Kurdistan Region Government
Ministry Of Planning
Kurdistan Region Statistics Office

Socio-Economic Monitoring System Report

Kurdistan Region

2013

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Citation:

Kurdistan Region Statistics Office 2015 , Socio-Economic Monitoring System Report in Kurdistan Region 2013, Erbil – Kurdistan.

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Reference ID: 35

PREFACE

Following the first report of Socio Economic Monitoring Survey (SEMS) which was released in 2013, Kurdistan Region Statistics Office (KRSO) released the second report of SEMS in 2014.

The importance of the report is that it continuously records new indicators in order to figure out the changes in the numbers and indicators. In this report, the poverty rate between 2007 and 2012 is highlighted and mostly relied on the results of employment and unemployment survey in Kurdistan Region and it can be used to analyze other fields in society including education, health, agriculture, private sector, and labor market.

KRSO will continue to publish SEMS reports based on capability and availability of data. This report could be used as a data source without referring back to detailed report.

Socio-Economic Monitoring System

CONTENTS

EXECUTIVE SUMMARY

In this report, we present a snapshot of the economic situation and the socio-economic well-being of people in the Kurdistan Region-Iraq (KRI). Where possible, we also compare the current indicators with past indicators to examine changes.

The data highlights of this report are:

Poverty

- The share of individuals in the KRI living below the national poverty line fell from 4.7% to 3.5% between 2007 and 2012. Ownership of assets such as cars and refrigerators shows the same pattern. Poverty also fell in Iraq overall, but poverty rates were and remain substantially higher in the rest of Iraq compared with the KRI.
- Although poverty is generally low in the KRI there is considerable variation across Governorates: the rate is only 2% in Sulaimaniyah but almost 6% in Duhok; in Erbil it is 3.6%.
- The share of children under 5 who are moderately or severely underweight relative to their age—a non-monetary measure of well-being—was 6.7%. This is notably lower than in Iraq as a whole (8.5%) but remains higher than in the immediate region: the average for all of Western Asia was 5%.

Education

- The net primary school enrollment rate for Kurdistan was 95.9%, 4.5 percentage points higher than Iraq as a whole.
- The net primary school completion rate is considerably lower than gross primary completion (which is over 100%), only 64.9%, reflecting that many children do not complete primary school in their 11th year.Still, both this and the gross primary completion rates are notably higher in the KRI than in Iraq overall.
- Net student enrollment in secondary education is high in the KRI: almost 90% of individuals 12-17 are attending school.
- 94.1% of young men (ages 15-24) in the KRI are literate but only 84.9% of young women say they can read and write.

Gender

- Achieving parity in education is widely recognized as a key step toward achieving equal opportunity for men and women. Gender Parity Indices show that girls go to school almost as much as boys except in tertiary schooling, although even at this level the ratio is tending towards unity.
- However, the share of women in wage-employment in the non-agricultural sector remains at 17.2%, almost unchanged from a year before.

Health

- For multiple health indicators the KRI lags somewhat behind other MENA countries. Infant mortality is lower than in the rest of Iraq but significantly higher than in Lebanon, Tunisia, Egypt and Turkey.
- Similarly, immunization coverage in the KRI is superior to the rest of Iraq but generally poorer than in other countries of the region.
- Among indicators of access to health care services, the vast majority of Births in the KRI—92.4%--are delivered by a skilled attendant, significantly higher than Egypt (79%) but below Turkey (95%).
- Contraceptive Prevalence, or the share of married women age 15-49 reporting use of modern contraceptives, equaled 64.5% in 2011. This was on par with Egypt though lower than Turkey; it was also slightly higher than the overall average for Western Asia of 56% in 2010.

Agriculture

- The share of employees in agriculture in the KRI is low, just over 5%. In contrast, 76% of the KRI labor is employed in the services sector and close to 19% in industry. Agriculture accounts for a higher proportion of employment in Sulaimaniyah (6.8%) than the other two governorates and has the smallest share in Duhok (4.0%).
- This proportion dipped from an already low figure of 6.1% in 2012 to 5.2% in 2013. Duhok and Erbil experienced non-trivial declines, while Sulaimaniyah experienced a slight increase.

Access to essential services, water, electricity

- Kurdistan's access to essential services continues to improve, with nearly all households (more

than 97%) having access to improved water and sanitation.

- Kurdistan's rates compare favorably to the rest of Iraq and to other countries in the Middle East region.

Macroeconomics

- In 2013, the total budget for the KRG was close to 17 trillion Iraqi Dinars (TID). Out of this, 5.33 TID (31.4%) was intended for investment. The KRI's government expenditures and Iraq's as a whole as a fraction of gross regional/domestic product, is substantially higher than in Egypt, Jordan, and the U.A.E.When one examines the investment portion of the government budget, KRI and all of Iraq compare well to other countries in the region. Only the UAE has a share in between those of KRI and all of Iraq.
- The Year on Year inflation between December 2012 and December 2013 was 4% for the KRI. The figure was 5.6% between December 2011 and December 2012.

Private sector

- Roughly half the employed population in the KRI works in the public sector.
- The large majority of the labor force is in service sector (76%), followed by industrial activities (18%) and primary activities (6%).

Labor market

- The unemployment rate (the proportion of the labor force willing and able to work and is looking for work but not working) in 2013 equaled 6.5%, lower than the 7.9% of 2012. However, the unemployment rate for the young (15-24) is significantly higher at 17.0%
- In 2013, the labor force participation rate of individuals aged 15 or older equaled 39.8%, up by 1.5 percentage points since 2012. While roughly two thirds of men above 15 are in the labor force, only 16.1% of women are.
- As a result of a higher rate of labor force participation and lower unemployment rate, more people in the KRI were working in 2013. In particular, the number of paid employees increased from 819 thousand in 2012 to 872 thousand in 2013.

Tourism

- Kurdistan is an important destination for visitors from other parts of Iraq and from other countries, with more than 150,000 visitors in 2013.

Transportation

- Kurdistan's road network is expanding, with continued growth opportunities for major intercity road systems.

Governance

- The reported rate of households paying bribes in the Kurdistan region (3.7% in 2011) is significantly lower than elsewhere in Iraq (11.6%).
- An important growth area for governance is to improve the hiring process for civil servants, ensuring it is rigorous and based on job-relevant capabilities.

1.INTRODUCTION

Comprehensive and reliable statistics are crucial for policy formulation in any region or country. Statistics make it possible to identify pressing needs, track the progress of policies and initiatives currently in place, and plan future development. The Kurdistan Regional Government (KRG) has recently undertaken efforts to significantly improve theavailability of data for the Kurdistan Region-Iraq (KRI) and thecapabilitiesof the Kurdistan Region Statistical Office (KRSO) in collecting them.

As part of these efforts, this report is the second of planned annual reports presenting key social and economic indicators for the KRI. The United Nations Population Fund (UNFPA) has recommended the establishment of a Socio-Economic Monitoring System (SEMS) covering many dimensions of economic and social well being, including indicators designed to measure progress toward achieving the Millennium Development Goals (MDGs).[1]Related to this is the need to collect and report"critical indicators" most relevant to high-level policymakers as they develop strategies to address the policy priorities of the KRI.[2]

The above-mentioned critical indicators covermany of the same topic areas included in the SEMS, and there is therefore an overlap between these two sets of indicators. Given this overlap, the KRSOdetermined that the optimal approach would be to have a single annual reportcontaining both the SEMS indicatorsand the subset of critical indicators that cover the same topic areas as the SEMS.

The indicators cover the following areas:

- Poverty
- Education
- Gender
- Health
- Agriculture

[1] Appendix A presents the official MDG goals. See also The Millennium Development Goals Report 2012 http://www.un.org/millenniumgoals/pdf/MDG%20Report%202012.pdf.

[2] A recent RAND Corporation report recommends the collection and reporting of critical indicators to address the KRI's top policy priorities: Sandra H. Berry, Nicholas Burger, HarunDogo, Krishna B. Kumar, Alessandro Malchiodi, Jeffrey Martini, TewodajMengistu, Howard J. Shatz, Alexandria C. Smith, ArturUsanov, and Joanne K. Yoong, *Designing a System for Policy-Relevant Data Collection for the Kurdistan Region-Iraq*, RAND MG-1184-KRG, January 2012.

- Access to Essential Services, Water and Electricity
- Macroeconomics
- Private Sector
- Labor Market
- Tourism
- Transportation
- Governance

The indicators for these topics will provide a broad overview of the state of the economy of the KRI and of specific sectors. They will also provide a comprehensive picture of wellbeing in the KRI along many dimensions, including poverty, access to education, health, and gender equality. Just as importantly, subsequent SEMS reports will indicate how well the KRI is progressing in these dimensions—including how well it is progressing toward attaining the MDGs.

It should be noted that some indicators—including MDG indicators—are expected to change relatively slowly so progress may not be recorded on a year-to-year basis. Further, many indicators are not even collected on an annual basis but rather once every several years when the requisite survey is carried out. For example, the interval between the last two Iraqi Household Socio-Economic Survey (IHSES)—which provide the data to measure poverty--was five years (2007 and 2012). Other data are collected much more frequently hence allow for year-to-year tracking, including macroeconomic data, agricultural and tourism sector data, and labor force information (the last from the Kurdistan Region Labor Force Survey (KRLFS)).

Many of the indicators presented in this report exist in published form, including many health measures such as child vaccinations and births attended by a medical professional, which are available from the recent Fourth Iraq Multiple Indicator Cluster Survey (MICS4). Similarly, up to date employment and, to a lesser extent, education indicators are available from the KRLFS, which has been conducted on an ongoing basis. However, many other indicators, which should be part of this report, arecurrently not available, either because they are not yet being collected by the relevant ministries, or are in the process of being collected but could not be accessed in time for this report. Many in this group are among the critical indicators defined earlierand our expectation is that they will be available for future editions of the SEMS report.The full set of Indicators, including those reported here and those not currently available in this report but planned for inclusion in subsequent reports, are listed in Appendix B.

We have done our best to track indicators over time. However, surveys such as MICS are not done yearly, and it is not possible to compare indicators derived from this survey year to year. While we

continue to present MICS4 indicators to preserve continuity, in many cases we also present the latest, IHSES 2012, indicators and compare them with IHSES 2007 indicators to track progress. Tracking progress is more straightforward between the KRLFS surveys conducted in 2012 and 2013.

Intended roles and users of this report

This and subsequent annual rounds of the SEMS report have several audiences and functions. First, the SEMSwill provide a means by which the KRG and various ministries can both understand the current situation and track trends over time in variousaspects of the economy and the wellbeing of the population. This includes measuring progresstoward meeting the Millennium Development Goals, since the SEMS includes key MDG indicators.Information on a wide range of indicators will be a vital input into efforts by the KRG to createnew policies or reform existingpolicies in specific areas of the economy, and to designprograms to address specific population groups or needs.

Second, the report is intended for the public and for a range of individual stakeholder groups within the KRI. Information on economic performance and the levels of wellbeing of the population improves the ability of citizens to contribute to dialogue on policies that affect them. Related to this, the SEMS will serve an important accountability function and enhance the responsiveness of government to society's needs.

