in ASDI scores. These variations across subregions require policy attention in terms of transfer of resources and capacity at lower tiers of Government. In addition, Kinshasa and the Katanga extractive industrial area have reported an increase in exclusion, which might be driven by migratory flows to urban areas seriously challenging access to public services.

**Figure 4.4.5 Change in ASDI at Sub-National Level (%)**

The areas in which exclusion occurs provide important information for policy direction. In the Democratic Republic of the Congo, the drivers of exclusion across a life cycle present interesting features. Child survival improved between 2001 and 2014 but child stunting and child malnutrition are on the increase, as is youth unemployment. Poverty is high and significantly drives exclusion. An important feature, however, is a substantial improvement in the inclusion of the elderly between 2000 and 2014.

**Figure 4.4.6 Drivers of Human Exclusion**
The drivers of exclusion by gender show a marked difference in education, where females are nearly three times more excluded than males. This seems to extend to the labour market where female unemployment seems to be a slightly more significant driver of exclusion.

**Figure 4.4.7 Drivers of Human Exclusion by Gender**

![Bar chart showing drivers of human exclusion by gender in Democratic Republic of the Congo](chart)

*Source: Computed using national data*

Whilst the drivers indicate important policy needs, the disaggregation of the same drivers by location and gender provide depth for improved targeting.

In Democratic Republic of the Congo, the drivers are of rural exclusion are largely nutrition, survival and education. The spatial exclusion resulting is partly caused by an inadequate impact of decentralization policies within the country. This in turn could be resultant to capacity needs at lower tiers of Government or fiscal transfers that are not based on inclusion and equity factors.
Policy implications

The status of human exclusion as measured by ASDI in the Democratic Republic of the Congo is greatly influenced by its size and the lack of infrastructure owing to a long period of instability. Nutritional and related health policies for mothers and children are critical. These should be complemented by awareness-raising campaigns and educational policies at early stages for mothers and children. Exclusion at the subnational level needs to be addressed to create some form of level playing field. The gender aspect, although slightly improving, requires some recalibrating of policies. In particular, gender-sensitive education and labour market policies require attention.
4.5 Kenya

Socioeconomic conditions

Growth in Kenya has been resilient despite external shocks occasioned by a slowdown in the global economy and heightened domestic insecurity. The country’s economy grew by 5.7 per cent in 2013 and was estimated to reach 5.3 per cent in 2014 (AfDB, 2014). Growth has mainly been propelled by manufacturing, construction, finance, insurance, information, communication and technology, and wholesale and retail trade. Future economic performance is contingent upon good weather, especially for agricultural production; a stable macroeconomic environment; low international oil prices; and improved domestic security. Higher public and private investments, increased consumer confidence and higher total factor productivity are further expected to bolster the country’s economic growth (Republic of Kenya, 2015).

Inflation is expected to remain in single digits in 2016 despite the depreciation of the Kenyan shilling and accompanying high food prices. Budget balance as a percentage of GDP has been deteriorating over time because of fiscal pressures to finance national projects and consumption expenditures. Trade deficits have also been expanding due to unfavourable terms of trade and imports outstripping exports.

Figure 4.5.1 GDP Growth Rate


Note: (e) stands for estimates

Social development

The country has made impressive progress in attaining universal primary education. The net enrolment ratio increased from 67.8 per cent in 2000 to 95.9 per cent in 2013, while the gross enrolment ratio in 2013 stood at 117.3 per cent (AfDB, 2015). These achievements can be attributed to the Government’s free primary education programme introduced in 2003 and its substantial investment in education at all levels.

Basic health services have improved in recent years, with 52 per cent of the country’s population having access to much needed services. However, the country needs to upscale its provision of basic primary healthcare and
referral services, particularly in rural areas. Infant and under-five mortality rates have steadily declined. Infant mortality fell from 52 per 1,000 live births over the period 2008-2009 to 39 per 1,000 live births in 2014. The under-five mortality rate stood at 52 per 1,000 live births in 2014 compared to 74 per 1,000 live births over the period 2008-2009. The Government has been able to contain most of the drivers of infant and under-five mortality, particularly pneumonia, malaria and diarrhoea. However, maternal mortality remains very high relative to other countries in the region. In 2013, it stood at 400 per 100,000 live births and was above Africa’s regional average of 210 deaths per 100,000 live births.

Other gains were recorded in poverty levels. The ECA Country Profile for Kenya (2015a) reveals that the incidence of poverty declined from 53 per cent in 1997 to 47 per cent in 2005-2006, with most gains in urban areas. However, severe poverty remains endemic, although it has declined by 11 percentage points, mainly owing to progress achieved in rural areas. The Gini coefficient for income inequality stood at 0.45 in 2005, which is relatively higher than many countries in East Africa.

Table 4.5.1 Socio-Economic Indicators

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population, in millions</td>
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<td>37.2</td>
<td>44.9</td>
</tr>
<tr>
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<td>1,833,511</td>
<td>4,562,267</td>
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<td>GNI per capita (atlas method current US$)</td>
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<td>730</td>
<td>1,290</td>
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<tr>
<td>Population below the national line (percentage of the population)</td>
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<td>47</td>
<td>…</td>
</tr>
<tr>
<td>Gini Index</td>
<td>…</td>
<td>47</td>
<td>…</td>
</tr>
<tr>
<td>Unemployment (percentage of total labour force)</td>
<td>9.7</td>
<td>9.4</td>
<td>9.2</td>
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<tr>
<td>Unemployment, youth total (percentage of total labour force ages 15-24)</td>
<td>17.5</td>
<td>17.1</td>
<td>17.4</td>
</tr>
<tr>
<td>Population growth (annual percentage)</td>
<td>2.5</td>
<td>2.6</td>
<td>2.6</td>
</tr>
<tr>
<td>Life expectancy at birth, total (years)</td>
<td>52.9</td>
<td>56.6</td>
<td>61.7</td>
</tr>
</tbody>
</table>

Source: World Development Indicators, World Bank.

