



# Technical Workshop on the Human Development Index

UNDP in the Kyrgyz Republic  
11 October 2023, Bishkek



# Workshop Agenda



1. Human development
2. Human Development Index (HDI)
3. HDI values for Kyrgyzstan
4. National Human Development Report 2024

# Human Development in the 21<sup>st</sup> century



Technical Workshop on the Human  
Development Index for the Government  
of the Kyrgyz Republic

11 October 2023

Mihail Peleah, Specialist, UNDP Istanbul  
Regional Hub

# What is human development?



# Clarifying the terminology

- Is it always clear what we are talking about? There are different definitions in use in Russian:
  - Развитие человека (development of a person/human)
  - Развитие человеческого потенциала (капитала) (human capital development)
  - Человеческое развитие (human development)
- Most of them do not reflect the essence of “**human development**”. There’s a challenge in translating messages and concepts

*“Development of people, for people and by people”*



We are talking about **a type of development** that is aimed at human needs and the ultimate goal of which is a person and his/her freedoms

# Key elements of the concept

- **Human development** – empowering people to live lives that they value or have reason to value (capabilities)
  - In addition to economics, there are a number of equally important areas
  - Determination of these areas may occur through a public comments process (Sen) or through a normative way (Nussbaum)
  - Some (not all) of these areas are measurable
  - We can measure the results achieved (functionings)
- **Human Development Index (HDI)** is suggested as a more adequate indicator for tracking progress than GDP
  - 3 areas, 4 indicators
  - Convenient for global comparisons and assessments, but may not reflect country specificities
  - Allows you to evaluate changes in the medium term
- The concept of human development is much broader and richer than the index that reflects it

# Historical evolution of the “development” approach

1950-1960

-  Keynesianism
-  Growth. Planning and industrialization



1970

-  Keynesianism + Marxism + Neoclassical revival
-  Employment, redistribution and growth. Basic needs. Addiction. The role of prices and markets in resource allocation





1980

-  Monetarism and neoclassical economics
-  FOR the market, AGAINST the state; monetarism in macroeconomic policy; new political and economic opportunities



1985-1995

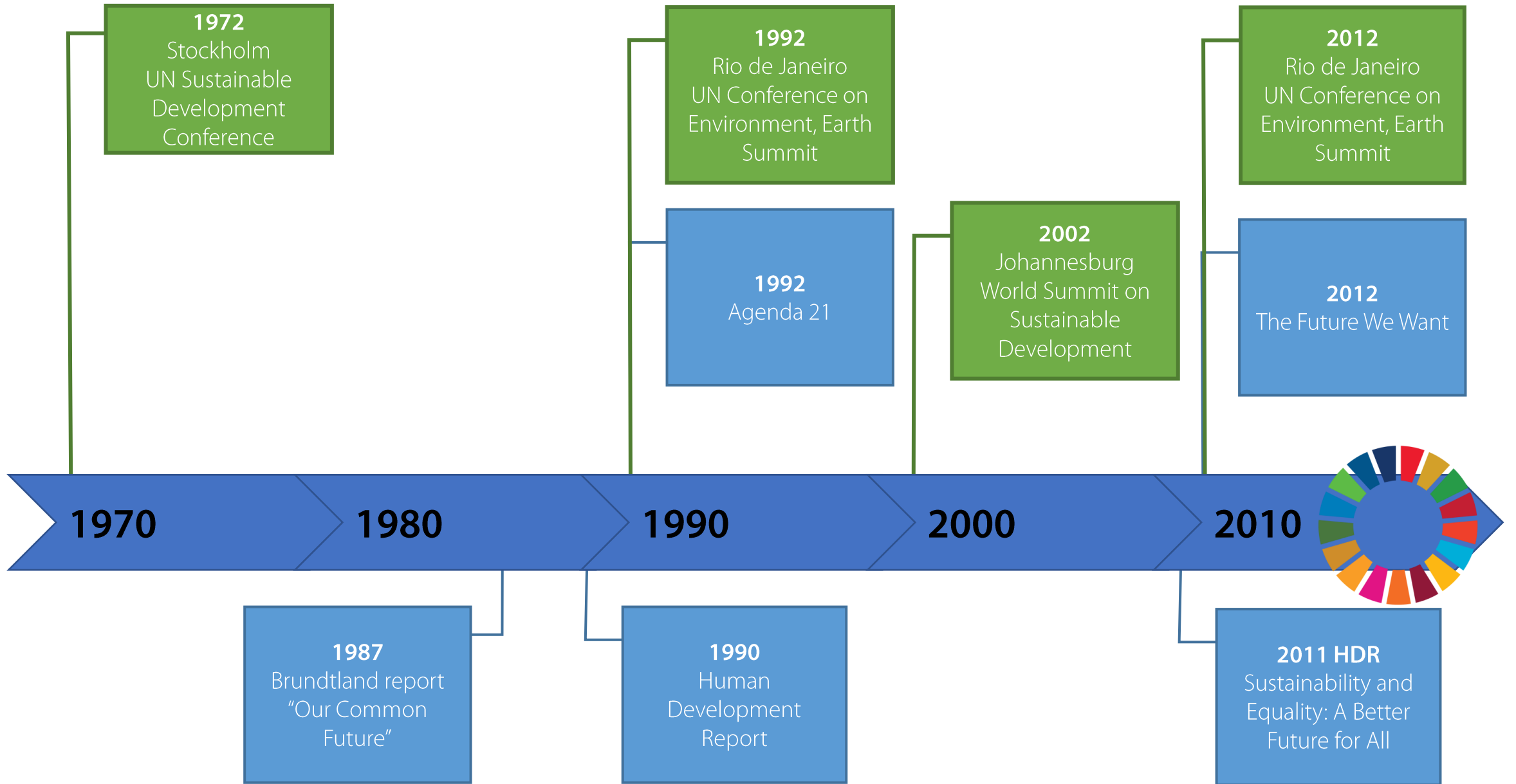
-  New theories of growth and trade, information asymmetry, alternative motivation, institutions
-  **Human development.** The role of the state as a complement to the market; role of NGOs and communities



1995 +

-  “Third Way”, social market
-  **Human development.** Environment. Globalization. Human rights







# THEN

# NOW

## WHAT'S THE DIFFERENCE?

Two parallel processes

### MDGs TRACK

*Strong emphasis on social dimension (anthropocentric view)*

### SUSTAINABLE DEVELOPMENT TRACK

*Emphasis on ecological sustainability*

One holistic agenda

### SDGs TRACK

*Strong emphasis on the environmental dimension (ecocentric view)*

Completion of unfinished MDG targets

Revisiting sustainable development from a comprehensive and balanced perspective, in all three dimensions