Third, the practice of reporting data on a wide range of indicators will serve to build data collection and reporting capability within the KRSO and various ministries of the KRG, as this process become routinized. The SEMS will also provide a tool for assessing where data collection needs to be strengthened.

Organization of the report

The indicators are divided into sections corresponding to the topic areas listed above. The text accompanying the indicators describes the meaning and derivation of the indicators as well as the data source. For many of the indicators we are able to provide comparable data for other countries in the region.The selection of comparison countries is not the same for all indicators, and the selection is based on the available data each indicator. There are essentially three sets of comparisons made in this report. For indicators drawn from the MICS in health and education,we can compare the KRI with several neighboring countries for which directly comparable MICS data has been collected. In other cases, the best comparison available is with the average of the indicator for the full Middle East and North Africa (MENA) region.[3] Third, for many MDG indicators, comparisons are available with the

[3]The MENA region is defined by World Bank as: Algeria, Bahrain, Djibouti, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Malta, Morocco, Oman, Qatar, Saudi Arabia, Syria, Tunisia, United Arab Emirates, West Bank and Gaza, Yemen

average values for the Western Asia region.[4] While the exact countries thus differ according to data availability, all of the comparisons serve to show the KRI's situation in regional perspective.

Finally, a few notes on presentation in what follows. In the tables, we use 'CI' next to an indicator to denote a critical indicator, and 'MDG' to indicate an indicator designed to measure progress toward the MDGs. In addition, the presentation for each topic is divided into tables and figures. The *tables*, appearing at the start of each section, show the indicators for the KRI and where available, for individual governorates and for Iraq overall. The *figures*appearing after the tablespresent the international comparisons of the KRI with countries in the Middle East region.

[4] The Western Asia region is composed of the following countries: Bahrain, Iraq, Jordan, Kuwait, Lebanon, Occupied Palestinian Territory, Oman, Qatar, Saudi Arabia, Syrian Arab Republic, Turkey, United Arab Emirates and Yemen

2. POVERTY

	MDG/CI	KRI	Duhok	Erbil	Sulaimaniyah	Iraq	*Source*
Poverty rate	MDG	3.5	5.8	3.6	2.0	18.9	*IHSES*[a]
Ownership of Refrigerator (percent)	--	98.3	97.4	98.0	98.9	92.4	*IHSES*
Ownership of Car (percent)	--	49.8%	51.6	55.4	44.9	31.7	*IHSES*
Home ownership (percent)	--	74.1	71.0	75.4	74.2	70.9	*IHSES*
Proportion of vulnerable workers in employed population	MDG	22.4	25.6	18.2	22.7	-	*KRLFS*
Underweight Prevalence (Moderate plus Severe)	MDG	6.7	5.9	9.7	4.1	8.5	*MICS*
Underweight Prevalence(Severe)	MDG	3.9	3.3	6.4	1.8	3.7	*MICS*
Stunting Prevalence (Moderate)	-	15.4	19.0	17.5	10.0	22.6	*MICS*
Stunting Prevalence(Severe)	-	6.1	7.1	7.7	3.6	9.9	*MICS*

Notes: MICS data is from MICS4 (2011). KRLFS is for 1st half of 2012. Both MICS and KRLFS were collected by the KRSO.[a] Calculated from the 2012 IHSES by the Technical Committee for Poverty Reduction Policies in Iraq (see "General Results for Measuring Poverty in Iraq," presentation by the Technical Committee for Poverty Reduction Policies in Iraq, July 9 2013.)

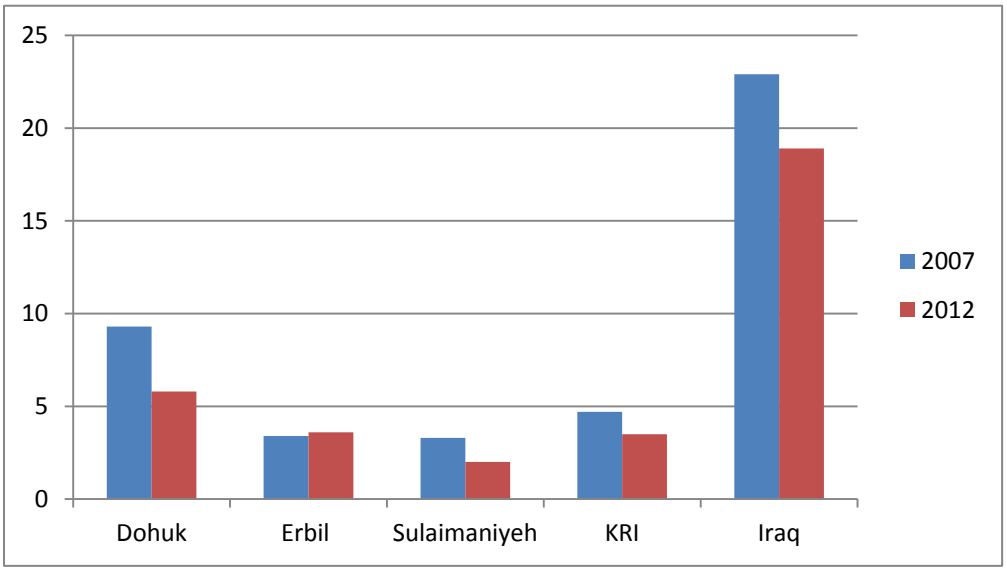
Poverty indicators include several monetary measures of poverty and inequality, such as the share of the population living on less than $2.50 per day and less than $1.25 per day, measured in international dollars, or the cost of basic food and non-food needs (See Appendix B for a full list of SEMS poverty

measures). These indicators rely on household survey data to generate a measure of household expenditures, a proxy for income. The most recent such survey for the KRI is the 2012 Iraq Household Socio-Economic Survey (IHSES). Using the 2012 IHSES and a poverty line based on the cost of basic food and non-food needs, the Technical Committee for Poverty Reduction Policies in Iraq reported that the share of the population in KRI living below the poverty line was 3.5 percent. The rate for Iraq as a whole was much higher: 18.9 percent. Although poverty is generally low in the KRI there is considerable variation across Governorates: the rate is only 2% in Sulaimaniyah but almost 6% in Duhok; in Erbil it is 6.3%.

The table also reports rates of ownership of several major assets—a refrigerator and car—as well as home ownership, also taken from the 2012 IHSES. Like poverty or income, assets can be used as a measure of household wellbeing. The vast majority of households in KRI as well as Iraq overall own a refrigerator, though in line with the poverty figures just seen, the share is higher in the KRI (where it is almost universal) than in Iraq overall (92%). Care ownership shows a larger difference: essentially half of households in the KRI have a car compared with 32% for Iraq overall. Also as shown, about 74% of households in the KRI and 71% in Iraq overall own their homes (as opposed to renting of having some other arrangement).

With regard to how wellbeing has changed over time, both the KRI and all-Iraq poverty rates represent improvements since 2007, when the previous round of the IHSES was carried out. As Figure 2.1 shows, poverty in the KRI fell from 4.7 percent to 3.5 percent between 2007 and 2012; for all of Iraq, the change was from 22.9 percent to 18.9 percent. Also as shown, poverty rates declined in Duhok and Sulaimaniyeh but not in Erbil.

FIGURE 2.1: POVERTY RATES 2007-2012, KRI AND ALL IRAQ(PERCENT LIVING BELOW NATIONAL POVERTY LINE)



Similarly, asset ownership improved. Refrigerator ownership in the KRI rose significantly between 2007 and 2012, from 90.3% to 98.3% (and rose as well if more modestly for all Iraq, from 88.9% to 92.4%). Car ownership rose from 41% to almost 50% in the KRI, and from 25.3% to 31.7% for Iraq overall. In contrast, rates of home ownership actually fell—from 78.4% to 74% in the KRI and from 78.6% to 71% in Iraq overall. This trend, unlike that for consumer assets like automobiles or refrigerators, is somewhat hard to interpret. Higher rates of renting of domiciles may be due to growing urbanization, as more families move to cities where rental arrangements may be more common. Overall, the trends in poverty rates as well as in asset ownership point to improved living standards over the past several years in the KRI as well as Iraq as a whole—a welcome development.

The SEMS also includes several common non-monetary measures related to poverty. The **Proportion of Vulnerable Workers in the Employed Population** is defined as the share of own-account (self-employed) workers and unpaid family workers in total employment. A high share of workers in vulnerable employment indicates the widespread prevalence of informal work arrangements, under which workers usually have lower social protection and pay and fewer benefits such as health care. The share of vulnerable workers in the KRI is 22.4%. This is similar to the average for Western Asia of 26%,

which in turn is much lower than the developing world average of 58%.[5] The low share for KRI and the West-Asian region overall is due largely to the small role agricultural employment plays relative to other regions; much agricultural work is self-employment or unpaid family labor and contributes significantly to the number of vulnerable workers elsewhere. The share of vulnerable workers is lowest in Erbil governorate, which contains the seat of the KRI government and has the lowest share of agricultural employed of the three governorates, as shown below in the section on agriculture.

Another non-monetary measure of wellbeing is the nutrition of young children under 5 years of age. Poor nutrition early in life, especially as measured by stunting or chronic malnutrition, may have severe negative consequences for a child's long-term cognitive and physical development, and for his or her productivity in adulthood. *Underweight*, also known as low weight for age, is based on comparison of a child's weight with the median weight of children of the same age in a reference (healthy) population. **Moderate or Severe Underweight Prevalence** is the share of children under 5 with weight for age more than two standard deviations below the median of the references population. **Severe underweight prevalence** is the share of children under 5 whose weight for age is more than three standard deviations below the reference population median. In the KRI, 6.7% of children under 5 were moderately or severely underweight. This is notably lower than in Iraq as a whole (8.5%) but remains higher than in the immediate region in 2011: the average for all of Western Asia was 5%.

Stunting is a reflection of chronic malnutrition resulting from a failure to receive adequate nutrition over a long period and from recurrent or chronic illness. **Moderate or Severe Stunting Prevalence** is the share of children under 5 with height for age more than two standard deviations below the median of the references population. **Severe Stunting Prevalence** is the share of children whose height for age is more than three standard deviations below the reference population median. In the KRI, 15.4% of children under 5 are moderately or severely stunted, and 6.1% are severely stunted (note that the prevalence of stunting is typically greater than the prevalence of underweight). As with underweight prevalence, these shares are significantly below the averages for all Iraq (22.6% for moderate or severe prevalence and 9.9% for severe prevalence).

For both underweight and stunting, the KRI-wide average prevalence masks significant variation across governorates; information which can be useful for targeting nutrition programs. These indicators tend to be worse in Erbil and better in Sulaimaniyah. For example, 6.4% of children under 5 are severely underweight and 7.7% severely stunted in Erbil compared with 1.8% and 3.6% in Sulaimaniyah.

[5]Data from the Millennium Development Goals Report 2012. As noted earlier, the Western Asia region is comprised of Bahrain, Iraq, Jordan, Kuwait, Lebanon, Occupied Palestinian Territory, Oman, Qatar, Saudi Arabia, Syrian Arab Republic, Turkey, United Arab Emirates and Yemen.