*2015 Statistics, World Economic Outlook Database, IMF

**Measuring human exclusion in Kenya**

Kenya has a relatively low human exclusion index, which declined from 1.94 in 2003 to 1.76 in 2010 (see figure 4.5.2). This in part reflects the Government’s strong commitment to delivering development to its citizens through improvements in education and health services, as well as increased expenditure on infrastructure development.
The Government has prioritized infrastructure development, thus boosting agricultural production, tourism, wholesale and retail trade, financial services and manufacturing to drive economic growth. In addition, special attention has been placed on improving education and health services across the country to increase people's welfare. More fundamentally, the Government needs to create jobs for young people and women who are currently experiencing high levels of poverty and vulnerability.

Between the two comparator years of 2003 and 2010, more males suffered from various forms of exclusion. Notably, male exclusion increased by 8.69 percentage points between 2003 and 2010. This was mostly driven by high poverty and undernutrition. Increases in male exclusion can also be attributed to the fact that more men unsuccessfully seek jobs in formal labour markets, while women slide into informal employment.
The major drivers of human exclusion in Kenya are poverty and undernutrition (see figure 4.5.4). Notably, undernutrition levels increased by 8.6 percentage points between 2003 and 2010 while poverty levels increased by 0.4 percentage points over the same period. To address these factors, the Government is providing social protection to the vulnerable while at the same time promoting societal welfare-enhancing projects such as public works.

**Policy implications**

Kenya has outlined a number of priorities to bolster economic growth and improve the wealth of citizens, including focusing on infrastructure development, agricultural production and manufacturing. The country has also invested heavily in improving its domestic security situation to foster a friendly business environment, which is essential for the private sector. Given that human exclusion in Kenya is mostly driven by poverty and undernutrition, the authorities intend to tap the talents and entrepreneurial capabilities of young people, women and persons with disabilities so they can participate in the country’s economic transformation agenda. Employment creation remains one of the most viable options for reducing poverty and other forms of vulnerabilities. In this respect, the Government has developed a national employment policy to address rising youth unemployment across the country. Once passed by parliament, all major projects in the country would be vetted to determine their youth employment creation potential before being given the go-ahead. Those applying for government contracts would have to state how many young people they intend to employ before they can qualify. The Government has also directed its departments to determine the number of jobs they can create for young people, especially through the 30 per cent procurement rule for women, youth and persons with disabilities.

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7 See [www.worldpolicy.org/blog/2013/10/15/reducing-youth-unemployment-kenya](http://www.worldpolicy.org/blog/2013/10/15/reducing-youth-unemployment-kenya).
4.6 Rwanda

Socioeconomic conditions

The economy of Rwanda has shown remarkable resilience, with real GDP growth increasing from 4.7 per cent in 2013 to 7 per cent in 2014 (see figure 4.6.1). This represented a marked improvement after the economy was negatively impacted by the suspension of disbursements by a group of donors (ECA, 2015b). Growth is expected to remain strong and is projected to hit 7.5 per cent in 2016 thanks to public and private investments and a recovery in agriculture and services. The service and agriculture sectors have posted strong growth of 9 per cent and 5 per cent, respectively. Agriculture has continued to register strong growth owing to favourable weather conditions, while low oil prices are strongly supporting trade in services. However, growth in industry has slowed because of a downturn in mining, manufacturing and construction (AfDB, 2015).

Inflation has remained generally low and is projected to rise to 5 per cent in 2016, increasing by 1.2 percentage points above the 2015 figure. The budget balance as a percentage of GDP was in deficit but stable between 2013 and 2015 at 5.2 per cent. However, it is expected to decline to 3.6 per cent in 2016 as a result of tight fiscal policy. The current account balance as a percentage of GDP recorded a deterioration between 2014 and 2015 because of challenges in the external sector, but is projected to make a steady recovery in 2016 as exports pick up.

Rwanda has embarked on economic transformation by focusing on services and industry as platforms for achieving middle-income status, and has identified the following five key priority areas: increase the domestic interconnectivity of the Rwandan economy; increase the external interconnectivity of the economy and boost exports; transform the private sector by increasing investments in priority areas; transform the economic geography of the country by facilitating urbanization and promoting secondary cities; and pursue a green economy approach to economic transformation (Republic of Rwanda, 2013a).

Figure 4.6.1 GDP Growth Rate

![Figure 4.6.1 GDP Growth Rate](image)

*Source: African Economic Outlook 2014
*(e) Estimates
Social development

As a result of high growth in recent years, Rwanda has achieved notable social outcomes particularly in education, health and poverty. Gross enrolment ratio (GER) for primary school increased from 123.2 per cent in 2012 to 138.5 per cent in 2013, clearly suggesting that all children of primary school-age are in school. GER for lower and upper secondary levels increased from 49.2 per cent and 27.1 per cent in 2012 to 49.8 per cent and 32.6 per cent in 2013, respectively. However, enrolment ratios are not sufficient to guarantee quality education.

Health services and facilities have been expanded across the country. For example, the proportion of deliveries in health facilities increased from 63 per cent in 2012 to 90.5 per cent in 2013-2014, above the 86 per cent target. In addition, district hospitals and referral hospitals increased to 42 per cent, exceeding the target by 13 facilities. Between 1980 and 2013, life expectancy at birth increased by 16.1 years, mean years of schooling went up by 2.2 years and expected years of schooling increased by 8.3 years.

National poverty levels have significantly declined from 56.7 per cent in 2005-2006 to 44.9 per cent in 2010-2011, and decelerated further to 39.1 per cent in 2013 (EICV 4, 2015). However, rural poverty remains pervasive and widespread, especially among women. The Gini coefficient that measures income inequality declined from 0.52 to 0.49, while the country’s gross national income per capita increased more than three times over the period 2000-2014.