# Dignity

End poverty and fight inequality



# People

Ensure healthy lives, knowledge, inclusion of women and children



# Planet

Protecting our ecosystems for all communities and for our children



# Partnership

Catalyzes global solidarity for sustainable development



# Justice

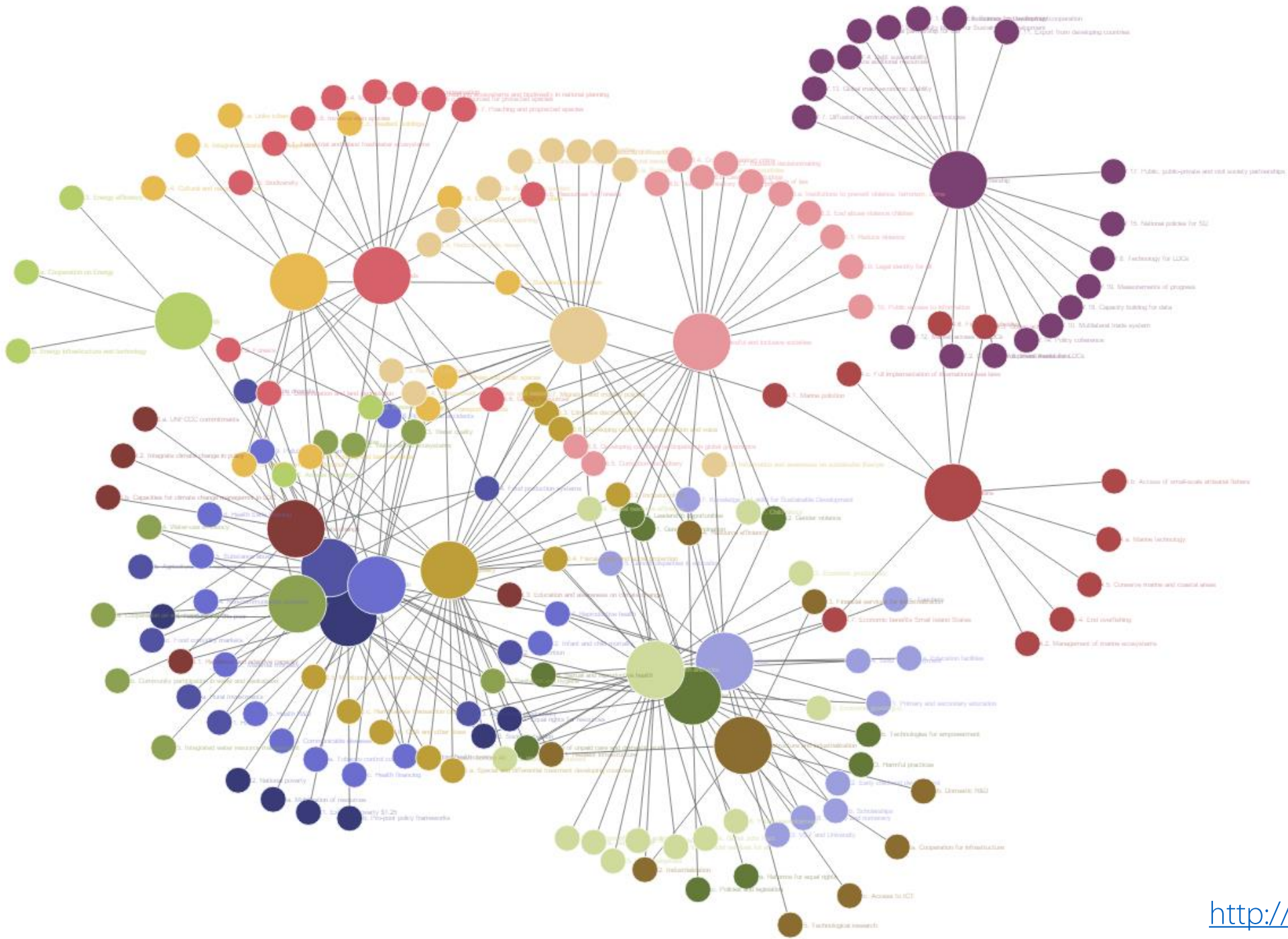
Promote safe and peaceful societies and strong institutions



# Welfare

Grow strong, cohesive and transformative economies





# Global and national Human Development Reports

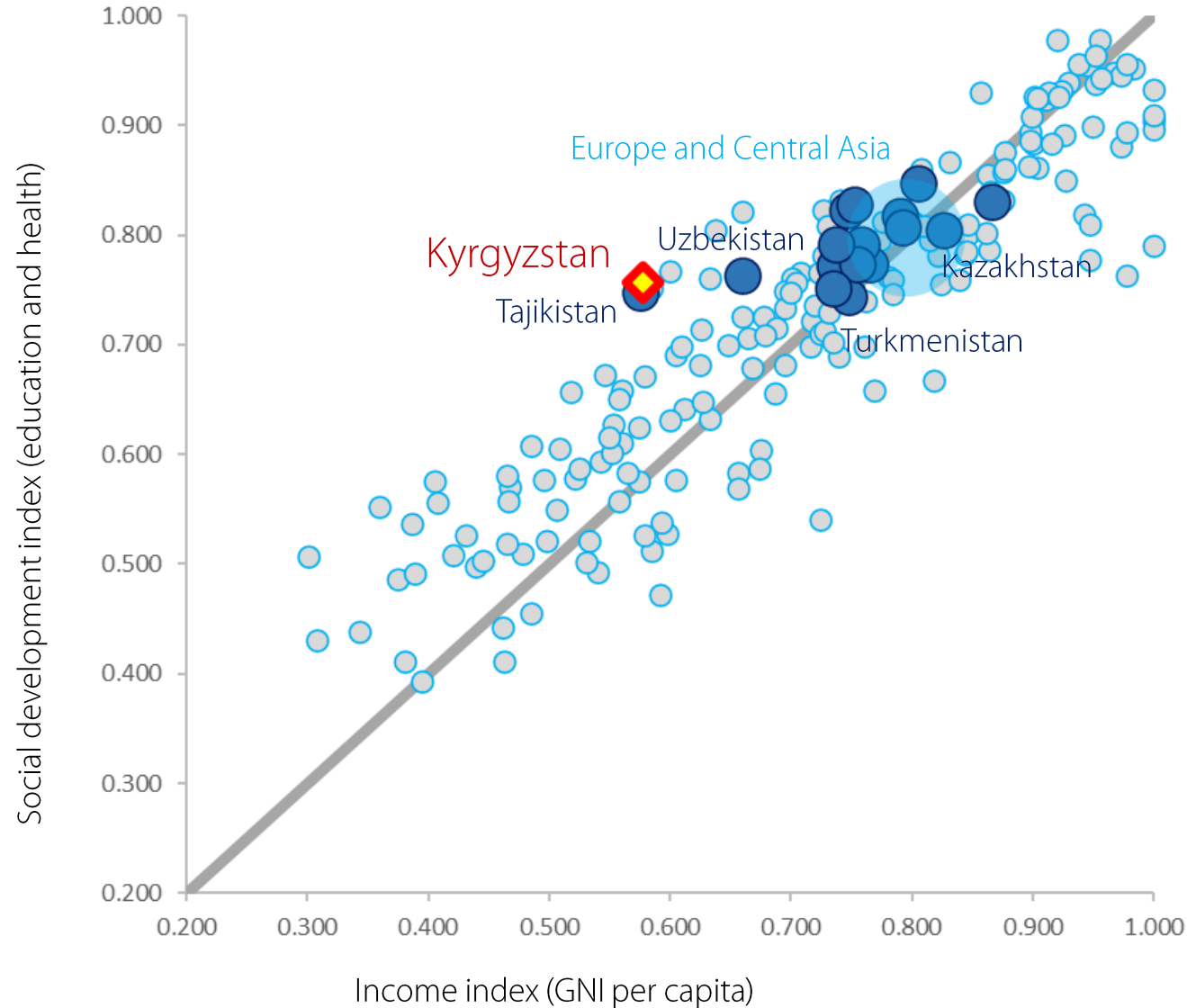
- Allow you to consider different topics through the prism of human development
- Space for discussion (deliberation)
  - Independent, policy-oriented reports
  - Process – consultation and discussion
  - Quality control with study independence
- Opportunities for innovative statistics
  - Local HDI Poland 2012, Kyrgyzstan 2013, Latin America
  - HDI for specific population groups Europe and Central Asia 2008, 2011
  - HDI and sustainability Armenia 2012, Kyrgyzstan 2016
  - People's participation (agency) in development
- Database of reports for 30+ years  
<https://hdr.undp.org/reports-and-publications>