3. EDUCATION

	MDG/CI	KRI	Duhok	Erbil	Sulaimaniyah	Iraq	*Source*
Net Primary School Enrollment Rate	MDG	95.9%	94.7%	94.7%	98.2%	90.4%	*MICS*
Gross Primary School Completion Rate	MDG	104.6%	91.1%	110.1%	109.6%	83.9%	*MICS*
Net Primary School Completion Rate	-	64.9%	61.9%	69.7%	61.8%	44.4%	*MICS*
Net student enrollment in secondary education	CI	88.3%	84.4%	86.6%	92.8%	-	*KRLFS*
Gross student enrollment in secondary education	CI	105.8%	96.6%	105.2%	113.2%	-	*KRLFS*
Literacy 15-24 year old males	MDG	94.1%	92.8%	93.6%	95.5%	-	*KRLFS*
Literacy 15-24 year old females	MDG	84.9%	81.0%	81.2%	91.3%	-	*KRLFS*

Notes: MICS data is from MICS4 (2011). KRLFS data are from 2nd^{t} half of 2013. Both MICS and KRLFS were collected by the KRSO.

The KRI has realized impressive successes in providing access to education for its population. The **Net Primary School Enrollment Rate** is the percentage of children of primary school age (6 to 11 years of age) who are currently attending primary school or already in secondary school. The net primary school enrollment rate for Kurdistan was 95.9%, 4.5 percentage points higher than Iraq as a whole. All governorates, and particularly Sulaimaniyah, are close to achieving universal primary enrollment.

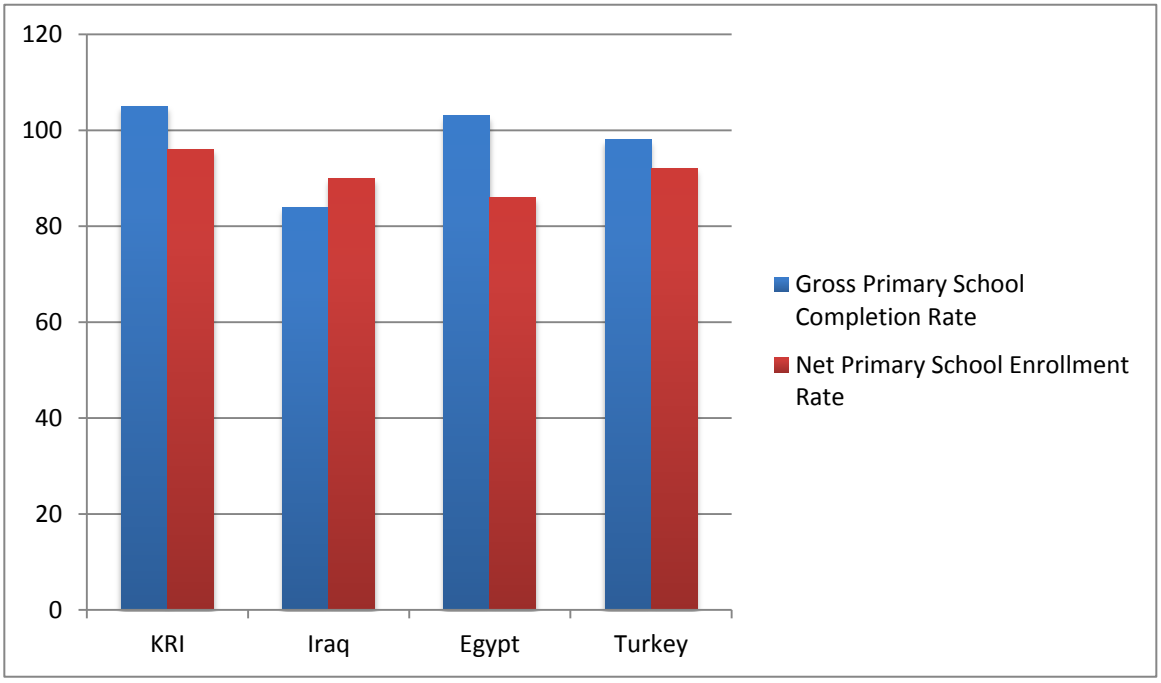
The **Gross Primary School Completion Rate** is defined as the number of children of any age who are attending the final grade of primary education, as a percentage of the population of primary school completion age. It is usually important to distinguish between primary enrollment and completion given

that many children may enroll in primary school but fail to complete the level. In the case of Kurdistan, however, primary completion rates are very high; in fact, the gross primary completion rate is higher than 100% because there are more children enrolled in the last year of primary school than the total number of 11 year olds (presumably because some children repeat the final grade).

The **Net Primary School Completion Rate,** in contrast, equals the number of children *of official primary school completion age*(not any age) who are in their final grade of primary education, as a percentage of the total population of that age. In principle all such children should be completing primary school. This measure is considerably lower than gross primary completion, only 64.9%, reflecting that many children do not complete primary school in their 11^{th} year. Still, both this and the gross primary completion rates are notably higher in the KRI than in Iraq overall, which also means that the proportion reaching the final year of primary school is higher in the KRI than in the rest of Iraq: the gross primary school completion rate in the KRI is 20.7 percentage points higher, and the net primary school completion rate is 20.5 percentage points higher, than in Iraq as a whole.

Figure 3.1 compares the KRI to several countries in the region for net primary enrollment and the gross primary completion rate. Net primary enrollment in the KRI is higher than in Iraq overall, as noted above, and generally higher than in other countries such as Egypt and Turkey. The gross primary school completion rate in the KRI is similar to those of the other countries.

FIGURE 3.1: PRIMARY ENROLLMENT AND COMPLETION RATES



Note: The source for all countries is the most recent MICS.

Net Student Enrollment in Secondary Education is the share of secondary school age children (age 12-17) who are enrolled in school at the secondary level or higher. Secondary enrollment is high in the KRI: almost 90% of individuals 12-17 are attending school.[6] This indicator ranges from 87% in Duhok to 93% in Sulaimaniyah. The net student enrollment ratio remained fairly stable between 2012 and 2013 (see table below). It experienced slight decreases in Duhok and Erbil, and a slight increase in Sulaimaniyah, though the changes are within the statistical margin of error.

Gross student enrollment in secondary education is the ratio of the number of students in secondary school of *any age* divided by the total number of individuals of official secondary school age. This is over 100% (105.8%) in the KRI, reflecting the fact that some older students are still studying in secondary school, and varies from 96.6% in Duhok to 105.2 in Erbil and 113.2% in Sulaimaniyah. Both the Net and Gross Student Enrollment in Secondary Education show that Duhok lags behind the other two

[6] While this indicator could be computed from other sources, we rely on the KRLFS, since updates on these indicators will then be available more frequently.

governorates in terms of enrollments at this level.

This indicator experienced a slight increase in the KRI overall since the last SEMS (it raised from 103.7% to 105.8%)

Youth literacy is a basic measure of young people's preparedness for success in life. The indicators **Literacy: 15-24 year old males** and **Literacy: 15-24 year old females** measure the percent of 15-24 year old young men and women who can read and write. 94.1% of young men in the KRI are literate but only 84.9% of young women say they can read and write.[7] The variation across governorates in literacy seems quite pronounced for females, rangingfrom just 81.0% in Duhok to 91.3% in Sulaimaniyah—consistent with the general pattern of better overall education outcomes in Sulaimaniyah.

Given the current almost universal enrollment in primary school, it is not surprising to see that the increases in literacy rates can be noted, even within a single year. The literacy rates of young men increased from 92.3% in 2012 to 94.1% in 2013; while the literacy rate of young women increased from 81.6% and 84.9%. Given the high primary school enrollment rates, we can expect the literacy rates of young men and women to reach close to one hundred percent as the current children age to the 15-24 range.

TABLE 3.1. SECONDARY EDUCATION ENROLLMENT AND LITERACY RATES FOR 2012 AND 2013

		2012	2013
Net student enrollment in secondary education Source: KRLFS	KRI	88.9%	88.3%
	Duhok	86.2%	84.4%
	Erbil	88.2%	86.6%
	Sulaimaniyah	91.2%	92.8%

[7] It should be noted that the indicator is based on self-reports of young men and women in the KRLFS, not actual tests of reading and writing ability.

		2012	2013
Gross student enrollment in secondary education Source: KRLFS	KRI	103.7%	105.8%
	Duhok	91.6%	96.6%
	Erbil	101.3%	105.2%
	Sulaimaniyah	114.6%	113.2%
Literacy 15-24 year old males Source: KRLFS	KRI	92.3%	94.1%
	Duhok	91.0%	92.8%
	Erbil	89.2%	93.6%
	Sulaimaniyah	95.9%	95.5%
Literacy 15-24 year old females Source: KRLFS	KRI	81.6%	84.9%
	Duhok	77.3%	81.0%
	Erbil	77.8%	81.2%
	Sulaimaniyah	88.1%	91.3%

4. GENDER

	MDG/ CI	KRI	Duhok	Erbil	Sulaimaniyah	Iraq	*Source*
Gender Parity index for primary school	MDG	0.99	0.98	0.98	0.99	0.94	*MICS*
Gender Parity index for secondary school	MDG	0.98	0.90	0.96	1.04	0.85	*MICS*
Gender Parity Index for tertiary schooling	MDG	0.93	0.90	0.80	1.11		*KRLFS*
Young women aged 15-19 who are currently married	-	9.9%	9.1%	11.7%	8.8%	20.7%	*MICS*
Total Fertility Rate	-	3.1	3.9	3.5	2.3	4.5	*MICS*
IHSES Fertility (Births per 1000 women aged 12-49)		183.7	254.5	161.1	165.7	202.1	*IHSES 2012*
Proportion of Seats Held by Women in National Parliament	MDG	32.4%	-	-	-	-	*KRG website*
Proportion of women who are widowed	-	7.2%	7.1%	6.5%	8.0%	-	*KRLFS*
Proportion of families headed by women	-	10.7%	9.4%	9.6%	12.2%	-	*KRLFS*
Share of Women in Wage Employment in the Non-Agricultural Sector	MDG	17.2%	12.1%	16.6%	20.9%	-	*KRLFS*