Table 4.6.1 Socio-Economic Indicators

<table>
<thead>
<tr>
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<td>9.48</td>
<td>113</td>
</tr>
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<td>GNI per capita (atlas method current US$)</td>
<td>220</td>
<td>360</td>
<td>700</td>
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<td>Population below the national line (percentage of the population)</td>
<td>…</td>
<td>56.7</td>
<td>39.1</td>
</tr>
<tr>
<td>Gini Index</td>
<td>…</td>
<td>52 (2005)</td>
<td>…</td>
</tr>
<tr>
<td>Unemployment (percentage of total labour force)</td>
<td>0.6</td>
<td>0.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Youth unemployment (percentage of total labour force aged 15-24)</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
</tr>
<tr>
<td>Population growth (annual percentage)</td>
<td>2.5</td>
<td>2.7</td>
<td>2.4</td>
</tr>
<tr>
<td>Life expectancy at birth, total (years)</td>
<td>50.4</td>
<td>58.6</td>
<td>63.9</td>
</tr>
</tbody>
</table>

Source: World Development Indicators, World Bank.

*2015 Statistics, World Economic Outlook Database, IMF

Measuring human exclusion in Rwanda

Starting from 2000 as a baseline, Rwanda has exhibited a relatively low human exclusion index, which declined from 2.79 to 1.67 in 2013 (see figure 4.6.2). This reflects the Government’s strong stance on delivering development to citizens through comprehensive education and health services, as well as increased expenditures on poverty reduction. Under the Economic Development and Poverty Reduction Strategy I, the country sustained an average economic growth of 8 percent, reduced poverty by 17 percentage points and achieved a reduction in income inequality.

For example, over one million people have been lifted out of poverty in recent years (Republic of Rwanda, 2013).
The Government has prioritized economic growth and transformation, with a strong focus on productivity and youth employment. More specifically, the Government wants to ensure that growth and rural development are underpinned by appropriate skills and productive employment, especially for young people. There are also deliberate efforts to address hard and soft ICT infrastructure, stimulate entrepreneurship and improve the efficiency of labour markets, among other policy interventions.

Between the two comparator years 2002 and 2013, more males suffered from various forms of exclusion (see figure 4.6.3), which were mostly driven by high poverty and undernutrition. There is therefore a need to reduce poverty among men and women through affirmative action, while at the same time investing heavily in nutrition programmes at the community level to improve infant survival rates, especially boys.

Notwithstanding the relatively small size of Rwanda, progress towards improved human exclusion across sub-national administrations provides some useful information (see figure 4.6.4). Subregions improved over the period 2002-2013, highlighting effective national policies in addressing exclusion. Variations in progress across subregions indicate the need for more locational-based fiscal and capacity policies.
The major drivers of human exclusion in Rwanda are poverty and undernutrition (see figure 4.6.5). The drop in poverty of over 2.7 percentage points over the period 2005-2013 attests to a successful rate of poverty reduction. However, undernutrition marginally increased over the same period from 29.7 per cent to 36.6 percent, but the Government’s strong interventions in child health has yielded encouraging results: infant mortality (survival) dropped from 12.5 per cent in 2005 to 5.6 per cent in 2013. Marginal improvements in life expectancy at 60 were also noted, reflecting improved access to health and other basic facilities by the elderly.

The drivers of human exclusion can be furthered disaggregated, thus providing possible policy directions for gender and location-based based interventions. In terms of gender exclusion, poverty levels and life expectancy at 60 show the largest differential. The noteworthy improvement in gender parity in education seems to not be transferred to equitable participation in the labour market.
Given the relatively high contribution of nutrition for both sexes as a driver of exclusion, a cost of hunger study (2013a) prepared by ECA, in collaboration with the African Union Commission and the World Food Programme in Rwanda, found that stunted children experienced a 3.3 per cent higher repetition rate in school. As a result, 16 per cent of all grade repetitions in school were associated to a higher incidence of repetition experienced by stunted children. Overall, 96 per cent of these repetitions occur in primary school, suggesting that a reduction in the prevalence of stunting could also support an improvement in schooling results, and would reduce preventable burdens on the education system (ECA, 2013a). The Government has pledged to strengthen and scale up community-based nutrition programmes and information campaigns across the country.

Policy implications

Given that human exclusion in Rwanda is largely driven by poverty and malnutrition, there is a need for comprehensive and more targeted policy interventions and strategies that focus on these areas.

Anecdotal evidence suggests that exclusion in Rwanda is more prominent in rural areas. However, because of data constraints, ASDI by location could not be estimated. The rural-urban dichotomy, particularly in terms of ‘cascading’ national policies at lower tiers of Government, requires attention. For example, best in-country performers could be selected for policy direction.

Social protection programmes that target vulnerable and excluded groups to create ‘a level playing field for all’ need to be pursued. These programmes could focus on reducing poverty through decent work and by promoting equal opportunity and gender equality.
4.7 Uganda

Socioeconomic conditions

Uganda has an area of 241,039 square kilometres and is administratively divided into 112 districts. The economy is primarily agricultural, with the majority of the population dependent on subsistence farming and light agro-based industries. Coffee remains the main foreign exchange means for the country’s economy. Over the last 25 years, Uganda has shown strong evidence of economic growth and poverty reduction.

In 2014, GDP was 71,490 billion Ugandan shillings and gross national income per capita was approximately $680 and had doubled over the previous decade. In 2014, Uganda witnessed macroeconomic steadiness with recovery of economic activity. The country is today one of the fastest growing economies in Africa, with real GDP growth of 5.9 per cent in 2014 from 4.7 per cent growth in 2013 (see figure 4.7.1).

Even though agriculture is the dominant sector, similarly to other countries in the region, services have become the most vital sector in the Ugandan economy. In 2014, the service sector contribution was 50.9 per cent, followed by agriculture with 26.8 per cent and industry with 22.3 per cent (Ministry of Finance, Planning and Economic Development of Uganda, 2015).