# Global and national Human Development Reports

- Global reports
  - Created by Human Development Report Office
  - Compile data from a number of sources, consultations with national statistics agencies
  - 1990 the first report. Concept and index
  - 2010. Human Development, 20 years
  - 2011. Sustainable Development and Equality: Better Future for All
  - 2021/22 Uncertain Times, Uncertain Lives: Our Future in a Changing World
  - 2022 Special Report on Human Security
- Kyrgyzstan
  - 2009/10 Successful youth – successful country
  - 2013 Local development for human development
  - 2016 Trade and human development
  - **2024 Energy vulnerability**





# HDI and GDP

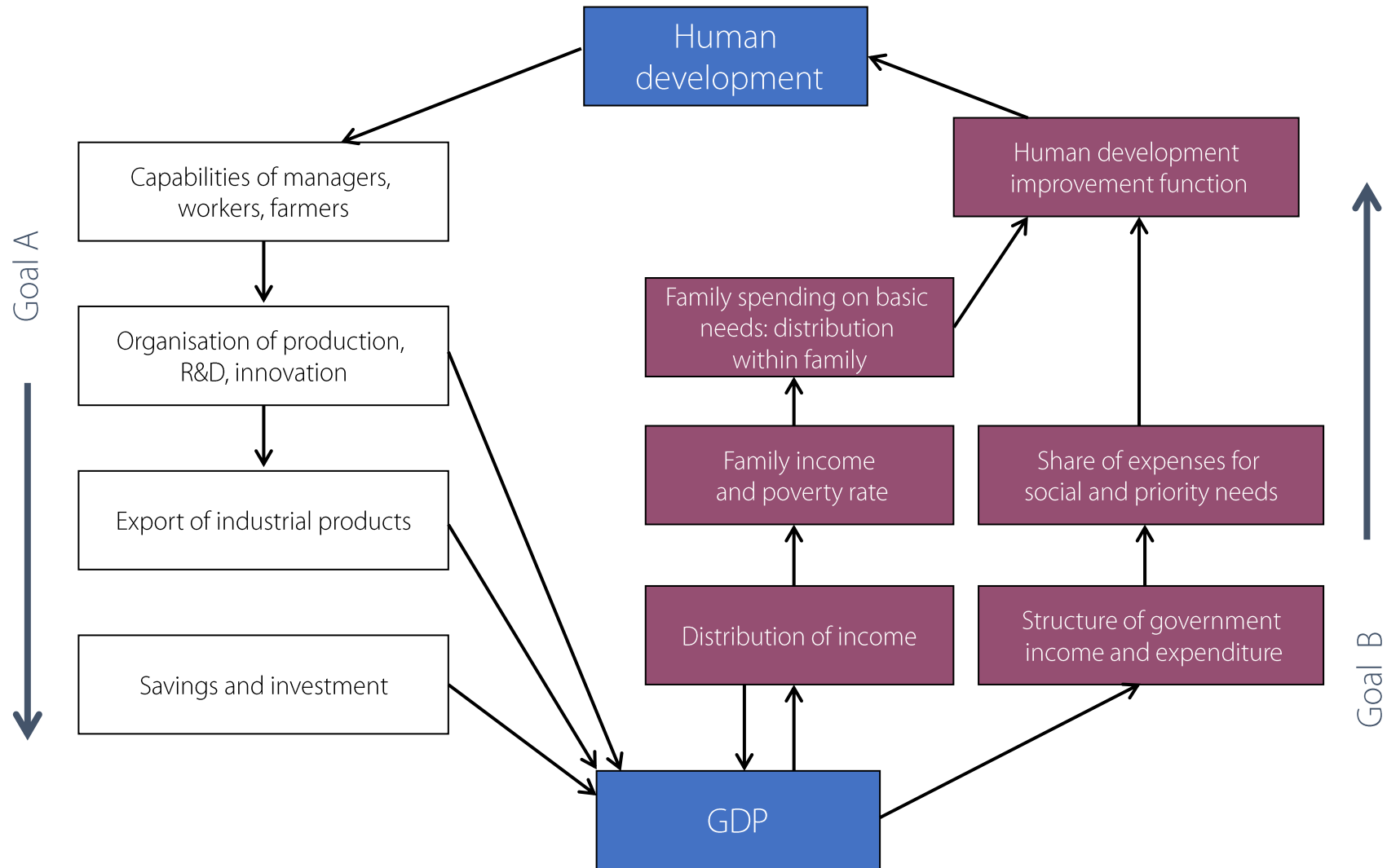
## 😊 HDI is better than GDP

- Socialist and post-socialist countries (Cuba, Viet Nam, Ukraine)
- Social-democratic with a strong focus on social sectors (Chile, Costa-Rica)
- Failed economies (Congo, Madagascar)