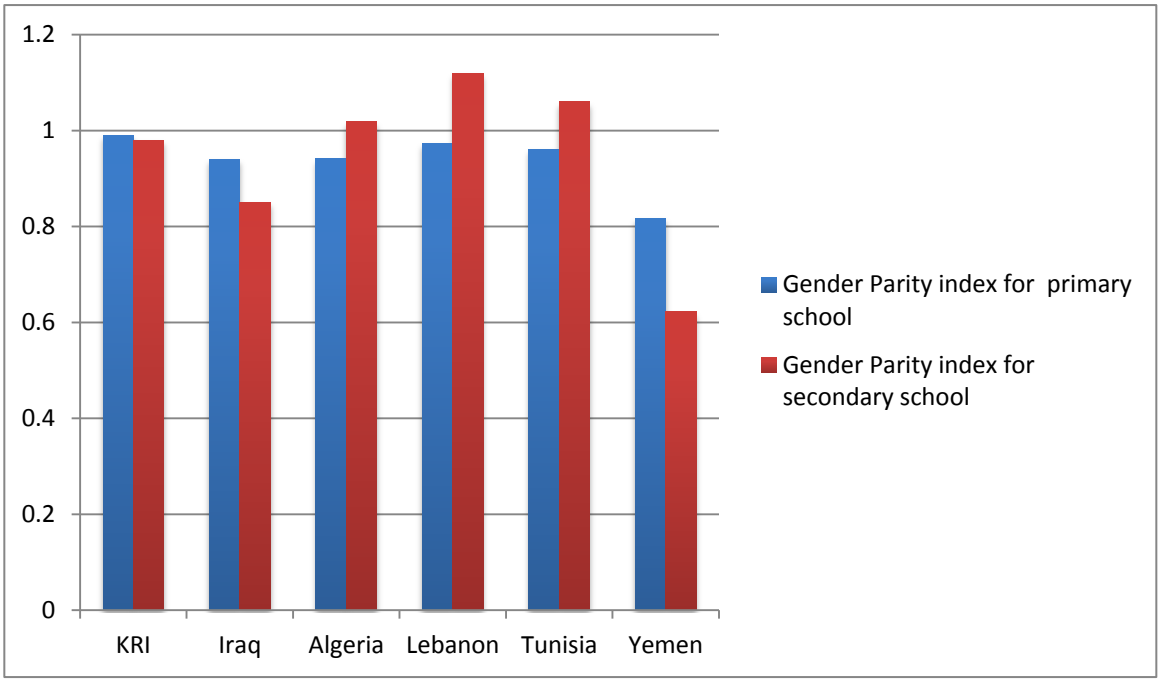
Notes: MICS data is from MICS4 (2011). KRLFS data are from the 1st half of 2013. Both MICS and KRLFS were collected by the KRSO.The KRG web site for female participation in parliament is: http://www.krg.org/a/d.aspx?r=160&l=12&s=04070000&a=15057&s=010000

The Gender indicators presented here permit the tracking of progress towards attainment of several MDGs for promoting gender equality and the empowerment of women. Achieving parity in education is widely recognized as a key step toward achieving equal opportunity for men and women. Moreover, increasing the education of women is a key step in socio-economic development. The **Gender Parity Index (GPI) for Primary School** is the ratio of the enrollment rates of girls to boys in primary school. This is calculated by dividing the enrollment rate for girls by the enrollment rate for boys. This indicator for the KRI is 0.99, meaning that the percentage of girls who attend school is 99% that of boys. This ratio falls within the plus orminus 3-point margin of 100 per cent, which is the accepted range for parity. The ratio is no lower than 0.98 in any governorate. The GPI for primary school in Kurdistan is 0.05 higher than that of Iraq as a whole.

The**Gender Parity Index for Secondary School**, which measures the ratio of female to male secondary enrollment rates, is only slightly lower than for primary school (0.98 compared with 0.99), though with more variation across governorates. The **Gender Parity Index for Tertiary Schooling**, calculated for 2013 with the KRLFS, is markedly lower, at 0.93. However, It is noteworthy that in Sulaimaniyah, the Gender Parity Indices for both secondary and tertiary schooling are above 1.0, indicating that there are more girls than boys enrolled in this governorate at these school levels. In contrast, for Duhok, the GPI is .90 or less for both of these levels. It is also noteworthy that this index continues raising, overall, it increased from 0.91 to 0.93 between 2012 and 2013.

Figure 4.1 presents some comparisons of the primary and secondary GPIs with several countries in the region. As implied above, the KRI has greater gender parity in education than Iraq as a whole. Indeed, the KRI more closely resembles the other countries of the region with the exception of Yemen, which has very low gender parity in education. Still, the gender parity ratio in secondary enrollments in the KRI remains below that of a number of the other countries shown, where it is often over 1.0.

FIGURE 4.1: GENDER PARITY INDICATORS



Note: The source for all countries is the most recent MICS.

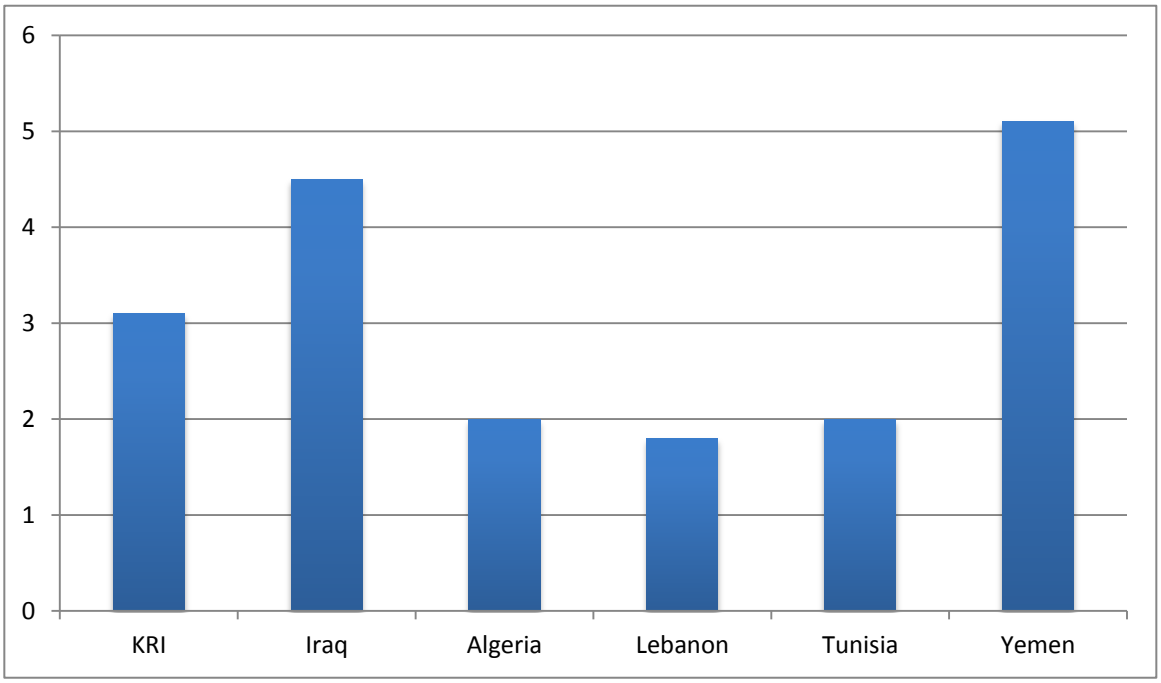
Turning to the involvement of women in public affairs, a key MDG measure is the **Proportion of Seats in Parliament Held by Women**. In the case of the Kurdistan Regional Parliament, 32.4% of the seats are held by women. This represents 36 out of 111 seats, two seats higher than the minimum required by law (30%, which would require a minimum of 34 seats). The share compares quite favorably to the region overall. In 2011, the average for Western Asia was just 11%.

Traditions of early marriage and childbearing for women are considered a significant barrier to female post-primary schooling, and consequently, meaningful participation in the labor force. The prevalence of early marriage is measured by the proportion of **Young Women Aged 15-19 who are Currently Married.** In 2011 in the KRI, 9.9% of women aged 15 to 19 were married. This is less than half the proportion for Iraq as a whole, and is less than the average for the MENA region of approximately 14% based on data as of 2009 (OECD 2009). The **Total Fertility Rate**, which is the average number of number of children a woman is projected to bear over her lifetime,is 3.1 in the KRI.[8] While this is 1.4 below the average for

[8]Specifically, the Total fertility rate represents the number of children that would be born to a woman if she were to live to the

Iraq as a whole, it remains higher than the average in 2010 for the MENA region of 2.9 children (for low and middle income economies; it is 2.7 including high income countries).[9]

FIGURE 4.2. FERTILITY RATE



Note: The source for all countries is the most recent MICS.

An alternative metric of fertility is provided by the IHSES, which measures the number of births divided by the number of women aged between 12 and 49. In 2012, in this indicator equaled 183.7 in the Kurdistan Region of Iraq, compared to 202.1 over all Iraq. As with the Fertility Rate provided by MICS, it also shows that fertility was highest in Duhok.

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end of her childbearing years and bear children in accordance with current age-specific fertility rates

[9] World Bank on-line statistics: http://data.worldbank.org/data-catalog/world-development-indicators

In societies where women have limited employment opportunities, widowhood may lead to extreme vulnerability to poverty and consequently widows may require targeted assistance. The **Proportion of Women who are widowed** in the KRI in 2013 is 7.2% compared to 7.6% in 2012. Similarly, female-headed households may be particularly vulnerable economically. The **Proportion of Families Headed by Women** decreased from 11.6% in 2012 to 10.7% in 2013

TABLE 4.1. GENDER INDICATORS FROM THE KRLFS IN 2012 AND 2012

Indicator	City	2012	2013
Gender Parity Index for tertiary schooling Source: KRLG website	KRI	0.91	0.93
	Duhok	0.86	0.90
	Erbil	0.8	0.80
	Sulaimaniyah	1.05	1.11
Proportion of women who are widowed Source: KRLFS	KRI	7.6%	7.2%
	Duhok	6.2%	7.1%
	Erbil	7.5%	6.5%
	Sulaimaniyah	8.6%	8.0%
Proportion of families headed by women Source: KRLFS	KRI	11.6%	10.7%
	Duhok	10.0%	9.4%
	Erbil	11.2%	9.6%
	Sulaimaniyah	12.8%	12.2%
Share of Women in Wage Employment in the Non-Agricultural Sector Source: KRLFS	KRI	16.7%	17.2%
	Duhok	12.7%	12.1%
	Erbil	15.8%	16.6%
	Sulaimaniyah	19.7%	20.9%

5. HEALTH

	MDG/ CI	KRI	Duhok	Erbil	Sulaimaniyah	Iraq	*Source*
Infant Mortality rate	MDG, CI	28	33	27	24	32	*MICS*
Under-Five Mortality Rate	MDG	32	37	34	25	37	*MICS*
Measles Immunization Coverage at 12 months	MDG	75.2%	-	-	-	65.8%	*MICS*
Tuberculosis Immunization Coverage at 12 months	-	97.1%	-	-	-	89.7%	*MICS*
DPT Immunization Coverage at 12 months	CI	75.2%	-	-	-	64.8%	*MICS*
Polio Immunization Coverage at 12 months	-	78.7%	-	-	-	70.6 %	*MICS*
Full Immunization Coverage at 12 months	-	60.7%	-	-	-	45.4%	*MICS*
Births delivered by skilled attendant	MDG	92.4%	-	-	-	90.9%	*MICS*
Contraceptive Prevalence Rate	MDG	64.5%	52.4%	62.3%	66.6%	52.5%	*MICS*
Comprehensive knowledge about HIV 15-24 years	MDG	3.7%	1.7%	3.5%	5.2%	3.1%	*MICS*

Notes: MICS data is from MICS4 (2011). MICS data were collected by the KRSO.