Figure 4.7.1 GDP Growth Rate


Note: (e) stands for estimates

Social development

Uganda has experienced one of the highest rates of population growth, which is almost three times higher than the global average of 1.1 percent. Poverty however still remains a challenge for Ugandans, which can be linked to high population growth. There have been changes in the proportion of the poor population, which decreased from 31.1 per cent to 19.7 per cent between 2007 and 2013. Poverty is higher in rural areas where approximately 22.8 per cent of the population lives below the poverty line, compared to 9.3 per cent in urban areas (Ugandan Bureau of Statistics, 2015).

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Primary school enrolment was 8.7 million in 2014 and secondary school enrolment stood at 1.4 million. The working age population increased slightly from 12.9 million in 2009-2010 to 13.9 million in 2012-2013, 72 per cent of whom were engaged in agriculture. However, only 23.5 per cent of women in the work force have a secondary school education. The proportion of working women decreased from 52 per cent in 2009-2010 to 51 per cent in 2012-2013.

**Table 4.7.1 Socio-Economic Indicators**

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Total population, in millions</td>
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<td>29.9</td>
<td>37.8</td>
</tr>
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<td>11,672</td>
<td>22,854</td>
<td>71,490</td>
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<td>GNI per capita (atlas method current US$)</td>
<td>250</td>
<td>380</td>
<td>680</td>
</tr>
<tr>
<td>Population below the national line (per cent of the population)**</td>
<td>…</td>
<td>31.1</td>
<td>19.7(2013)</td>
</tr>
<tr>
<td>Gini Index</td>
<td>45.2</td>
<td>…</td>
<td>41.9</td>
</tr>
<tr>
<td>Unemployment,(per cent of total labour force)</td>
<td>8.6</td>
<td>3.0</td>
<td>3.8 (2013)</td>
</tr>
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<td>Unemployment, youth total (per cent of total labour force ages 16-24)</td>
<td>6.1</td>
<td>5.2</td>
<td>6.8</td>
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<tr>
<td>Population growth (annual percent)</td>
<td>3.3</td>
<td>3.4</td>
<td>3.3</td>
</tr>
<tr>
<td>Life expectancy at birth, total (years)</td>
<td>50</td>
<td>55</td>
<td>59 (2013)</td>
</tr>
</tbody>
</table>

Source: World Development Indicators, World Bank.

*2015 Statistics, World Economic Outlook Database, IMF.


**Measuring human exclusion in Uganda**

Overall, social performance reveals relatively improved levels of human inclusion at 1.29 in 2013 compared to 1.83 in 2000 (see figure 4.7.2).

**Figure 4.7.2 ASDI in Uganda**

Source: Computed using national data
Uganda is considered a role model in East Africa in establishing frameworks, policies and legislation to improve gender equality. ASDI shows a slight difference by gender. Exclusion appears to be higher for men than women across time (see figure 4.7.3), which might be the result of affirmative gender action in Uganda. Gender parity seems to be higher when it comes to education but not in the case of employment.

**Figure 4.7.3 Human exclusion by Gender**

![Figure 4.7.3 Human exclusion by Gender](source: Computed using national data)

The gap between rural and urban areas remains a major challenge in the country (see figure 4.7.4). Even though rural exclusion has slightly decreased over time, it is still twice that of urban areas. Urban exclusion has remained largely unchanged.

**Figure 4.7.4 Human Exclusion by Location**

![Figure 4.7.4 Human Exclusion by Location](source: Computed using national data)
Uganda has shown significant improvement in the levels of exclusion across subregions. Exclusion has decreased considerably in the eastern part of the country (-55 per cent) over time. Moreover, positive changes have been registered in central (-35 per cent), western (-17 per cent) and northern (-16 per cent) parts (see figure 4.7.5). Government interventions may be behind this major progress.

**Figure 4.7.5 Change in ASDI at Sub-National Level (%)**

![Figure 4.7.5 Change in ASDI at Sub-National Level (%)](image)

*Source: Computed using national data*

The major drivers of human exclusion in Uganda are nutrition and poverty. However, owing to its National Development Plan, which aims to intensify the country’s competitiveness in sustainable prosperity, employment and wide-ranging development, poverty rates have significantly declined from 33.1 per cent in 2000 to 19.1 per cent in 2013. Nonetheless, the contribution of nutrition to human exclusion has increased by 3.9 percent, which is a major setback. Furthermore, the contribution of survival remains almost the same overtime at 14.2 per cent in 2000 and 14.4 per cent in 2013, while the contribution of education has increased from 11.8 per cent in 2000 to 14.4 per cent in 2013. Overall, nutrition seems to be at the centre of human exclusion in the country (see figure 4.7.6).

**Figure 4.7.6 Drivers of Human Exclusion**

![Figure 4.7.6 Drivers of Human Exclusion](image)

*Source: Computed using national data*

Exclusion appears to be largely determined by nutrition and survival; this is steady across gender and location. The level of nutrition, however, seems to be higher among males than females, at 34.6 per cent and 29.8 percent, respectively. Nutrition levels are also higher in rural areas at 35.5 percent, compared to 29.5 per cent
in urban areas (see figure 4.7.8.). It is also evident that there is disparity in unemployment between men and women. Unemployment is much higher in urban areas owing to the agriculture-dominated economy.