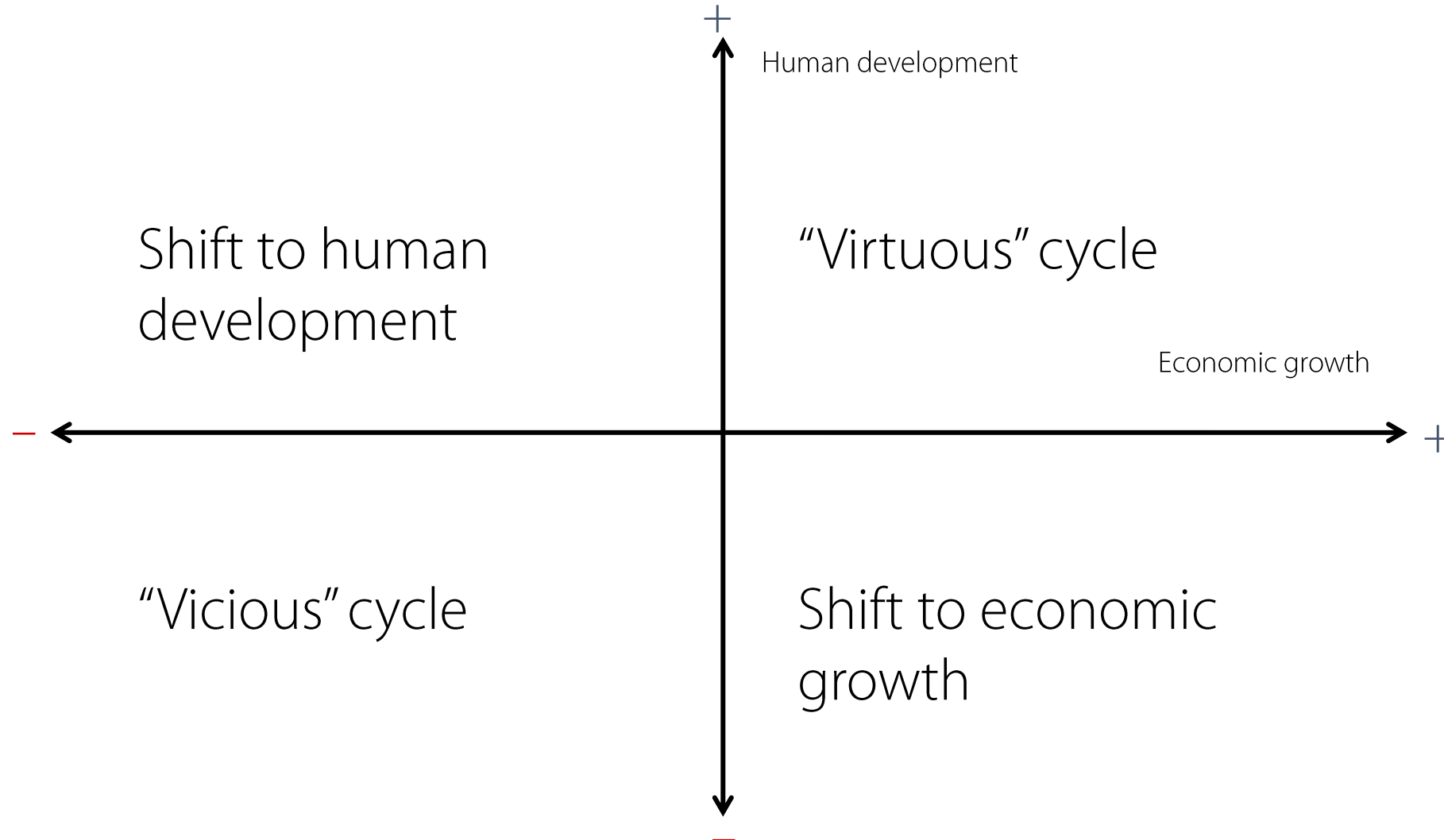
## 🚧 GDP is better than HDI

- Countries with rich mineral resources (Algeria, Angola, Saudi Arabia)
- Affected by HIV/AIDS (Botswana, South Africa)

# HDI-GDP Cycle



# Development cycles





# Progress 1990-2021

The world in general  
GDP index +0.084

The world in general  
Social index +0.152

Kyrgyzstan  
GDP Index -0.018  
Social index +0.097

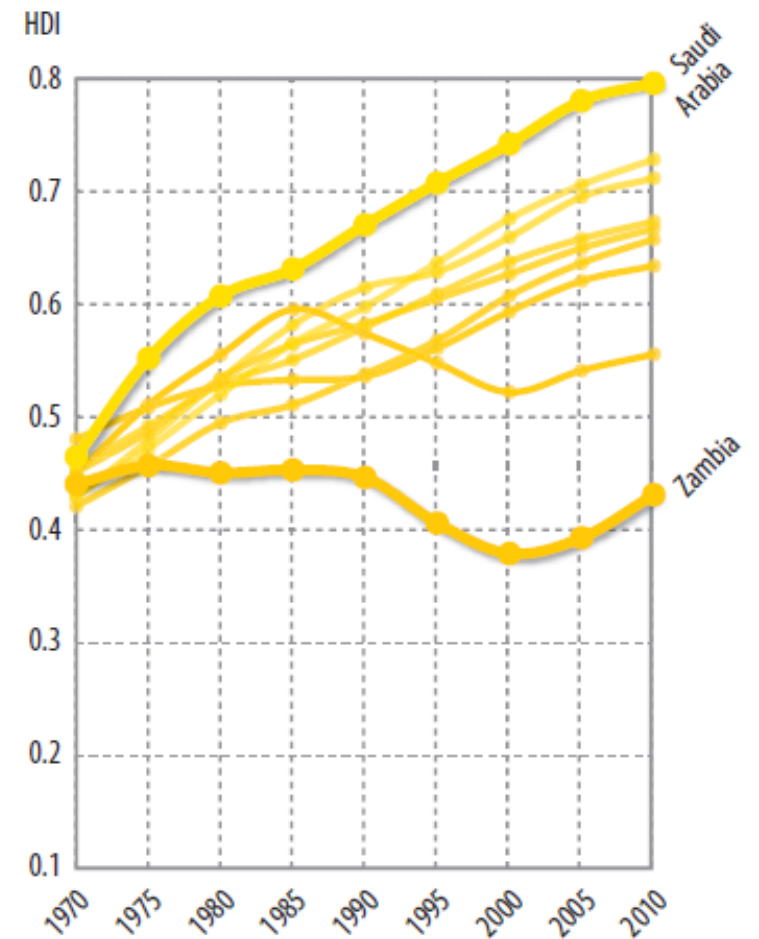
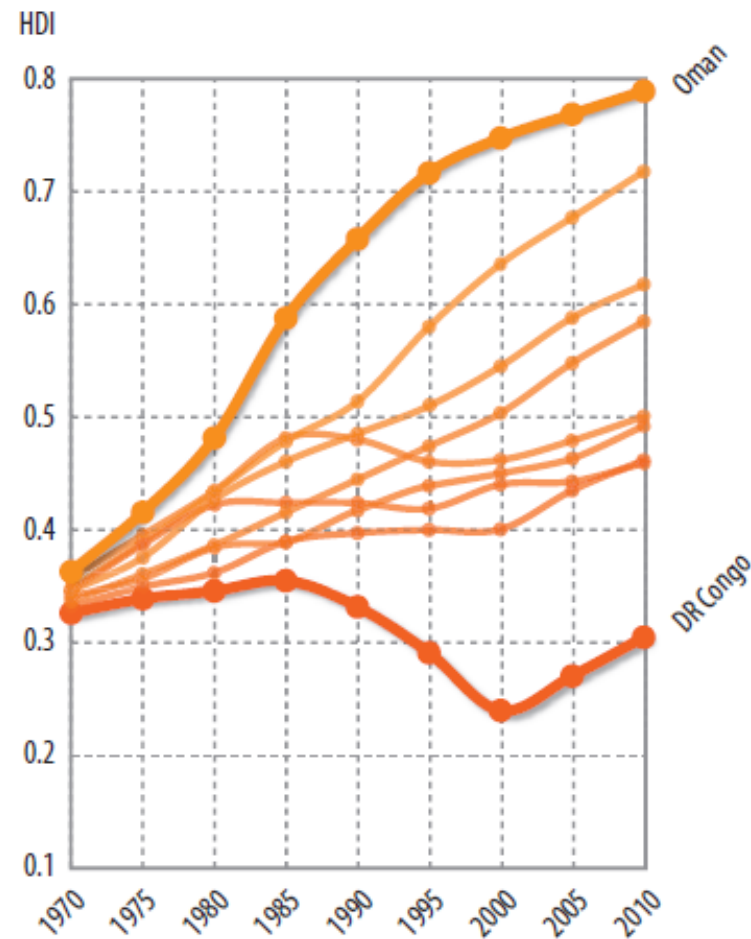
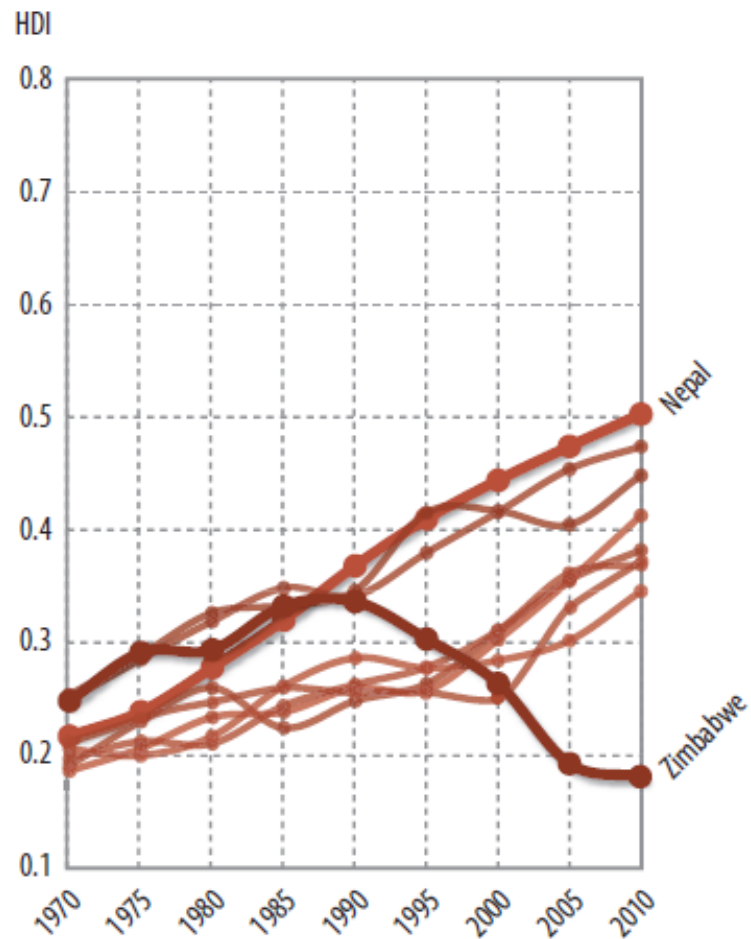
Syria