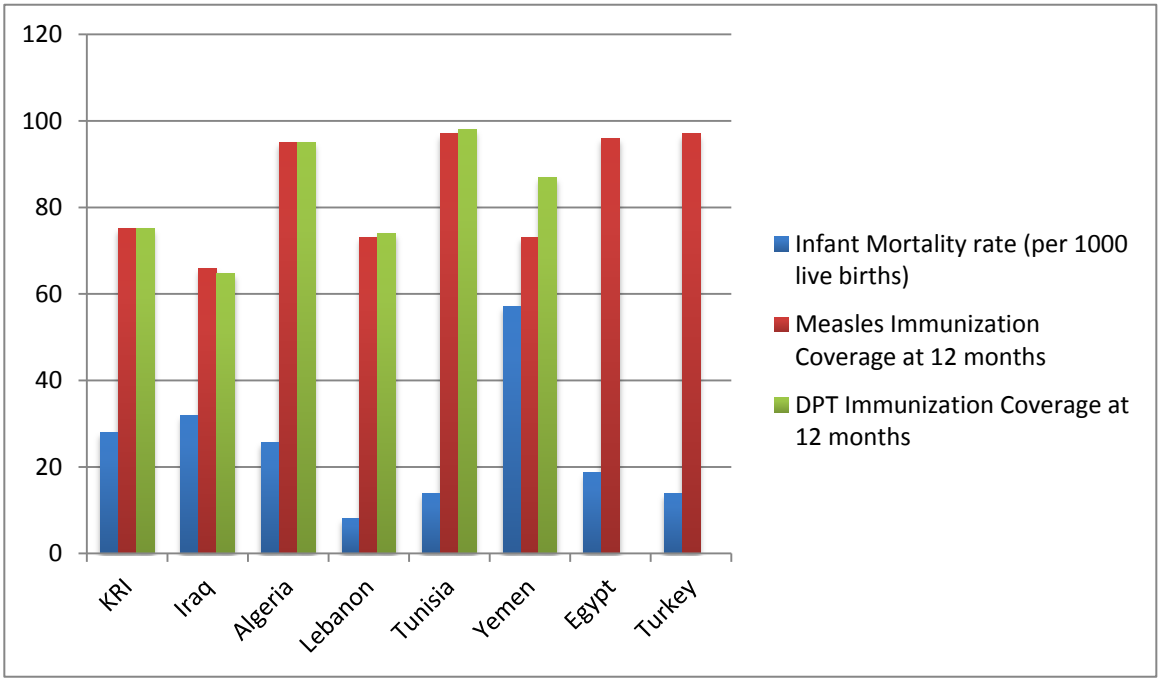
A range of health indicators are available for the KRI, many through the Fourth Iraq Multiple Indicator Cluster Survey (MICS4) of 2011. The **Infant Mortality Rate**(IMR) measures the probability of death

before the first birthday, and is expressed as the number of such deaths per every 1,000 live births. The infant mortality rate in the Kurdistan Region of Iraq is28 per 1000 live births. This is 4 percentage points lower than the infant mortality rate for Iraq as a whole.However, the KRI does not compare favorably with other countries of the region; out of the seven comparison countries shown in Figure 5.1, the IMR was higher only in Yemen. In contrast, IMRs in Lebanon, Tunisia, Egypt and Turkey were all well under half the rate for the KRI.

Immunization coverage against childhood diseases is measured as the share of children between 12 and 24 months of age (at the time of the survey) who had received vaccinations for a given disease before their first birthday. Focusing on children under two years of age allows the measure to capture recent trends with respect to immunization, since these children were of appropriate vaccination age (under than 12 months) no more than 1 year ago. In 2011, **Measles Immunization Coverage at 12 months** in the KRI was 75.2%, meaning that three quarters of children age 12-23 months had been vaccinated before their first birthday. This is a substantial 9.4 percentage points higher than for Iraq as a whole. **Tuberculosis Immunization Coverage at 12 months** was almost universal, at 97.1%.,and higher than Iraq's 89.7%

On the other hand, **DPT Immunization Coverage at 12 months** and**Polio Immunization Coverage at 12 months** are only 75.2% and 78.7% respectively. Because of the lower shares for DPT and Polio, almost 4 out of 10 children fail to receive **Full Immunization Coverage at 12 Months** (getting all four vaccinations). Following the pattern seen for infant mortality, immunization coverage in the KRI is superior to the rest of Iraq but poorer than in other countries of the region as Figure 5.1 shows for measles and DPT. For DPT, KRI is on par with Lebanon but lower than the other countries shown, including Yemen.

FIGURE 5.1: CHILD MORTALITY AND IMMUNIZATION INDICATORS

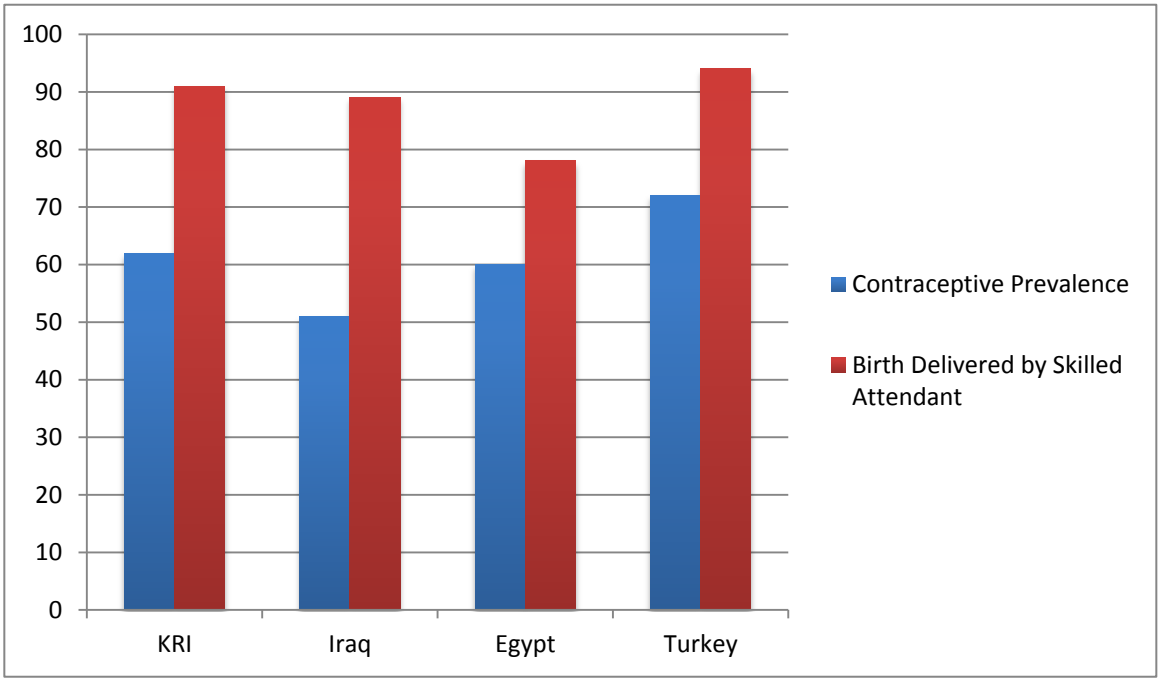


Note: The source for all countries is the most recent MICS.

Among indicators of access to health care services, the percentage of **Births Delivered by Skilled Attendant** is the share of births in the past two years attended by appropriately trained personnel. As seen in the table, the vast majority of births (92.4%) in the KRI are attended births (and 80% are in a formal health facility). As shown in Figure 5.2, this is significantly higher than Egypt (79%) but below Turkey (95%).

ContraceptivePrevalence measuresthe share of currently married women age 15-49 reporting use of modern contraceptives. This indicator equaled 64.5% in 2011. As shown in Figure 5.2, this was on par with Egypt though lower than Turkey; it was also slightly higher than the overall average for Western Asia of 56% in 2010 (MDG Report 2012).

FIGURE 5.2: HEALTH INDICATORS – MATERNAL HEALTH



Note: The source for all countries is the most recent MICS.

Finally, knowledge about HIV/AIDS is exceedingly low in the KRI. This is measured with the indicator **Comprehensive knowledge about HIV 15-24 years,** which is the proportion of women aged 15-24 years who (1)can identify at least two HIV prevention methods, (2)can reject two common misconceptions (HIV cannot be transmitted by sharing food or through mosquito bites), and (3) know that a healthy looking person may have HIV. The share of young women with this level of knowledge was only 3.7% in the KRI and 3.1% in Iraq as a whole.

6. ACCESS TO ESSENTIAL SERVICES

	MDG/CI	KRI	Duhok	Erbil	Sulaimaniyah	All Iraq	*Source*
Proportion of population using solid fuel[1]	MDG	0.0%	0.0%	0.1%	0.0%	0.4%	*IHSES*
Proportion of population using an improved drinking water source	MDG, CI	97.7%	97.2%	98.2%	97.7%	92.7%	*IHSES*
Proportion of population using an improved sanitation facility	MDG	97.3%	99.0%	96.3%	97.3%	91.7%	*IHSES*

Notes: IHSES data is from the 2012 survey. IHSES data were collected by the KRSO. 1. Source of fuel is "other" in IHSES—fuels other than electricity, gas, and kerosene.

The indicators for access to essential services provide information on the extent to which households in the KRI use important services and resources that influence health and wellbeing. These include access to improved water and sanitation, and whether households use solid fuel sources, which often have adverse health effects.