**Figure 4.7.7 Drivers of Human Exclusion by Gender**

![Diagram showing drivers of human exclusion by gender]

Source: Computed using national data

**Figure 4.7.8 Drivers of Human Exclusion by Location**

![Diagram showing drivers of human exclusion by location]

*Note: Drivers of Human Exclusion by location is based on five indicators (Life Expectancy at 60 years is missing).*

Source: Computed using national data
Policy considerations

It is apparent that human exclusion in Uganda is first and foremost a rural occurrence and mainly driven by nutrition and poverty. For Uganda to achieve sustainable human and economic growth, special attention must be given to addressing nutrition in the early stages of individuals’ lives. There is a necessity to formulate improved policy and strategies that focus on these areas. The Government must assess its national strategies to gauge whether stunting is a result of the country’s social and economic development framework. As such, eliminating stunting will require interventions from the health, education and social protection sectors, and serve as an effective indicator to achieve broader social programmes. The male-female disparity on education and employment is another area that needs attention. The National Gender Policy, launched in 1997 and revised in 2005, emphasizes the cross-cutting manifestations of gender inequalities. Stronger policies are needed to reach its objective.
5. Conclusion

Initial ASDI results indicate that human exclusion remains a crucial aspect as the continent transits from the Millennium Development Goals to the 2030 Agenda and Agenda 2063. The results highlight the need for African countries to refocus their development agendas to address human exclusion more effectively and deal with its underlying and structural drivers. Exclusion is a multidimensional phenomenon and addressing it is a long-term process, particularly when its causes are rooted in historical and cultural norms. This can be done by designing policies that help expand opportunities and build human capital, while ensuring the effective integration of all individuals in the development process. This will require a mix of targeted and universal interventions to guarantee that both group-based vulnerabilities and individuals’ rights to social and economic integration are addressed effectively.

East Africa has shown that, despite high levels of economic growth, countries are still facing the challenge of making growth more inclusive and equitable. Many individuals are still excluded from development at different stages of life. Unequal access to social and economic opportunities limits their capacity to become productive and effective agents of change, thus undermining their potential and overall social progress. The analysis of the drivers of exclusion provides critical insight on the structural causes of exclusion in each country (table 5). Poverty and nutrition (stunting) are key contributors to exclusion in six of the seven countries under consideration. Unemployment and infant mortality are other significant drivers of human exclusion. This emphasizes the need to place poverty, malnutrition, youth unemployment and infant mortality (survival) at the centre of development strategies, given that these affect individuals’ inclusiveness in a country’s development process at different stages of life (ECA, 2013a).

Table 5 Drivers of human exclusion in East Africa, 2013

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>DRIVERS*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Infant- mortality</td>
</tr>
<tr>
<td>Burundi</td>
<td>X</td>
</tr>
<tr>
<td>Comoros</td>
<td>X</td>
</tr>
<tr>
<td>Djibouti</td>
<td>X</td>
</tr>
<tr>
<td>DRC</td>
<td>X</td>
</tr>
<tr>
<td>Kenya</td>
<td>X</td>
</tr>
<tr>
<td>Rwanda</td>
<td>X</td>
</tr>
<tr>
<td>Uganda</td>
<td>X</td>
</tr>
</tbody>
</table>

* These drivers together contribute to more than 50 per cent of human exclusion in the respective countries.

**The year of reference for Burundi and Rwanda is 2005-2010.

Source: Based on country analyses in this report.

Another important result is that subnational data within East Africa shows overall progress in reducing exclusion, but the variation in improvements across subnational or lower tiers of Government is significant. The capacity of lower levels of Government and fiscal policy and transfers towards the subnational level need to be recalibrated for more equitable progress.
In this context, ASDI provides an important tool for member States to identify policy gaps and formulate appropriate interventions. Furthermore, the application of the Index at the subnational level is critical to capturing in-country inequalities, thus reorienting and placing inclusive policies at the centre of national and subnational planning. Global and regional frameworks, such as the 2030 Agenda 2030 and Agenda2063, offer an important window of opportunity to move beyond economic growth and place human and social dimensions at the core of the development process.

As part of this process, a policy-mapping framework is being developed to help assess the effectiveness and type of social policies that can contribute to reducing human exclusion. This exercise will be a major step forward in using ASDI for development planning and improved policy targeting at the country level. The establishment of national implementation teams in each country has also been instrumental to ensuring the ownership and critical buy-in of Governments and regional economic communities in the use of the Index for monitoring the development processes.
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Annex I. Methodological foundations of the African Social Development Index

Theoretically, the African Social Development Index (ASDI) seeks to measure the 'distance' between people who are able to participate in development and those who are excluded from development processes. The 'distance' between the included/excluded groups may be measured as follows:

\[ d_{Ex} = \alpha P_x \]

where \((P_x)\) measures the degree of exclusion of an individual for a specific dimension of development or vulnerability, such as the prevalence of children undernourished or the proportion of individuals below the poverty line, in a particular population group \((x)\).

If \(Px > 0.5\), the formula will establish a maximum value of 1, as more than 50 per cent of the population excluded would represent a disproportional situation (normalization).

In the case where the indicator measures the degree of inclusion (or 'non-exclusion'), for instance the proportion of people not affected by a specific vulnerability \((\alpha P_x)\), as is the case of literacy rate, the indicator is transformed by applying:

\[ \alpha P_x = 1 - (\alpha P_x) \]

Hence the 'distance' in the level of exclusion can be calculated by applying the inverse equation:

\[ d_{Ex} = \frac{\alpha P_x}{1 - \alpha P_x} \]

Similarly, if \(Px < 0.5\), the formula will establish a maximum value of 1.

After normalization, the level of human exclusion will result in a score that will range between \((0 > d_{Ex} \leq 1)\), indicating the proportional distance between those participating in the specific dimensions of development and those excluded from those processes. In the case of indicators where there is no national comparative value, such as the case of mortality rates and life expectancy, a comparable reference is applied to estimate the distance to a desired or expected situation, as follows:

\[ d_{Ex} = P_x - P_r \]

Where \(r\) is a reference value established as a comparative parameter for a given population \((P)\) and age group \((x)\).