China  
Myanmar  
Viet Nam  
Guyana

- Rapprochement of “developed” and “developing” countries
- “Virtuous” and “vicious” cycles of development
- Shifting development is possible but only in the short term
- Long-term priority to human development for a “virtuous” cycle
- Conflict and crises undermine development and trigger a “vicious” cycle
  - Lebanon, Syria, Venezuela...

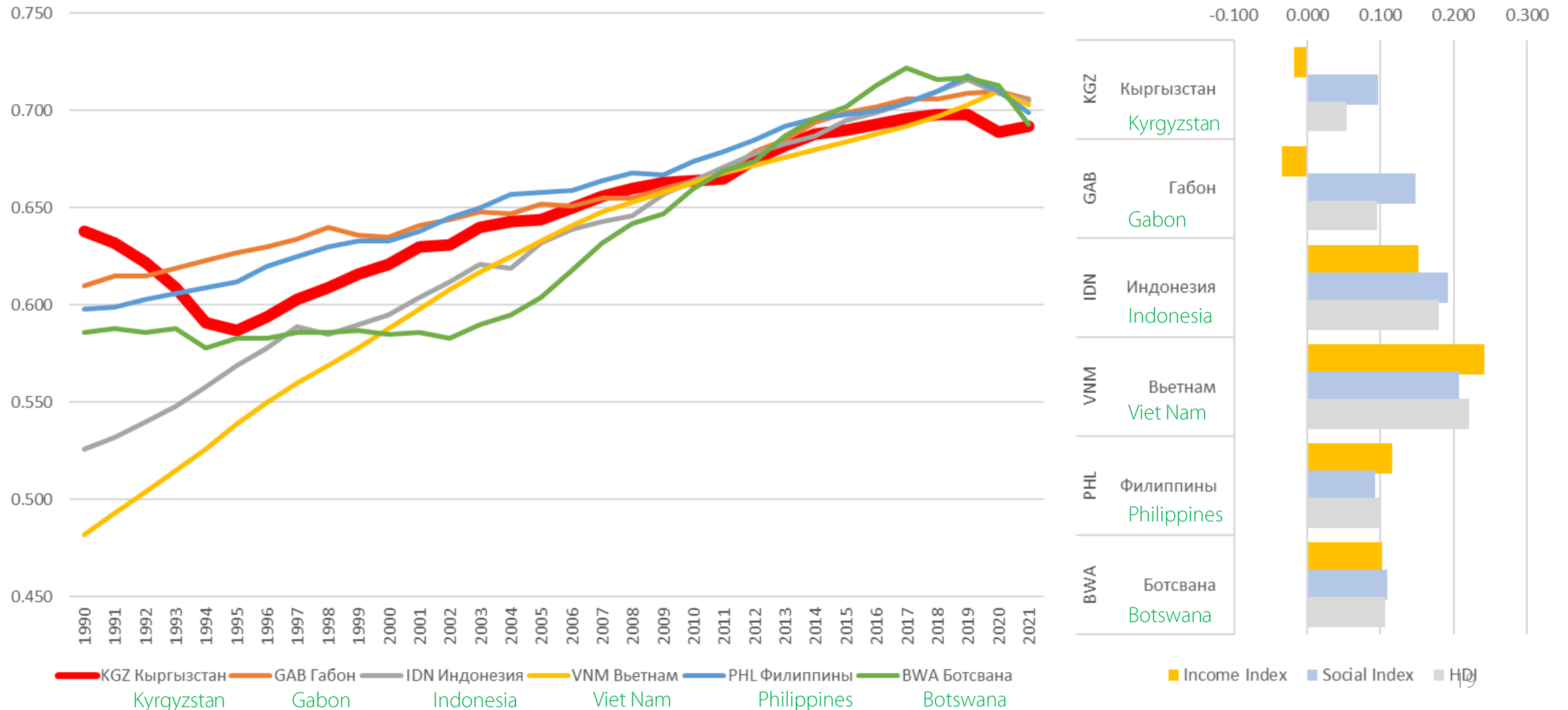
Income index (GNI per capita)