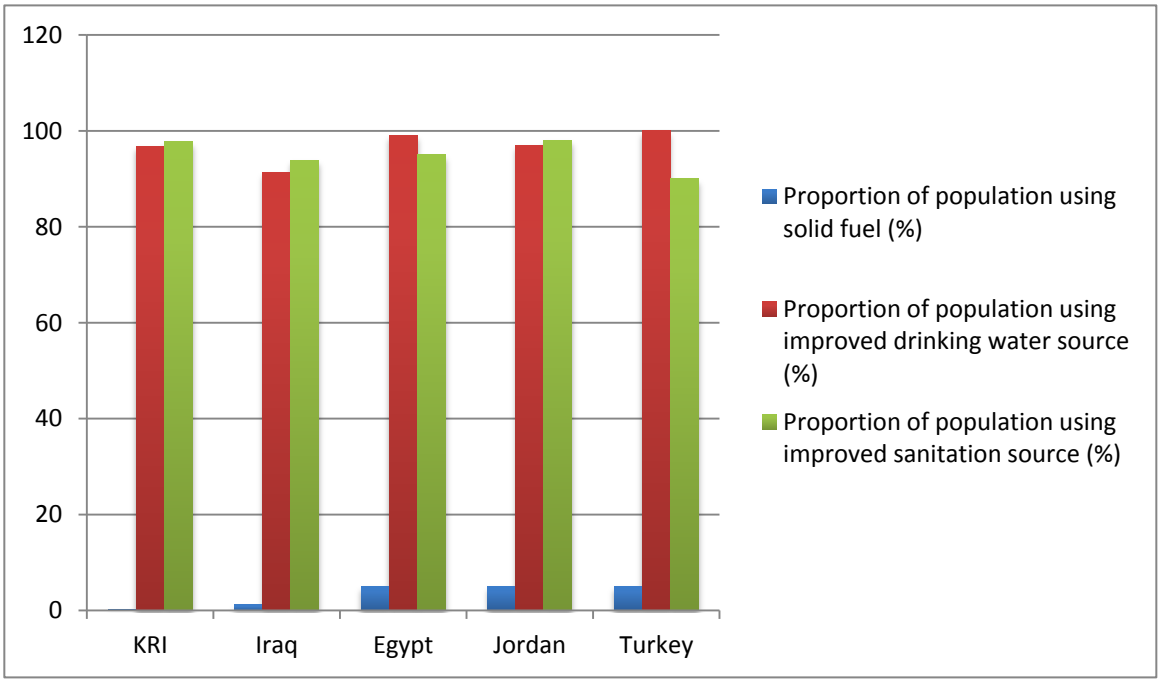
All of the indicators in this category are MDGs. The first two address environmental conditions for households: use of improved water, which means that the household uses a drinking water source such as piped water, a public tap or standpipe, or a tube-well or borehole; and use of improved sanitation, meaning the household has a toilet, latrine, or septic tank. In the KRI, the **proportion of population using an improved drinking water source** is close to universal—97.7%—and is 5 percentage points higher than the rate throughout Iraq. Duhok has the lowest use of improved drinking water (97.2%), while Erbil has the highest (98.2%). Rates of improved sanitation are similarly high. The **proportion of population using an improved sanitation facility** ranges from 96.3% in Erbil to 99.0% in Duhok, with an overall rate of 97.3% in the KRI. The national rate for Iraq is 91.7%. Access to improved water and sanitation rates in the KRI are comparable to various MENA countries,as shown in Figure 6.1.[10] The KRI has higher rates of improved sanitation use than the comparison countries, while rates of improved water access

[10] Data in Figure 6.1 are from MICS 2011 (see table 6.3) to facilitate more accurate comparisons.

in the KRI are lower than in Egypt, Jordan, and Turkey.

The third MDG indicator in this category that is currently available for the KRI is the share of the population using solid fuels as a household energy source for cooking. Solid fuels include wood, charcoal, peat, and other combustible energy sources that can produce indoor air pollution that is harmful to human health. The **proportion of the population using solid fuel** is essentially zero in the KRI (measured at 0.0%), as shown in Figure 6.1. It is also very low in all of Iraq (0.4%). Both the KRI and Iraq have lower solid fuel use than the four comparison countries shown in Figure 7.1, all of which have rates of approximately 5% in 2010.[11]

FIGURE 6.1: ACCESS TO ESSENTIAL SERVICES



Notes: KRI/Iraq data from MICS (2011). Data for the four comparison countries for access to water and sanitation are from the 2012 World Development Indicators; solid fuel use data are from UNData and are for 2010.

[11] Data in Figure 6.1 are from MICS 2011 (see table 6.3) to facilitate more accurate comparisons.

IHSES data allows for comparisons between 2007 and 2012 service access rates in the Kurdistan Region, which we show in Table 6.2. Across all access to essential services indicators, the Kurdistan Region has witnessed improvements in core MDG indicators.

		2012	2007
Proportion of population using solid fuel	KRI	0.0%	5.8%
	Duhok	0.0%	8.8%
	Erbil	0.1%	6.5%
	Sulaimaniyah	0.0%	3.5%
Proportion of population using an improved drinking water source	KRI	97.7%	91.7%
	Duhok	97.2%	95.7%
	Erbil	98.2%	94.4%
	Sulaimaniyah	97.7%	87.1%
Proportion of population using an improved sanitation facility	KRI	97.3%	68.5%
	Duhok	99.0%	98.2%
	Erbil	96.3%	31.5%
	Sulaimaniyah	97.3%	84.7%

For reference, Table 6.3 includes data on access to essential services from the MICS 2011 survey. Although the indicators are not directly comparable to the IHSES data, they provide additional context on how citizens access core services and are broadly consistent with IHSES-based trends.

TABLE 6.3 2011 ACCESS TO ESSENTIAL SERVICES DATA

	MDG/CI	**KRI**	**Duhok**	**Erbil**	**Sulaimaniyah**	**All Iraq**	***Source***
Proportion of population using solid fuel	MDG	0.2%	0.4	0.1	0.2	1.2%	*MICS*
Proportion of population using an improved drinking water source	MDG, CI	96.7%	98.9%	96.8%	95.3%	91.4%	*MICS*
Proportion of population using an improved sanitation facility	MDG	97.7%	97.3%	98.7%	96.9%	93.8%	*MICS*
Notes: MICS data is from MICS4 (2011). MICS data were collected by the KRSO.							

7. AGRICULTURE

	MDG/CI	KRI	Duhok	Erbil	Sulaimaniyah	*Source*
Proportion of employees in agricultural activities	-	5.2%	4.0%	4.3%	6.8%	*KRLFS*
Land in use for agricultural production: Arable land (millions of donums)	CI	4.89	1.21	2.51	1.17	*KRG Agricultural Summary Tables*
Land in use for agricultural production: Planted area, winter (millions of donums)	CI	2.68	0.78	0.75	1.14	*Agricultural Statistics Survey*
Land in use for agricultural production: Planted area, summer (millions of donums)	CI	0.19	0.08	0.06	0.05	*Agricultural Statistics Survey*

Notes: KRLFS data are for 2013 and were collected by KRSO.KRSO summary tables, "Agricultural Areas In The Governorates Of Kurdistan Region, Sep 2012,"http://www.krso.net/en/reports, accessed December 27, 2012.Agricultural Statistics and Summary data were collected by KRSO. The planted areas were calculated from the KRSO reports, "Agricultural Statistics Survey for Winter Crops, 2011-2012," and "Agricultural Statistics Survey for Summer Crops, 2011-2012,"

The **proportion of employees in agricultural activities** allows the tracking of the labor force in agriculture. Employees in agriculture are more vulnerable to weather and other shocks and,as noted in the section on Poverty indicators, are also typically not part offormal social safety nets. From this point of view, it is advantageous to not have a large share of the labor force in agriculture. Further, agricultural employment as a share of total employment normally declines in the process of economic development as the industrial and service sectors expand. On the other hand, a too rapid reduction in the agricultural workforce can occur as a result of inadequate investments in land and technology in the sector, leading to imbalanced growth and inadequate food production or food insecurity.

The share of employees in agriculture in the KRI is low, justover 5%. In contrast, 76% of the KRI labor is employed in the services sector and close to 19% in industry. Agriculture accounts for a higher proportion of employment in Sulaimaniyah (6.8%) than the other two governorates and has the smallest share in Duhok(4.0%). The share of employment in agriculture is low both for men (4.8%) and women (7.9%).

The other input that is crucial for food production is the **land in use for agricultural production**. The KRI has close to 4.9 million donumsof arable land (as measured in 2011, but unlikely to change rapidly over time), which represents nearly 35% of its total area. Erbil governorate has more than twice the arable land than each of the other two governorates. Over 87% of the arable land is rain fed (rather than irrigated), which leaves it vulnerable to the vagaries of weather. This adds to the above-mentioned concern about inadequate food production arising from a low share of the labor force employed in agriculture. We also present the actual planted area in 2011-2012 for winter and summer crops, which will be less than the arable land available. Most agricultural production happens in winter. Close to 55% of the arable land is cultivated in winter (2.68 million donums). Sulaimainyah has the highest planted area, cultivating nearly all its arable land, while Erbil the least (cultivating less than 30% of its arable land).

We now turn to comparing the latest available data with previous data.

TABLE 7.1. EMPLOYEES IN AGRICULTURAL ACTIVITIES FOR 2012 AND 2013

	2012	2013
KRI	6.1%	5.2%
Duhok	5.8%	4.0%
Erbil	5.9%	4.3%
Sulaimaniyah	6.5%	6.8%
Notes: Data fromKRLFS collected by KRSO.		

The change in the proportion of employees in agricultural activities is shown in Table 7.1. This proportion dipped from an already low figure of 6.1% in 2012 to 5.2% in 2013. Duhok and Erbil experienced non-trivial declines, while Sulaimaniyahexperienced a slight increase. The ranking of the governorates based on this indicator does not change across the years. As mentioned earlier, it is not uncommon for this indicator to decrease with development. However, one cannot make predictions of a long-term trend just on the basis of two years of data. The decrease between these two years could have also been affected by factors such as weather, which do not represent long-term trends. Since the Kurdistan region is in general concerned about the size of its rural population and farming activity, the behavior of this indicator over time bears watching.

8. MACROECONOMICS

	MDG/CI	KRI	All Iraq	*Source*
Total government expenditure, 2013	CI	16.94 TID (58.2% of GRP)	138.4 TID (49.0% of GDP)	*KRG**
Consumer Price Index / Inflation, Year on Year rate, December 2012-Deceember 2013	CI	4.0%	3.2%	*KRG Consumer Price Survey***

Notes: *TID is Trillion Iraqi Dinars. Budget figures for 2013 are used for government expenditures. GRP is gross regional product. KRSO GRP is assumed to be in the ballpark of 25 billion USD to calculate expenditure as a percentage of GDP. Iraq's 2012GDP estimate is used to calculate expenditure as a percentage of GDP, and isfrom http://www.indexmundi.com/iraq/economy_profile.html,accessed April 25, 2014. An exchange rate of 1 USD = 1164 IQD is used, where needed.
**The CPI data in the table and the text are drawn from the KRSO's 2013 report on CPI. The inflation rate for all of Iraq is from the Central Bank of Iraq, http://www.cbi.iq/, accessed April 25, 2014.

Total government expenditure is an indicator that is critical for understanding the extent of the government's role in an economy. Along with consumption, investment, and net exports, it is one of the components that enter the calculation of the gross domestic or regional product (GDP for a country, GRP for a region) of an economy. For emerging economies, the breakdown of government expenditures into current or operational expenses (spent for current needs) and capital or investment expenses (spent for the future) is important. An excessive amount of government expenditures, especially operational expenses, relative to the GRPcould be a sign of a government-driven rather than a private sector-driven economy. On the other hand, inadequate government expenditure, especially in health and education and investment in sectors lacking private-sector investment, would not augur well for the long-term growth of an economy.