If the indicator presents a situation of 'inclusion', such as life expectancy at 60, the following reverse equation should be applied:

\[ d_{Ex} = P_x - P_r \]

Where \((x)\) is a reference value established as a comparative parameter for a given population \((P)\) and age group \((x)\).
Table A.1: Neo-natal mortality

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Neo-Natal mortality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dimension of exclusion:</td>
<td><strong>SURVIVAL</strong></td>
</tr>
<tr>
<td>The number of infants who do not survive the neonatal period, or 28 days of life, can be used to gauge survival or access to life. It is estimated that roughly 45 per cent of deaths among children under five occur during this period.(^{11}) This situation is often a reflection of exclusion from and the quality of health facilities. The measurement of exclusion in this area is computed using national neo-natal mortality rates, compared to the average neo-natal mortality rate in lower middle-income countries.</td>
<td></td>
</tr>
</tbody>
</table>

| Definition: | Number of children who die between 0 and 27 days, expressed per 1,000 live births (WHO). |

| Formula: | \[
\frac{[dEx^{Nn}]}{Nm^{n}_{0-28}} = \frac{Nm^{n}_{0-28} - Nm^{r}_{0-28}}{Nm^{n}_{0-28}} 
\]

- \([dEx^{Nn}]\): Degree of exclusion from basic health services
- \(Nm^{n}_{0-28}\): Reference value for neo-natal mortality, given by the average value of lower middle income countries
- \(Im^{n}_{0-1}\): National estimates of child mortality

| Computation: | National, Rural / Urban, Male / Female

Applying the formula;

\[
[dEx^{Nn}] = \frac{Nm^{n}_{0-28} - Nm^{r}_{0-28}}{Nm^{n}_{0-28}} \quad (*)
\]

In Excel, use the following condition IF:

IF \(Nm^{n}_{0-28} < Nm^{r}_{0-28}\), give the value 0

IF NOT apply the formula (*)

**Subnational Level**

The procedure is as follows:

We determine the minimum value of mortality at the subnational level, i.e., taken among all subregions within the country in a given year. This becomes our new reference value, and referred to as

\[\min(Nm^{Sub}_{0-28})\]

**OR**

\[\min(Nm^{Sub}_{0-28}) = Nm^{SubRef}_{0-28}\]

Hence, the new formula becomes:

\[
[dEx^{Nn}] = \frac{Nm^{Sub}_{0-28} - \min(Nm^{Sub}_{0-28})}{Nm^{Sub}_{0-28}} \quad (**)
\]

Where

\(\min(Nm^{Sub}_{0-28})\) is the minimum reference value for infant mortality at the subnational level.

And \(Nm^{Sub}_{0-28}\) is the subnational estimate of child mortality \(0 \text{ – 1}\) year for each subregioni.

In Excel, use the following condition IF:

IF \(Nm^{Sub}_{0-28} < Nm^{SubRef}_{0-28}\), give the value 0

IF NOT, apply the formula (*)

---

Table A.2 Child stunting

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Child Stunting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dimension of exclusion:</td>
<td>NUTRITION</td>
</tr>
<tr>
<td>The second dimension of exclusion is the diminished capacity of children to meet their basic nutritional needs. The life-long consequences of early child malnutrition have been widely documented, and its prevalence indicates, among others, exclusion from the adequate delivery of health services (ECA, 2013a).</td>
<td></td>
</tr>
<tr>
<td>Definition:</td>
<td>Percentage of children under five who are stunted – i.e. whose height for age is more than two standard deviations below the median for the international reference population aged 0-59 months (WHO).</td>
</tr>
<tr>
<td>Formula:</td>
<td>$d_{Ex}^{ChM} = \frac{ChM_{28d-59m}^{n}}{1 - ChM_{28d-59m}^{n}}$</td>
</tr>
<tr>
<td>$[d_{Ex}^{ChM}]$ : Degree of exclusion from health/nutrition</td>
<td></td>
</tr>
<tr>
<td>$ChM_{28d-59m}^{n}$ : Proportion of children between 28 days and 59 months suffering from chronic malnutrition at the national level</td>
<td></td>
</tr>
<tr>
<td>Computation:</td>
<td>National/subnational, rural/urban, women/men:</td>
</tr>
<tr>
<td>In Excel, use the following condition IF:</td>
<td></td>
</tr>
<tr>
<td>IF $ChM_{28d-59m}^{n} \geq 50$, give the value 1</td>
<td></td>
</tr>
<tr>
<td>IF NOT, apply the formula (*):</td>
<td></td>
</tr>
<tr>
<td>$[d_{Ex}^{ChM}] = \frac{ChM_{28d-59m}^{n}}{1 - ChM_{28d-59m}^{n}}$ (*)</td>
<td></td>
</tr>
</tbody>
</table>
Table A.3 Literacy Rate (15-24 years)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Literacy rate (15-24 years old)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dimension of exclusion:</td>
<td>EDUCATION</td>
</tr>
<tr>
<td>Definition:</td>
<td>Percentage of population between 15 and 24 years of age who can read and write (UNESCO).</td>
</tr>
</tbody>
</table>
| Formula: | \[
\left[ dE_{lr} \right] = 1 - \frac{Lr_{15-24}^{90}}{Lr_{15-24}^{96}}
\] |
| Computation: | National and subnational levels: |
| | In Excel, use the following condition IF: |
| | IF \( Lr_{15-24}^{90} \) \& 50 give the value 1 |
| | IF NOT apply the formula (*): |
| | \[
\left[ dE_{lr} \right] = 1 - \frac{Lr_{15-24}^{90}}{Lr_{15-24}^{96}}
\] (*) |

Table A.4 Youth unemployment (15-24 years old)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Youth unemployment (15-24 years old):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dimension of exclusion:</td>
<td>ACCESS TO LABOUR MARKET</td>
</tr>
<tr>
<td>Definition:</td>
<td>Share of the youth labour force who is without work but available for and seeking employment (ILO).(^{12})</td>
</tr>
</tbody>
</table>
| Formula: | \[
\left[ dE_{yu} \right] = \frac{Nu_{15-24}^{90}}{1 - Nu_{15-24}^{96}}
\] |
| Computation: | National and subnational levels |
| | In Excel, use the following condition IF: |
| | IF \( Nu_{15-24}^{90} \) \& 50 give the value 1 |
| | IF NOT, apply the formula (*): |
| | \[
\left[ dE_{yu} \right] = \frac{Nu_{15-24}^{90}}{1 - Nu_{15-24}^{96}}
\] (*) |

\(^{12}\) Definitions of unemployment and youth age group differ across countries.
A major form of exclusion during adulthood can be reflected in the inability of individuals to ensure basic needs for them and their families to live a decent life. This is reflected in the level of poverty, based on consumption, calorie intake or income (according to the poverty threshold set at the national level).