# Similar starting conditions, different paths

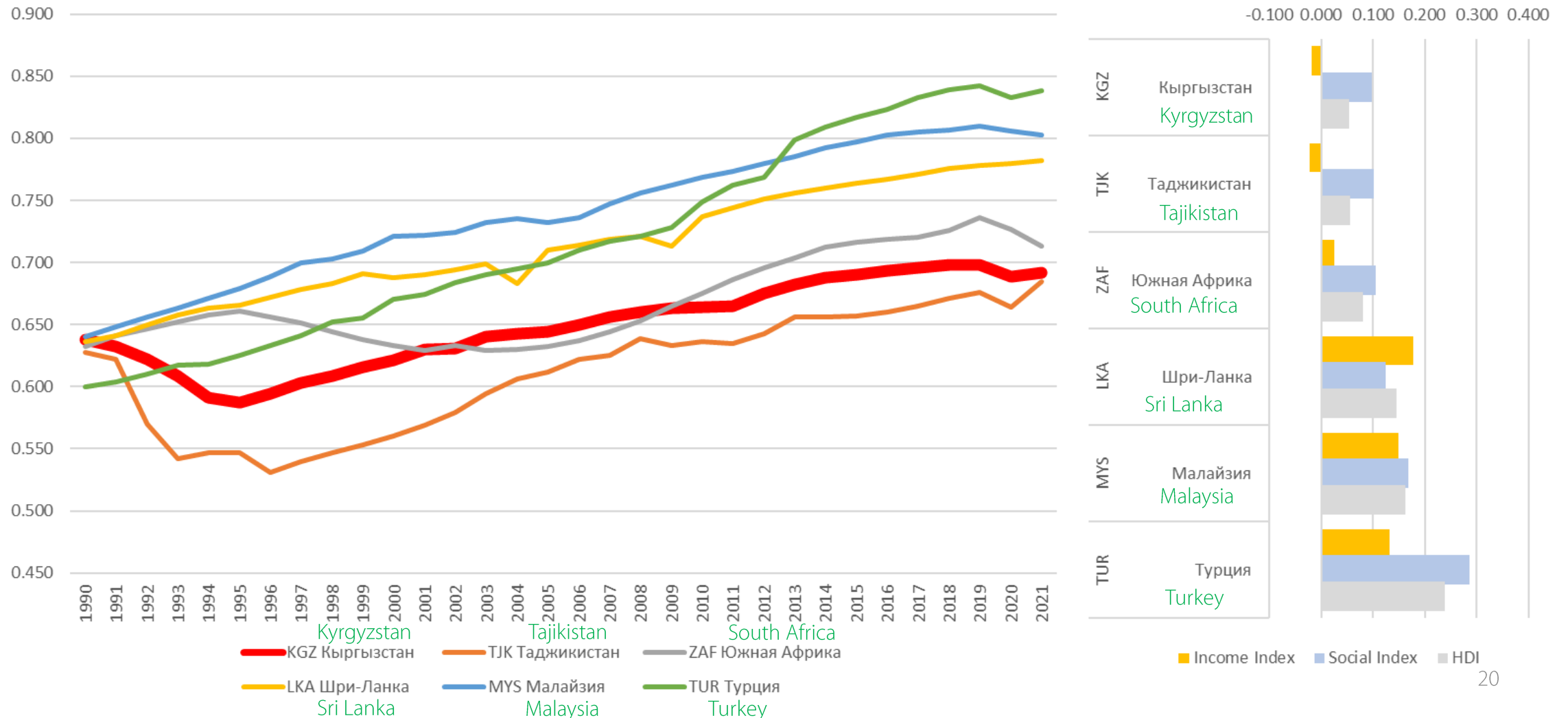


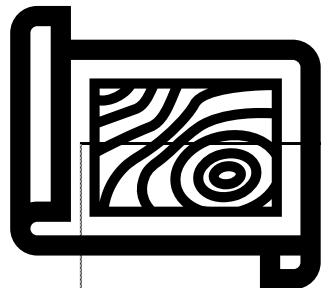
⚠ The place in the ranking is also influenced by the country's dynamics in the HDI and the dynamics of other countries 18

# Progress in HDI and its components: Kyrgyzstan's neighbors in HDI ranking (1)



# Progress in HDI and its components: Kyrgyzstan's neighbors in HDI ranking(2)





	Rank	HDI	Life expectancy, years	Expected # of years of schooling	Mean # of years of schooling	GNI per capita	Change in HDI ranking, 2015-2021	Average yearly growth in HDI, 2010-2021, %	
	Место	ИЧР	Длительность жизни, лет	Ожидаемое число лет образования	Среднее число лет образования	ВНД на душу населения, доллары США	Изменение в рейтинге ИЧР, 2015-2021	Средний годовой рост ИЧР, 2010-2021, %	
<b>Очень высокий уровень (ИЧР 0.800 и выше)</b>									
KAZ	Казахстан	56	0.811	69.4	15.8	12.3	23,943	+4	0.51
<b>Высокий уровень (ИЧР 0.700-0.799)</b>									
TURKM	Туркменистан	91	0.745	69.3	13.2	11.3	13,021	+2	0.43
UZB	Узбекистан	101	0.727	70.9	12.5	11.9	7,917	+11	0.70
	Гайана	108	0.714	65.7	12.5	8.6	22,465	+12	0.77
	Южная Африка	109	0.713	62.3	13.6	11.4	12,948	-4	0.50
	Ямайка	110	0.709	70.5	13.4	9.2	8,834	-3	0.06
	Самоа	111	0.707	72.8	12.4	11.4	5,308	-6	-0.08
	Ливан	112	0.706	75.0	11.3	8.7	9,526	-21	-0.79
	Габон	112	0.706	65.8	13.0	9.4	13,367	+2	0.56
	Индонезия	114	0.705	67.6	13.7	8.6	11,466	+3	0.55
	Вьетнам	115	0.703	73.6	13.0	8.4	7,867	+5	0.53
<b>Средний уровень (ИЧР 0.550-0.699)</b>									
	Филиппины	116	0.699	69.3	13.1	9.0	8,920	0	0.33
	Ботсвана	117	0.693	61.1	12.3	10.3	16,198	-6	0.44
KYR	<b>Кыргызстан</b>	<b>118</b>	<b>0.692</b>	<b>70.0</b>	<b>13.2</b>	<b>11.4</b>	<b>4,566</b>	<b>0</b>	<b>0.38</b>
	Боливия	118	0.692	63.6	14.9	9.8	8,111	0	0.40
	Венесуэла	120	0.691	70.6	12.8	11.1	4,811	-41	-0.80
	Ирак	121	0.686	70.4	12.1	7.9	9,977	+1	0.63
TAJ	Таджикистан	122	0.685	71.6	11.7	11.3	4,548	+3	0.68
	Белиз	123	0.683	70.5	13.0	8.8	6,309	-14	-0.31

A person is silhouetted against a sunset sky, standing on a wooden pier that extends into a large body of water. The sky is filled with dramatic, dark clouds, with a bright orange and yellow glow from the setting sun visible on the horizon. The water reflects the colors of the sky. The overall mood is contemplative and serene.

# What is Human Development Index (HDI)?

# Indices and indicators of human development

- Indexes for comparison and aggregation of essentially different quantities
  - Reduced to a single scale from 0 to 1
  - ▶ Minimum and ▶ maximum values
- The issue of indicator selection (what are we measuring?) and data availability (is there data)?
- There is always a contradiction between cross-country comparability and national adequacy

# Human Development Index (HDI)

Average achievements of the country in three domains of human development

## Thematic composite indices of human development

### Inequality adjusted Human Development Index (IHDI)

HDI losses due to inequality in three areas

### Multidimensional Poverty Index (MPI)

Intersecting deprivations that leave people behind

### Planetary adjusted Human Development Index (PHDI)

Development taking into account the cost of emissions and material footprint

### Gender Inequality Index (GII)

Assessing gender inequality in three dimensions: reproductive health, empowerment and labour market

### Gender Development Index (GDI)

Gender inequality in achievement across the three main dimensions of human development.

### Gender Social Norms Index (GSNI)

Prejudices regarding women's roles along four key dimensions: political, educational, economic and physical integrity.