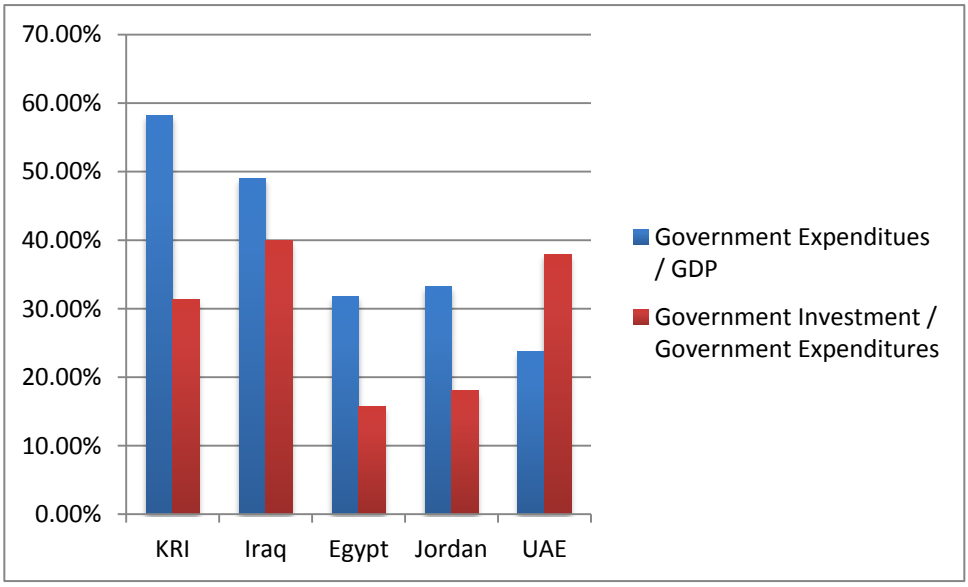
In 2013, the total budget for the KRG, which is our best estimate for actual government expenditures of the KRG, was close to 17 trillion Iraqi Dinars (TID). Out of this, 5.33 TID (31.4%) was intended for investment. Investment in the economy yields long-run benefits for the economy, which is the reason to consider this portion of the budget separately. Operational expenses, which form the bulk of the KRG, will not have a similar long-term benefit. As a point of comparison, the budget for all of Iraq was 138.4

TID in 2013. The budget had a provision for 40% to go to investment.[12] It is customary to calculate expenditure as a percentage of GDP, since larger economies need and can afford more expenditure. Normalizing by GDP also allows comparison of expenditures across countries. Assuming a total GDP for the KRI of 25 billion USD, and using an exchange rate of 1 USD = 1164 IQD, the percentage is over 58% for the KRI. Using a 2012 estimate of 242.5 billion USD, this percentage is close to 50% for Iraq as a whole, though according to the 2014 *Index of Economic Freedom*, this figure is a bit smaller at 44.6%.

The budgets grew for both the KRI and Iraq, relative to 2012 figures, by 11% for the KRI, and a by higher number of 18% for Iraq.

Figure 8.1 comparesthe KRI government expenditure as a fraction of GDPto those of several countries in the region:

FIGURE 8.1: GOVERNMENT EXPENDITURES – TOTAL AND INVESTMENT



Notes: KRI and Iraq data are from the sources mentioned in the table above. For other countries, we obtain data from the 2014 Index of Economic Freedom, as tabulated in http://en.wikipedia.org/wiki/Government_spending, accessed April 25, 2014. For countries other than Iraq and the KRI, from the World Development Indicators we get the total investment (gross capital formation over GDP, subtract private investment over GDP, to get government investment over GDP. We then divide this by government expenditures over GDP to get the investment share of the budget. For these countries we use data for 2012.

[12] http://reliefweb.int/report/iraq/iraq-budget-2013-background-paper

The KRI's government expenditures as a fraction of GRPand Iraq's as awhole, are substantially higher than in Egypt (31.8%), Jordan (33.2%), and the U.A.E. (23.7%). While the concern this raises, whether there is too much dependence of the government in the economy, is a valid one, when one examines the investment portion of the government budget, KRI and all of Iraq compare well to other countries in the region. Egypt(15.7%) and Jordan (18%) have lower investment shares of the budget. Only the UAE (37.9%) has a share in between those of KRI and all of Iraq.

The general price level, often called the **Consumer Price Index (CPI)**, reflects the cost of a selection or a "basket" of goods and services purchased by the "typical consumer." The KRSO gathers data on the prices of the selected goods and services on a continual basis. **Inflation** is the rate of increase of the price level or CPI. The two are often used interchangeably, even though the index is by itself not meaningful; it is the rate of change of the index that really matters. The inflation rate is a closely watched indicator since it affects the real value of an economy's currency, and therefore the purchasing power of consumers.

The "Year on Year (YoY)" inflation between December 2012 and December 2013 was 4%. As a point of comparison, the YoY rate was lower for all of Iraq at around 3.2%for the same period. The KRI inflation decreased from the 5.6% YOY figure between December 2011 and December 2012. However the decrease for all of Iraq was more pronounced (from 6.35%). As another point of comparison, the annual inflation was higher in Turkey in 2013 (7.4%).[13]The annual rate of inflation is the change in *average* prices between twoyears, which is different from the YoY rate between the same month in two successive years(say, December 2012 to December 2013) reported in the table above.[14]

[13] http://www.inflation.eu/inflation-rates/turkey/historic-inflation/cpi-inflation-turkey.aspx, accessed April 25, 2014.

[14]The December 2012 CPI for the KRI was 140.4 and in December 2013, it was 146.0, which yields the nearly 4% increase YOY.

9. PRIVATE SECTOR

	MDG/CI	KRI	Duhok	Erbil	Sulaimaniyah	Iraq	*Source*
Share employed in private sector	-	48.4%	47.8%	44.8%	52.0%	-	*KRLFS*
Share employed in public sector	-	51.1%	51.8%	54.4%	47.7%		*KRLFS*
Percentage of workers by economic activity: Primary Activities	CI	6.0%	4.6%	5.7%	7.0%	-	*KRLFS*
Percentage of workers by economic activity: Industry	CI	18.0%	15.9%	17.8%	19.4%	-	*KRLFS*
Percentage of workers by economic activity: Services	CI	76.0%	79.6%	76.5%	73.6%	-	*KRLFS*
Notes: KRLFS are for 2013and were collected by KRSO.							

A range of indicators are used to track private sector development in the KRI. The **Share Employed in Private Sector** measures the share of the employed population (including employees, self-employed and all other individuals classified as employed) that works in the private sector. Using the KRLFS from 2013, this is estimated to be 48.4% in the KRI. As in most economies of the region, public sector employment is a dominant source of employment in the KRI: approximately half of the working population (51.1%) is found in the public sector(a tiny percentage are classified as neither public or private, for example, working in non-governmental organizations).Reflecting the presence of the capital city, Erbil governorate has the highest prevalence of public sector jobs, amounting to 54.4% of all employment, and correspondingly the lowest share of private sector employment. The share of private employment in total employment is highest in Sulaimaniyah(52%).

Considering next the **Percentage of Workers by Economic Activity** or industrial sector, three quarters of all employment in the KRI is found in the services sector (76.0%).Industry is a distant second (18.0%), followed by agriculture with a very small share (6.0%). Note that these are shares of all employment in the KRI, including the public sector. The overall shares of services, industry and agriculture are consistent across governorates, with modest variations. Within the smaller industrial sector, construction dominates, accounting for three-fourths of industrial employment. Manufacturing

accounts for about one tenth of industrial employment and 2.1% of all employment in the KRI.

In this section we have viewed the private sector (and activity sectors) from the perspective of employment shares. Subsequent SEMS reports will expand the indicators for private sector activity beyond the labor market and are expected to include the number of enterprises by economic activity, foreign direct investment inflow, fixed investment by firms, and mobile phone and Internet usage (See Appendix B for the complete list of indicators).

Between 2012 and 2013, there has been no large changes in the share of people employed in the private and public sectors. However, there has been an increase in the percent employed in the industrial sector and a decrease in the service sector. The increase of the share employed in industry was particularly concentrated in Erbil (about 3 percentage points).

TABLE 9.1. PRIVATE SECTOR INDICATORS IN 2012 AND 2013

Indicator	City	2012	2013
Share employed in private sector Source: KRLFS	KRI	48.5%	48.4%
	Duhok	46.6%	47.8%
	Erbil	46.9%	44.8%
	Sulaimaniyah	51.0%	52.0%
Share employed in public sector Source: KRLFS	KRI	50.5%	51.1%
	Duhok	53.0%	51.8%
	Erbil	50.9%	54.4%
	Sulaimaniyah	48.7%	47.7%
Percentage of workers by economic activity: Primary Activities Source: KRLFS	KRI	6.1%	6.0%
	Duhok	5.8%	4.6%
	Erbil	5.9%	5.7%
	Sulaimaniyah	6.5%	7.0%
Percentage of workers by economic activity: Industry Source: KRLFS	KRI	16.6%	18.0%
	Duhok	15.9%	15.9%
	Erbil	14.9%	17.8%
	Sulaimaniyah	18.4%	19.4%
Percentage of	KRI	77.3%	76.0%

workers by economic activity: Services Source: KRLFS	Duhok	78.4%	79.6%
	Erbil	79.2%	76.5%
	Sulaimaniyah	75.1%	73.6%

10. LABOR MARKET

	MDG/CI	KRI	Duhok	Erbil	Sulaimaniyah	Iraq	*Source*
Labor Force Participation Rate for age 15+	-	39.8%	35.9%	40.0%	41.9%	-	*KRLFS*
Labor Force Participation Rate for age 15+, males	-	67.1%	63.7%	68.5%	67.1%	-	*KRLFS*
Labor Force Participation Rate for age 15+, females	-	12.7%	8.3%	12.0%	16.1%	-	*KRLFS*
Unemployment Rate, age 15+	-	6.5%	7.3%	4.3%	8.1%	-	*KRLFS*
Unemployment Rate, age 15+, males	-	4.4%	6.2%	2.8%	4.8%	-	*KRLFS*
Unemployment Rate, age 15+, females	-	17.8%	16.0%	12.8%	21.7%	-	*KRLFS*
Youth Unemployment Rate (15-24)	-	17.0%	14.9%	13.5%	21.5%	-	*KRLFS*
Youth Unemployment Rate (15-24), males	-	12.7%	13.6%	10.5%	14.1%	-	*KRLFS*
Youth Unemployment Rate (15-24), females	-	43.8%	28.6%	34.5%	53.9%	-	*KRLFS*
Number of paid Employees (thousands)	-	872.3	199.7	342.9	329.8	-	*KRLFS*

Notes: KRLFS data are for 2012 and were collected by KRSO.

The *labor force* is defined as the total number of individuals 15 years and older who are in labor force or "economically active", meaning that they are currently working or, if not working, are available and actively searching for work. "Work" is defined, following international conventions, to include having a wage job or working on one's own or a family business or a farm, whether directly for pay or not. The **Labor Force Participation Rate for age 15+** is the percentage of individuals 15 years old or older who are part of the labor force. The KRLFS data show that the labor force of the KRI in 2013 constitutes 39.8% of the total population aged 15 years and older—a relatively low participation rate. Though this rate is slightly higher than Jordan's (38%), it is significantly lower than in Turkey (approximately 50%) and Egypt

(approximately 48%). However, it increased since 2012 when it registered 38.4% (see Table 10.1 below). The Labor Force Participation rate increased in all governorates, but particularly so in Erbil (by 1.9 percentage points and in Sulaimaniyah (by 1.6 percentage points).