**Definition:** Proportion of population below the national poverty line

**Formula:**

$$[dEx^{Np}] = \frac{Np^h}{1 - Np^h}$$

$[dEx^{Np}]$ : Degree of exclusion from basic means of subsistence

$Np^h$ : Proportion of population living below the national poverty line

**Computation:**

In Excel, use the following condition IF:

- IF $Np^h \leq 50$ give the value 1
- IF NOT apply the formula (*)

(*)

### Table A.5 National-based Poverty

<table>
<thead>
<tr>
<th>Indicator</th>
<th>National-based poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dimension:</td>
<td>MEANS OF SUBSISTENCE</td>
</tr>
<tr>
<td></td>
<td>A major form of exclusion during adulthood can be reflected in the inability of individuals to ensure basic needs for them and their families to live a decent life. This is reflected in the level of poverty, based on consumption, calorie intake or income (according to the poverty threshold set at the national level).</td>
</tr>
<tr>
<td>Definition:</td>
<td>Proportion of population below the national poverty line</td>
</tr>
<tr>
<td>Formula:</td>
<td>$$[dEx^{Np}] = \frac{Np^h}{1 - Np^h}$$</td>
</tr>
<tr>
<td>Computation:</td>
<td>National and subnational levels</td>
</tr>
<tr>
<td></td>
<td>In Excel, use the following condition IF:</td>
</tr>
<tr>
<td></td>
<td>IF $Np^h \leq 50$ give the value 1</td>
</tr>
<tr>
<td></td>
<td>IF NOT apply the formula (*):</td>
</tr>
</tbody>
</table>

(*)
## Table A.6: Life expectancy at 60

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Life expectancy at 60</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dimension:</strong></td>
<td>A key form of inclusion in later stages of life deals with the ability of the elderly to remain socially integrated and live a decent life. In this regard, life expectancy at 60 may be a good proxy of their quality of life and a reflection of the social security provided to them by the State. The measurement of exclusion in this area is computed using national life expectancy at 60, as compared to the average life expectancy at 60 in lower middle-income countries.</td>
</tr>
<tr>
<td><strong>Definition:</strong></td>
<td>Average number of years that a person of that age can be expected to live, assuming that age-specific mortality levels remain constant (WHO).</td>
</tr>
</tbody>
</table>

### Formula:

\[ d_{Ex}^{Le} = \frac{L_e^{Ref}_{60} - L_e^{n}_{60}}{L_e^{Ref}_{60}} \]

- **[dEx]**: Degree of exclusion from surviving at old age
- **\( L_e^{Ref}_{60} \)**: Reference value of life expectancy at 60 years
- **\( L_e^n_{60} \)**: National average life expectancy at 60 years

### Computation:

**National Level**

Applying the formula:

\[ d_{Ex}^{Le} = \frac{L_e^{Ref}_{60} - L_e^n_{60}}{L_e^{Ref}_{60}} \] (*

In Excel, use the following condition IF:

\[ IF \ L_e^{Ref}_{60} \ p \ L_e^n_{60} \] give the value 0

IF NOT apply the formula (*):

**Subnational level**

The methodology used here to determine not the scores of the ASDI, but the values of life expectancy after 60 at the subnational level, is drawn from UNDP (2009). This method requires two data sets:

(a) national life expectancy at 60 years of age, and (b) proportion of population that is above national life expectancy at 60 years of age.

Therefore, the computation entails the following:

- Determine the proportion of population aged 60 and older in a given year and for each subregion (for this, we will need demographic data disaggregated at the subnational level). We call this \( X_{y_{dis}} \);
- Determine the median \( m \) of this proportion, for a given year.

Then, apply the following criteria:

- **If** \( X_{y_{dis}} > m \), then \( L_{e_i} = L_e^* [1 + (X_{y_{dis}} / 100)] \)
- **If** \( X_{y_{dis}} < m \), then \( L_{e_i} = L_e^* [1 - (X_{y_{dis}} / 100)] \)
- **If** \( X_{y_{dis}} = m \), then \( L_{e_i} = L_e \)

Once life expectancy at 60 has been determined for each subregion, the formula for computing the ASDI for this indicator at the subnational level is the following: After having obtained the estimations for life expectancy at 60 at the subnational level, the computation of the ASDI at the subnational level is as follows:

- **We** determine the maximum value of life expectancy at the subnational level, which becomes our new reference value, in a given year. It is called \( \text{Max} (L_{e_{sub}}) \) and the new formula becomes: (*)
- **\text{Max} (L_{e_{sub}}) \)** is the maximum reference value of life expectancy at 60 at the subnational level
- **And** \( L_{e_{sub}} \) : are the subnational estimates of life expectancy at 60 for each subregion.

In Excel, use the following condition IF:

\[ IF \ L_e^{SubRef}_{60} \ p \ L_e^{Sub}_{60} \] give the value 0

IF NOT, apply the formula (*).

---

**Aggregation of the Index**

To assess the overall degree of human exclusion throughout the life cycle, we aggregate the levels of exclusion in each of the six dimensions. Using a simple arithmetic sum, the overall level of exclusion can therefore be defined as:

\[ HEx^v = dEx^{N+m} + dEx^{C+k} + dEx^{L+tr} + dEx^{Y+n} + dEx^{N+P} + dEx^{L+e} \]

As each indicator has a value ranging between 0 and 1, the overall score will take a value between \(0 < HEx^v = HEx^v = |HEx^v||HEx^v| < 6\), reflecting the degree of exclusion of an individual throughout his or her life cycle. The total value of the Index will therefore represent an absolute value of exclusion, reflecting the likelihood of an individual to be excluded from the six dimensions of development described above. In case of missing values in one of the dimensions, an expansion factor will be applied to facilitate the computation of results. Missing information for two or more dimensions will prevent proper assessment of exclusion, making it necessary to eliminate the country concerned from the exercise.