<https://hdr.undp.org/data-center/composite-indices>

## Thematic dashboards

### Quality of human development

### Gender differences in life course

### Women's empowerment

### Environmental sustainability

### Socio-economic sustainability

<https://hdr.undp.org/data-center/dashboards>

## Experimental indices

### Sustainable Human Development Index

### Technological Development Index

### Local-level index






# Calculation of human development indices

- Calculations are done by an independent Human Development Report Office
- Chief Statistician <https://hdr.undp.org/about/hdro-team> compiles data from key sources
- Technical notes
  - List of data sources
  - All tables including initial data
  - <https://hdr.undp.org/data-center/documentation-and-downloads>
- Consultations with national statistics offices during report preparation
  - Letter describing the methodology and the latest available data
  - Are there discrepancies between national and global statistics?




# Human Development Index (HDI)

Average achievements of the country in three main domains of human development

DOMAINS	 Long and healthy life	 Knowledge	 Decent standards of living
INDICATORS	Life expectancy at birth, years (LE) (SDG3)	<ul style="list-style-type: none"> <li>■ Expected years of schooling (EYS)</li> <li>■ Average years of schooling (MYS) (SDG4.3, 4.4)</li> </ul>	GNI per capita (2017 PPP \$) (SDG8.5)
MIN and MAX	20 ... 85	0 ... 18 0 ... 15	100...75,000 log scale
KYRGYZSTAN 2021	70.0	13.2 EYS, 11.4 MYS	4,566
	$(70.0-20) / (85-20) = 0.769$	$(13.2-0) / (18-0) = 0.733$ $(11.4-0) / (15-0) = 0.758$	$\frac{\ln(4,566) - \ln(100)}{\ln(75,000) - \ln(100)} = 0.577$
	$\sqrt[3]{0.769 * (0.733 + 0.758)/2 * 0.577} = 0.692$		
DATA SOURCES	UNDESA World Population Prospects <a href="https://population.un.org/wpp/">https://population.un.org/wpp/</a>	CEDLAS and World Bank, Barro-Lee Dataset, DHS, UNESCO, UNICEF MICS	IMF, UNDESA, United Nations Statistics Division, World Bank

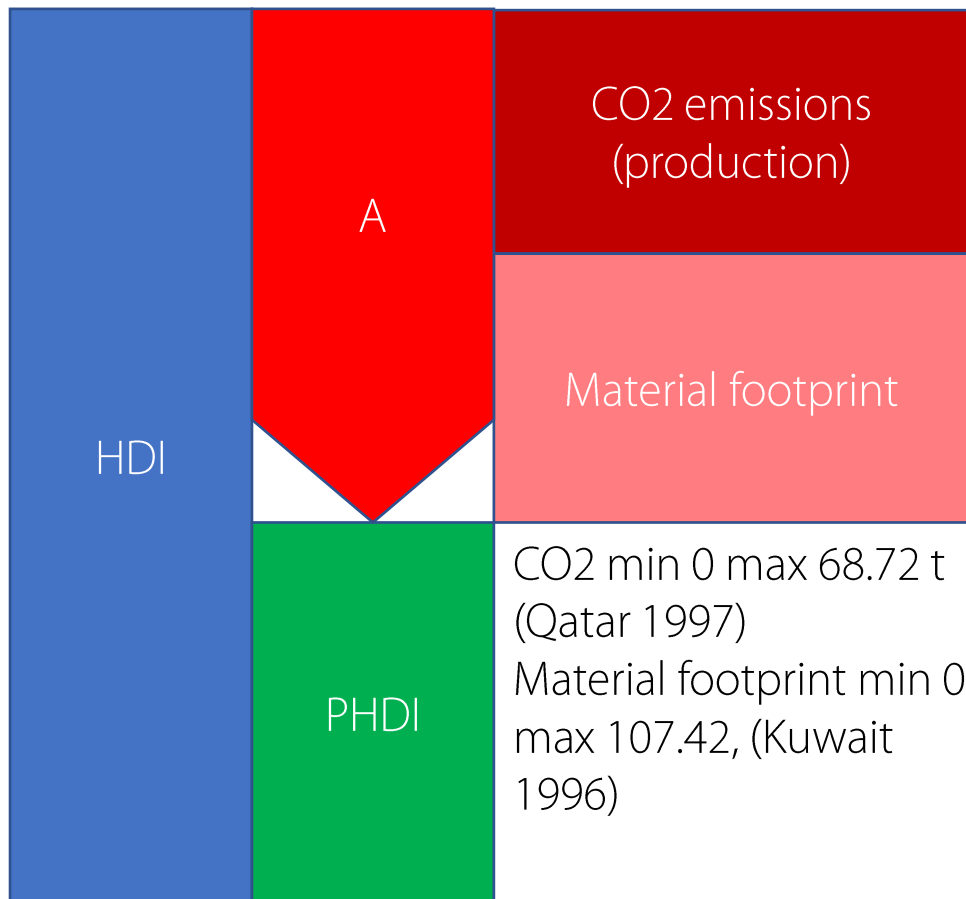
# Inequality adjusted Human Development Index (IHDI)

Achievements in human development taking into account losses from inequalities

DOMAINS	 Long and healthy life	 Knowledge	 Decent standards of living
INDICATORS	Life expectancy at birth, years (LE)	<ul style="list-style-type: none"> <li>■ Expected years of schooling (EYS)</li> <li>■ Average years of schooling (MYS)</li> </ul>	GNI per capita (2017 PPP \$)
KYRGYZSTAN 2021	70.0 Index 0.769	13.2 EYS, 11.4 MYS Index $(0.733+0.758) / 2 = 0.746$	4,566 Index 0.577
INEQUALITY (SDG10)	10.5% $0.769 * (100\% - 10.5\%) = 0.688$	3.4% $0.746 * (100\% - 3.4\%) = 0.721$	13.8% $0.577 * (100\% - 13.8\%) = 0.497$
		IHDI $\sqrt[3]{0.688 * 0.688 * 0.497} = 0.627$ Total losses from inequality 9.4%	

# Planetary adjusted Human Development Index (PHDI)

Development taking into account the cost of emissions and material footprint



Indicator	Value
HDI in Kyrgyzstan 2021	0.692
CO2 emissions per capita (production), t (SDG9.4)	1.8
Material footprint per capita, t (SDG8.4, 12.2)	7.8
CO2 emissions index	$(68.72 - 1.8) / 68.72 = 0.974$
Material footprint index	$(107.42 - 7.8) / 107.42 = 0.927$
Planetary pressure coefficient (A)	$(0.974 + 0.927) / 2 = 0.951$
Planetary adjusted Human Development Index (PHDI)	$0.692 * 0.951 = 0.658$
Difference in HDI value (%)	$(0.692 - 0.658) / 0.692 = 4.9\%$

# Gender Inequality Index (GII)

Assessing gender inequality in three dimensions: reproductive health, empowerment and labour market

