

Ethiopia

Human Capital Index 2020

This brief provides an update to the Human Capital Index (HCI). First launched in 2018, the HCI measures the amount of human capital that a child born today can expect to attain by age 18. It conveys the productivity of the next generation of workers compared to a benchmark of complete education and full health. Worldwide a child born in 2020 can expect, on average, to be 56 percent as productive as she could be when she grows up. All data represent the status of countries pre-COVID-19.

THE HUMAN CAPITAL INDEX

Human Capital Index. A child born in Ethiopia today will be **38 percent** as productive when she grows up as she could be if she enjoyed complete education and full health. This is lower than the average for Sub-Saharan Africa region but slightly higher than the average for Low income countries.

- **Probability of Survival to Age 5.** 94 out of 100 children born in Ethiopia survive to age 5.
- **Expected Years of School.** In Ethiopia, a child who starts school at age 4 can expect to complete **7.8 years** of school by her 18th birthday.
- **Harmonized Test Scores.** Students in Ethiopia score **348** on a scale where 625 represents advanced attainment and 300 represents minimum attainment.
- **Learning-adjusted Years of School.** Factoring in what children actually learn, expected years of school is only **4.3 years**.
- **Adult Survival Rate.** Across Ethiopia, **79 percent** of 15-year olds will survive until age 60. This statistic is a proxy for the range of health risks that a child born today would experience as an adult under current conditions.
- **Healthy Growth (Not Stunted Rate).** **63** out of 100 children are **not** stunted. **37** out of 100 children are stunted, and so are at risk of cognitive and physical limitations that can last a lifetime.

DIFFERENCES IN HCI ACROSS GENDER AND SOCIO-ECONOMIC GROUPS

In Ethiopia, the HCI for girls is similar to the HCI for boys. Table 1 shows gender disaggregation for each of the HCI components.

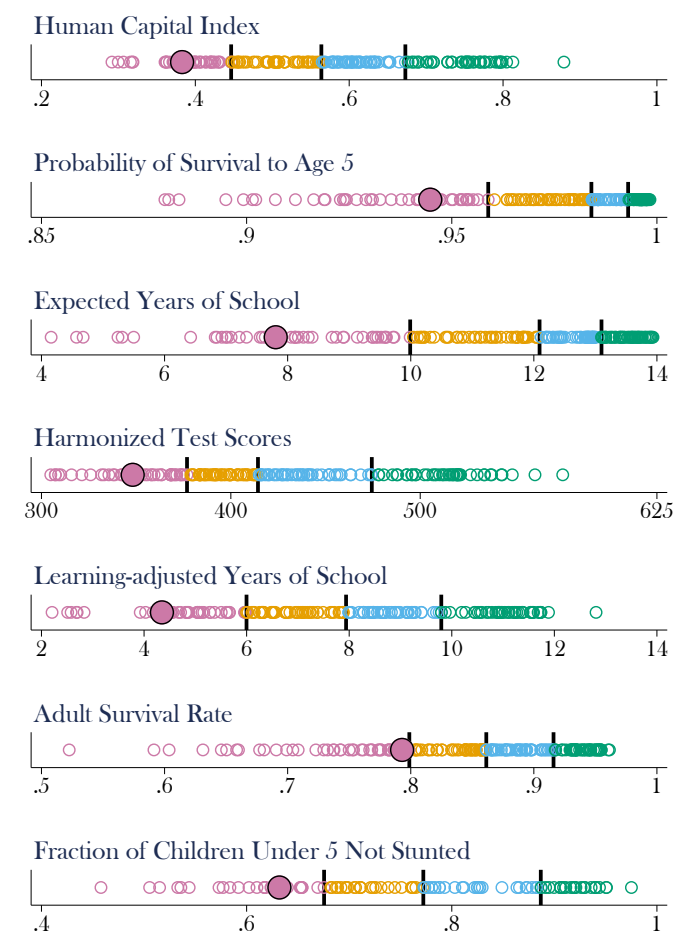
The ratio in HCI between the richest and poorest 20 percent of the population in Ethiopia is **1.34** (global average: 1.35; global range: 1.12-1.68).

Table 1. HCI by Gender and Socio-economic Group

Component	Boys	Girls	Overall
HCI	0.38	0.38	0.38
Survival to Age 5	0.94	0.95	0.94
Expected Years of School	8.1	7.5	7.8
Harmonized Test Scores	352	344	348
Learning-adjusted Years of School	4.6	4.1	4.3
Adult Survival Rate	0.77	0.82	0.79
Not Stunted Rate	0.60	0.66	0.63
HCI Ratio (richest / poorest 20 percent)			1.34

For more on socioeconomic disaggregated HCI, please visit <https://www.worldbank.org/en/publication/human-capital/brief/insights-from-disaggregating-the-human-capital-index>

Figure 1. HCI and Components



Note:

- Large circle represents Ethiopia
- Small circles represent other countries
- Lines and color of circles indicate quartiles of the distribution

The outlook for the next generation has been improving in most African countries. Efforts are being made to protect these human capital gains against setbacks such as COVID-19 and accelerate progress. The WBG Africa Human Capital Plan identifies game-changers for human capital, including women's empowerment to accelerate the demographic transition, a focus on fragile settings, increased use of technologies, and smarter investments at scale.