**Estimations at the subnational level and across time**

The same conceptual and methodology frameworks can be applied to assess levels of exclusion at the subnational level and over different periods of time. Data can be used at different tiers of government to estimate exclusion across subregions. The approach can also be used with longitudinal data sets to identify the drivers of exclusion across time for each subregion. These outcomes will provide powerful information on the type of policies that have contributed to reduce or increase exclusion over time and across subregions.

**Exclusion between population subgroups**

Similarly, the Index can be applied across gender and urban and rural settings. Maintaining the same decomposition in six dimensions, this method allows for a cross-sectional analysis of exclusion between groups, helping identify the driving factors of exclusion for each population subgroup, as illustrated in the present report.
Annex II. Review of social development and exclusion indices

For a very long time, per capita GDP was used as the sole indicator of economic growth in most countries and regions in the world. In 1990, UNDP made a major breakthrough in the measurement of human development with the publication of its first Human Development Report (UNDP, 1990). The Human Development Index was then introduced on the assumption that economic growth, using traditional income-based measures such as GDP per capita, is not sufficient to reflect progress in human and social development. The Human Development Index (HDI) comprises three main dimensions of wellbeing, namely life expectancy at birth, educational attainment and real GDP per capita. UNDP has since refined some of these components and developed supplementary measures, such as the Gender-related Development Index and the Gender Empowerment Measure, which reflect the degree of gender equality and women’s empowerment in development across countries.14

While HDI has had much resonance in the development discourse over the years, some people believe that the HDI indicators are still too broad and fail to capture critical aspects of development, such as inequalities, vulnerability or environmental issues. Others have questioned the implications of arithmetically folding the three component indicators of the HDI into a single index, a method that presumably masks the trade-offs between the various components of the same index (Desai, 1991; McGillivray, 1991; Sen., 1993). However, the simplicity of HDI has been vital in positioning it as arguably the most popular development index globally.

At the 2000 Millennium Summit, global leaders made another breakthrough with the adoption of the Millennium Development Goals as a major global framework to help countries monitor and accelerate progress towards economic and social outcomes by the year 2015. Each of the eight internationally agreed Goals includes a list of quantifiable and time-bound targets and indicators for monitoring progress in the areas of poverty (Goal 1), universal primary education (Goal 2), gender equality (Goal 3), child and maternal mortality, health and major diseases (Goals 4, 5 and 6), environmental sustainability (Goal 7) and global partnership for development (Goal 8). Since their adoption, the Goalsshave probably become the most important framework for development cooperation worldwide, catalysing efforts among all regions and countries and setting up the path for the development agenda beyond 2015.

A number of institutions and countries have developed and used a range of other tools and indicators to track specific social development outcomes:

- The Economist Intelligence Unit developed a “quality of life” index in 2005, based on a methodology that links the results of subjective life-satisfaction surveys to the objective determinants of the quality of life across 111 countries. The model comprises nine factors: health, material wellbeing, political stability and security, family relations, community life, climate change, job security, political freedom and gender equality - the first three being the most important according to their weights (EIU, 2005).

- The ILO decent work indicators (ILO, 2012) are based on 10 substantive elements of decent work, including equal opportunities at work, adequate earning, productive work, social security and social dialogue. Elements of social inclusion exist, but refer to the legal framework underpinning employment conditions and opportunities.

- The OECD social indicators (OECD, 2011) have been recently developed to assess social progress among OECD countries in four broad policy areas, including self-sufficiency, equity, health status and social cohesion. The latter is particularly important in terms of exclusion, as it measures the extent to which peo-

14 Both introduced by UNDP in 1995, these two measures are considered to be a gender-sensitive extensions of the HDI. While the Gender-related Development Index takes into account existing gender gaps in the Human Development Index, the Gender Empowerment Measure is based on estimates of women’s economic income, participation in high-paying positions and access to professional and parliamentary positions. (Klasen, 2006).
ple participate in their communities or trust others. Equity includes the ability to access social services and economic opportunities, while self-sufficiency comprises indicators such as employment and student performance.

- The European Union indicators of social inclusion (EC, 2006) are a series of measures, clustered in five key dimensions, which measure poverty, inequality, employment, education and health outcomes among European Union countries.

- The Multidimensional Poverty Index\textsuperscript{15} was developed by the Oxford Poverty and Human Development Initiative and UNDP. It is a composite index based on a combination of income and non-income based measures, following an approach pioneered by Townsend (1979) and later by Sen (1985). It has been so far applied to 91 countries globally, and is considered as the main metrics in the application and monitoring of the new sustainable development goals and post-2015 development agenda.

Two additional indices are particularly important, as they have been developed specifically for Africa:

- The Ibrahim Index of African Governance measures African national governance against 88 criteria, divided into the following four overarching categories: safety and rule of law; participation and human rights; sustainable economic opportunity; and human development. The Index aims to capture the quality of services provided to citizens by African Governments.

- The African Gender Development Index was developed by ECA as a multidimensional and region-specific tool to assess the status and progress towards gender equality and women’s empowerment in Africa (ECA, 2012a). The second phase of the Index— which was first piloted in 12 countries in 2009 – was carried out in 14 countries in 2012. The Index is based on a quantitative assessment of gender gaps in the social, economic and political spheres of life – through the Gender Status Index. The second component of the African Gender Development Index is the African Women’s Progress Scoreboard, which provides a qualitative evaluation of Governments’ efforts to implement global and regional commitments affecting women and their rights.

Despite the wide array of development indicators, the approach used in the Index is novel, insofar as it seeks to capture the impacts of exclusion throughout the life cycle, assessing the effects of being excluded from early childhood to old age in key dimensions of development. Its computation across time and for different subgroups, both at the national and subnational levels, makes it possible to capture inequalities within and between countries and groups of population.

\textsuperscript{15} Available from http://hdr.undp.org/en/content/multidimensional-poverty-index-mpi.