DOMAIN	Indicator	F	M	Harmonic mean
Health	Maternal mortality rate (deaths per 100,000 live births) (SDG3.1)	60	-	$[\sqrt{(10/60)*(1/34.7) + 1}] / 2 = 0.535$
	Teenage birth rate (birth 1000 women aged 15-19) (SDG3.7)	34.7	-	
Empowerment	Proportion of seats in Parliament (%) (SDG5.5)	20.5	79.5	$[\sqrt{0.205*1.000} + \sqrt{0.795*0.998}] / 2 = 0.672$
	Population with at least some secondary education (% of aged 25+) (SDG4.4)	100.0	99.8	
Labour market	Labour force participation rate (% ages 15 and over) (SDG8.5)	42.1	71.7	$[0.421 + 0.717] / 2 = 0.569$
GII	Harmonic mean index	0.236	0.861	$G_{F,M} = 0.589$ $HARM(G_F, G_M) = 0.371$
	Gender Inequality Index			$1 - (0.371 / 0.589) = 0.370$

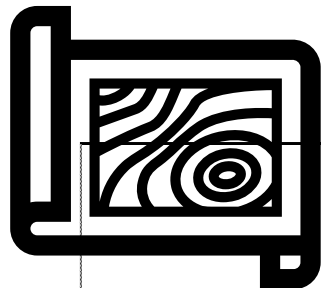
# Gender Development Index (GDI)

Gender Inequality in achievement across three core dimensions of human development

Indicator	Values for women	Values for men
Life expectancy at birth, years	74.4 min 22.5 max 87.5	65.8 min 17.5 max 82.5
Expected years of schooling	13.4	13.0
Mean years of schooling	11.6	11.1
GNI per capita (2017 PPP \$) (Estimated using the share of economically active men and women and the share of men and women in the population)	2,863	6,331
Human Development Index (HDI)	0.675	0.698
Gender Development Index (GDI)	$0.675 / 0.698 = 0.966$	

# Human Development in the Kyrgyz Republic

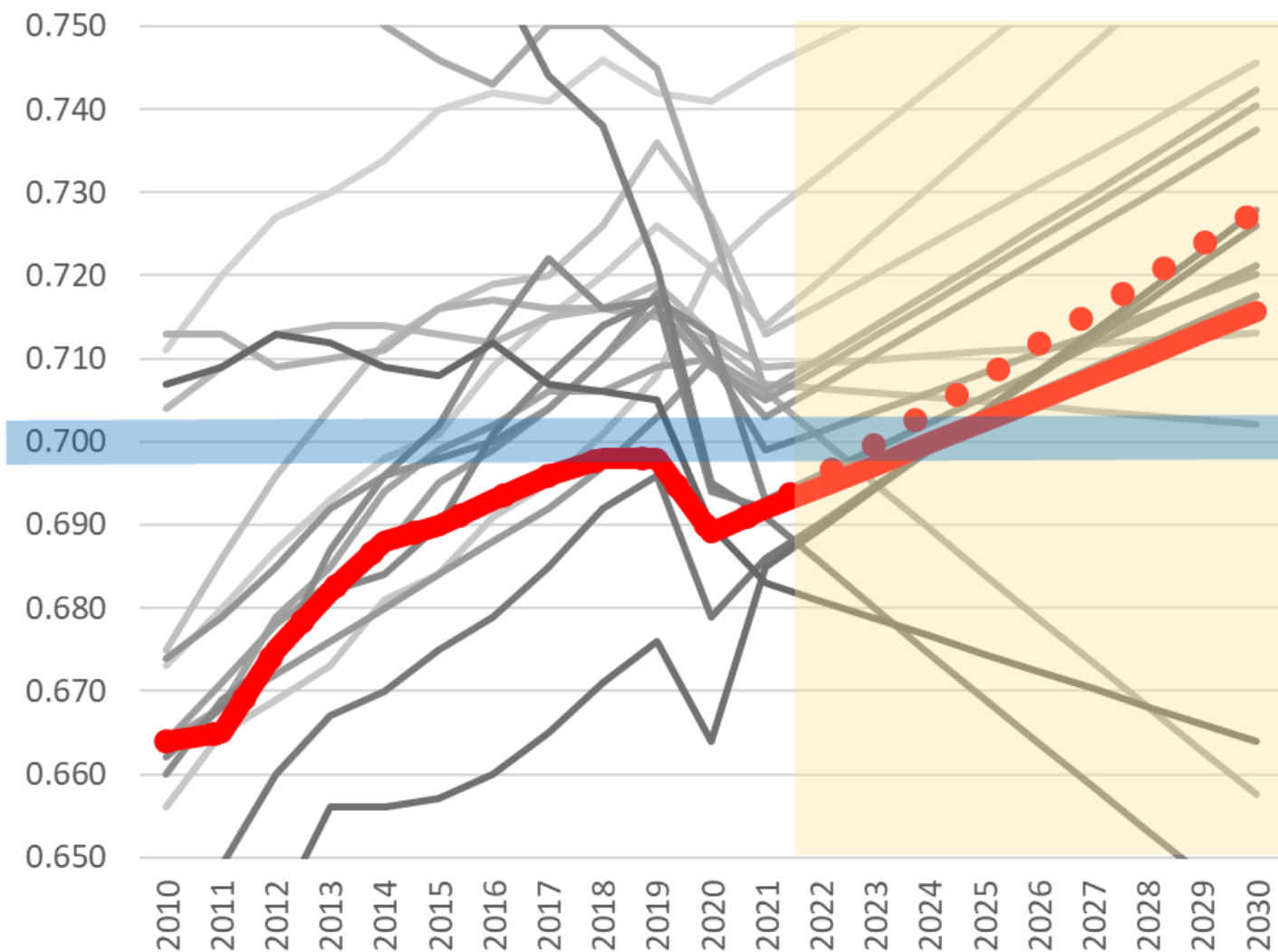




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# What if?




- If countries continue on the 2010-2021 path
  - HDI for Kyrgyzstan 0.716
    - ☑ high level of human development
  - Place in the ranking ▲ +1
- To improve the ranking by ▲ +5 positions by 2030
  - HDI should reach 0.728
  - It should growth by 0.56% yearly
  - ☑ 0.38% yearly growth in 2010-2021
    - all other things being equal
    - GNI 8,574
    - LE 78.2
    - EYS 17.6
    - MYS 15.0
- 🚀 Integrated solutions, prioritization and financing



# Mission of the SDGs



- SDG Insights Report: 5 accelerators for the SDGs:
  - Eliminating malnutrition and achieving food security ( ◊ 2.2)
  - Equal access to quality education ( ◊ 4.3)
  - Access to clean and affordable energy ( ◊ 7.1+7.2+7.3)
  - Employment and education for youth ( ◊ 8.6)
  - Sustainable urbanization ( ◊ 11.1)
- Policy and financing coordination required
- All accelerators have clear connections to the SDGs
-  <https://bit.ly/3RPzdrT>





# Strategies and financing



1. National Sustainable Development Strategy 2040
2. National Development Programme 2026
3. UN Sustainable Development Cooperation Framework 2023-2027
4. UN Common Country Analysis 2020
5. Voluntary National Review 2020



1. Main directions of fiscal policy of the Kyrgyz Republic for 2023-2027
2. Development Finance Assessment 2023



# Workshop participants



1. United Nations Development Programme
2. World Health Organisation
3. National Statistical Committee
4. Ministry of Labour, Social Welfare and Migration
5. Ministry of Education and Science
6. Ministry of Energy
7. Ministry of Economy
8. Ministry of Health
9. National Institute of Public Health under the Ministry of Health