DOMESTIC RESOURCE UTILIZATION AND MOBILIZATION

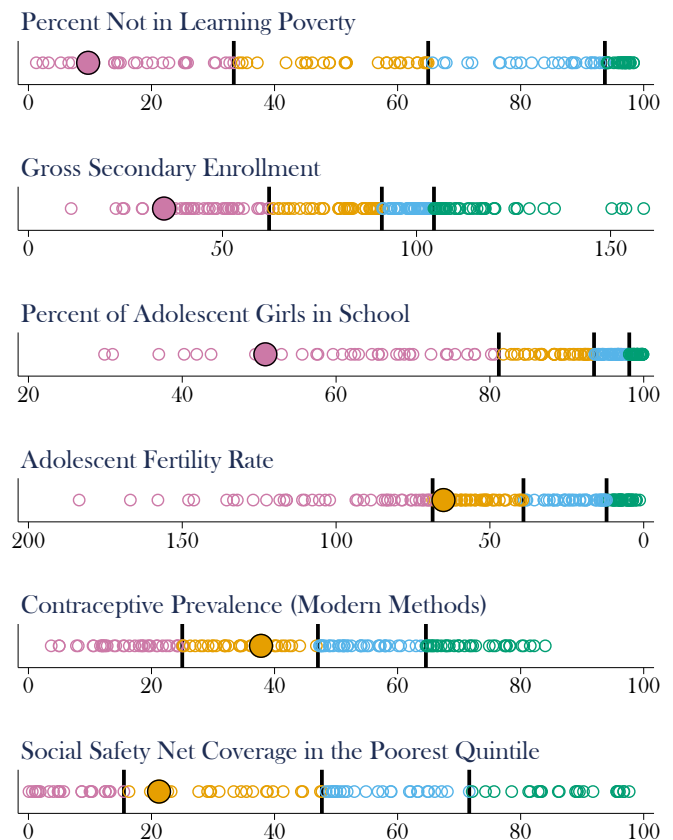
- **Health Spending.** Ethiopia spends **1.6 percent** (2017) of its GDP in public spending on health. This is lower than both the regional average (2.4%) and the average for its income group (2.1%). **2 percent** (2015) of the population incurs catastrophic health expenditure measured as out-of-pocket spending exceeding 10% of household consumption or income.
- **Education Spending.** Ethiopia spends **4.7 percent** (2015) of its GDP in government education spending. This is higher than both the regional average (4.0%) and the average for its income group (3.6%).
- **Social Assistance Spending.** Ethiopia spends **1.0 percent** (2017) of its GDP on social assistance. This is lower than both the regional average (1.5%) and the average for its income group (1.3%).
- **Government Revenue.** General government revenue in Ethiopia is **13.1 percent** (2018) of GDP. This is lower than both the regional average (20.6%) and the average for its income group (19.1%).

COMPLEMENTARY INDICATORS

- **Learning Poverty.** In Ethiopia, **90 percent** (2015) of 10-year-olds cannot read and understand a simple text by the end of primary school. This is higher than the average for its region (80%) but lower than the average for its income group (91%).
- **Gross Secondary Enrollment.** In Ethiopia, the gross enrollment ratio in secondary education is **35 percent** (2015). This is lower than both the average for its region (50%) and the average for its income group (42%).
- **Adolescent Girls Out Of School.** In Ethiopia, **49 percent** (2015) of adolescent girls are out of school. This is higher than both the average for its region (33%) and the average for its income group (40%).
- **Adolescent Fertility Rate.** In Ethiopia, there are **65 births** (2018) per 1,000 women ages 15-19. This is lower than the Africa Human Capital Target for 2023 (83).
- **Contraceptive Prevalence.** In Ethiopia, **38 percent** (2018) of women ages 15-49 use modern contraceptive methods. This is higher than both the average for its region (28%) and the average for its income group (24%).
- **Maternal Mortality Ratio.** In Ethiopia, for every 100,000 live births **401 women** (2017) die from pregnancy-related causes. This is lower than both the average for its region (445) and the average for its income group (502).
- **Universal Health Coverage (UHC) Index.** The index, ranging from 0 to 100, measures coverage of essential health services based on tracer interventions. In Ethiopia, the UHC Index score is **39** (2017). This is lower than both the average for its region (46) and the average for its income group (42).
- **Social Safety Net Coverage.** In Ethiopia, **21 percent** (2015) of the poorest quintile is covered by social safety nets. This is lower than the Africa Human Capital Target for 2023 (30%).
- **Electricity.** In Ethiopia, **45 percent** (2018) of the population has access to electricity. This is lower than the average for its region (50%) but higher than the average for its income group (41%).

- **Internet Connectivity.** In Ethiopia, **19 percent** (2017) of the population uses the internet. This is lower than the average for its region (22%) but higher than the average for its income group (14%).
- **Open Defecation.** In Ethiopia, **22 percent** (2017) of the population practices open defecation. This is higher than the Africa Human Capital Target for 2023 (15%).

Figure 2. Complementary Indicators



Note:

- Large circle represents Ethiopia
- Small circles represent other countries
- Lines and color of circles indicate quartiles of the distribution

This brief is based on the most recent data available from the Human Capital Project, World Development Indicators, Atlas of Social Protection Indicators of Resilience and Equity (ASPIRE), UNESCO Institute for Statistics, WHO Global Health Observatory and Global Health Expenditure Database, IMF World Economic Outlook, selected national sources and World Bank staff estimates.

For more information on the definition of indicators and data sources, please visit: www.worldbank.org/humancapital