The low overall participation rate in the KRI is largely driven by the very low participation of women. Indeed, men greatly outnumber women in the labor force. Among men 15 years and older, about two thirds are in the labor force, while only 12.7% of women are in the labor force –though it should be noted that this number is higher than 12.1% in the same period of 2012-. However, among male youth (aged 15 to 24), only about a third are in the labor force, in part because many are still studying.

The **unemployment rate** is the share of the labor force that is unemployed, that is, not currently working but available and searching for work. The overall unemployment rate in the KRI for 2013 is 6.5%. The unemployment situation in the KRI compares favorably to most countries in the region. For example, in 2012 Turkey had an unemployment rate of 8.4%, while Egypt had an unemployment rate of 12.6%. Furthermore, the unemployment rate is lower than the 7.9% of 2012. Though this is positive news, it should be noted that, given the lower Labor Force Participation, this does not mean that a larger proportion of the KRI population is working.

As with participation, there are striking differences by gender in unemployment. The unemployment rate is four times higher for women than men in the KRI (17.8% vs. 4.4%). It should be kept in mind that the number of men in the labor force is much greater than the number of women, so the higher rates for women do not translate into greater numbers of unemployed women than men.

Unemployment rates for youth are closely watched, as they indicate whether the economy is generating economic opportunities for those entering the labor market, thereby aiding both economic growth and social stability. Within the KRI, youth unemployment (age 15-24) is 17.0%, significantly higher than the 6.5% rate for the entire labor force. It is common for the unemployment rate to be higher amongst the youth than the general population. In fact, the phenomenon of high youth unemployment is well known among countries of the region. However, as with unemployment overall, youth unemployment in the KRI is among the lowest in the region. While in Turkey the unemployment rate for the 15-to-24 age group dropped in the second quarter of 2012 to 16.1%, in Jordan it was 28%, and in Egypt for those age 20-24, 41.4% (though the Egypt figures, which are from 2012, in part reflect the effects of the 2011 Revolution on the economy). Nevertheless, while youth unemployment in the

KRI is somewhat less serious than in many countries of the region (and the rate for 2013 was slightly lower than in 2012), it is still quite high and therefore a concern for policy.

Further, gender differences in youth unemployment are noteworthy. In the KRI, the unemployment rate for female youth is exceedingly high, at 43.8%, compared to 12.7% for young men. As with the figures for all adults, it bears keeping in mind that far fewer young women than men are in the labor force, so the actual number of young men who are unemployed is higher than young women. The higher unemployment rates for females, particularly young women, point to barriers to hiring for women entering the workforce.Although the difference remains higher, the female youth unemployment rate fell by more in the last year than the corresponding one for males.

There are also notable differences by governorate in labor force indicators. A larger proportion of individuals aged 15+ are part of the labor force in Sulaimaniyah (37.3%) than in Erbil (35.6%) and is lowest in Duhok (31.9%). At the same time, the lowest unemployment rate is in Erbil (4.3%)and is higher In Duhok and Sulaimaniyah.

Finally, the **Number of Paid Employees** counts the total number of workers who are paid wages or salaries. This therefore excludes those who are self-employed, business owners or contribute unpaid labor to a family business or farm. In 2013, according to the KRLFS, there were about 872 thousand paid employees in the KRI. With larger populations than Duhok, is not surprising that Sulaimaniyah and Erbil have more paid employees (330 and 343 thousand, respectively). A positive development is that there were approximately 50 thousand more paid employees than in 2012 (which may be related to the increase in the percentage employed in the industry sector).

TABLE 10.1 LABOR MARKET INDICATORS IN THE KRLFS IN 2012 AND 2013

		2012	2013
Labor Force Participation Rate for age 15+	**KRI**	38.4%	39.8%
	Duhok	35.6%	35.9%
	Erbil	38.1%	40.0%
	Sulaimaniyah	40.3%	41.9%
Labor Force	**KRI**	65.8%	67.1%

Participation Rate for age 15+, males	**Duhok**	64.1%	63.7%
	Erbil	66.2%	68.5%
	Sulaimaniyah	66.6%	67.9%
Labor Force Participation Rate for age 15+, females	**KRI**	12.1%	12.7%
	Duhok	8.0%	8.3%
	Erbil	11.6%	12.0%
	Sulaimaniyah	15.0%	16.1%
Unemployment Rate, age 15+	**KRI**	7.9%	6.5%
	Duhok	8.3%	7.3%
	Erbil	7.5%	4.3%
	Sulaimaniyah	8.1%	8.1%
Unemployment Rate, age 15+, males	**KRI**	5.2%	4.4%
	Duhok	6.9%	6.2%
	Erbil	4.8%	2.8%
	Sulaimaniyah	4.6%	4.8%
Unemployment Rate, age 15+, females	**KRI**	22.0%	17.8%
	Duhok	17.8%	16.0%
	Erbil	22.1%	12.8%
	Sulaimaniyah	22.8%	21.7%
Youth Unemployment Rate (15-24)	**KRI**	18.3%	17.0%
	Duhok	19.1%	14.9%
	Erbil	17.6%	13.5%
	Sulaimaniyah	18.6%	21.5%

Youth Unemployment Rate (15-24), males	**KRI**	13.4%	12.7%
	Duhok	16.50%	13.6%
	Erbil	12.40%	10.5%
	Sulaimaniyah	11.70%	14.1%
Youth Unemployment Rate (15-24), females	**KRI**	48.3%	43.8%
	Duhok	42.50%	28.6%
	Erbil	42.40%	34.5%
	Sulaimaniyah	58.50%	53.9%
Number of paid Employees (thousands)	**KRI**	819.3	872.3
	Duhok	169.8	199.7
	Erbil	308	342.9
	Sulaimaniyah	341.5	329.8

11. TOURISM

	MDG/CI	KRI	Duhok	Erbil	Sulaimaniyah	Iraq	*Source*
Foreign Arrivals, number of visitors (excluding other Arab countries)	CI	106,889	38,505	37,980	30,404	-	*KRSO*
Foreign Arrivals, total days visiting (excluding other Arab countries)	CI	261,755	12,068	65,936	68,751	-	*KRSO*
Foreign Arrivals, number of visitors - from other Arab countries	CI	46,379	2,089	26,084	18,206	-	*KRSO*
Foreign Arrivals, Total days visiting – from other Arab countries	CI	120,654	5,431	63,898	51,325	-	*KRSO*
Notes: Statistics from KRSO reports basedon data from the Ministry of Municipalities and Tourism							

With a wealth of ancient historical and religious sites, and natural attractions combined with economic and political stability in recent years, tourism as well as business travel to the KRI has been rising rapidly. This contrasts with declines in many areas of the region due to fears of violence or political instability. The SEMS report will keep track of the development of the tourist and hospitality sector through several indicators related to visitors and establishments (See Appendix B). For this report, we show data on the number of foreign guests visiting hotels in the KRI and the total nights visiting. Note that this indicator captures not just tourist travel but other travel to the KRI, including for business.

The table distinguishes international visitors from non-Arab countries and from Arab countries (outside of Iraq). In the last year there were close to 107,000 visits of individuals from foreign non-Arab countries, staying a total of about 262,000 days. While the number of visits was roughly similar across governorates, the number of days (hence average duration per stay) was substantially higher in Erbil than in the other governorates, reflecting the presence of the capital city in Erbil as a destination. The total number of visits from Arab countries (which as

noted excludes visitors from the rest of Iraq) was less than half the total of other international visits.

12. TRANSPORTATION

	MDG/CI	Year	KRI	Duhok	Erbil	Sulaimaniyah	Iraq	*Source*
Extent of paved roads, total (kilometers)	CI	2013	14841	3777	5391	5673	-	*KRG Road Statistics*
Extent of main roads (kilometers)	-	2013	3825	1047	1469	1309	-	*KRG Road Statistics*
Extent of central roads (kilometers)	-	2013	3984	980	1452	1552	-	*KRG Road Statistics*
Extent of rural roads (kilometers)	-	2013	7033	1750	2470	2813	-	*KRG Road Statistics*
Extent of highways (kilometers)	-	2013	0	0	0	0	-	*KRG Road Statistics*

As data collection and coordination develop, we expect that this category will include indicators such as the extent of paved roads, the number of passenger vehicles travelling between major cities, tonnage of goods transported on roads, and data on traffic injuries (See Appendix B). For the present report we are limited to the first indicator, **Extent of Paved roads (kilometers)**, and its breakdown by various categories**.**As shown, there was a total of 14,841 km of paved roads in the KRI in 2013. Of this, almost half (7,033 km) are rural roads. The road system is more developed in Erbil and Sulaimaniyah than in Duhok, though this also reflects the lower population of Duhok. Overall, the road infrastructure in the KRI is not well developed, as indicated by the fact there currently are no highways connecting major cities in the region.

13. TOURISM

	MDG/CI	KRI	Baghdad	Iraq	*Source*
Prevalence of bribery paid by households	-	3.7%	29.3%	11.6%	*IKN (2011)*
Civil servants offered at least one bribe in the previous year	-	3.8%	5.2%	4.2%	*ICS (2011)*
Share of civil servant who agree that most people hesitate to report corruption due to lack of secrecy	-	61%	66%	62%	*ICS (2011)*
Share of civil servants that did not have to go through substantive selection procedures during recruitment	-	54%	-	19%[1]	*ICS (2011)*

Governance here includes the quality of the civil service and citizens' experiences when interacting with the government. The **prevalence of bribery** captures the share of citizens who report paying a bribe when they interact with a government official and prior year. The Kurdistan Region has a lower prevalence (3.7%) than Iraq as a whole (11.6%) and the Baghdad governorate (29.3%). This information comes from direct reports by households, and it could be subject to underreporting give the sensitive nature of the question. When **civil servants are asked whether they were offered a bribe** in the previous year, roughly 4% report that they were offered a bribe, both in the Kurdistan Region and Iraq as a whole, a much narrower difference than with reports by households. Civil servants in Baghdad reported being offered a bribe at slightly higher rates, 5.2%. Again, these data could be subject to underreporting by respondents.

The table above also summarizes civil servants' views on whether people are likely to **hesitate to report bribery**. Both in the Kurdistan Region and Iraq as a whole, approximately 60% of civil servants state that concerns about secrecy when reporting corruption makes people reluctant to do so. In Baghdad governorate, the rate is 66%.

Finally, governance also reflects that quality and integrity of the civil service. Data on the types of

selection procedures civil servants must go through when getting a job provide some insight into how rigorous recruitment procedures are, which could affect civil service quality. In the Kurdistan Region a majority (54%) of civil servants report that they did not have to go through a substantive selection process when hired. This is higher than in the Federal Government (19%).

14. CONCLUSION

In this report, we have presented a snapshot of economic conditions and the socio-economic wellbeing of the population of the KRI. While data are not currently available to construct the complete set of indicators listed in Appendix B, we have nevertheless been able to present a fairly comprehensive analysis of the current situation. Given data limitations (for instance, MICS5 is still being conducted, and we cannot compare the MICS4 data in previous versions of this report with the MICS5 data; we instead compare IHSES2012 and IHSES2007 data, where possible), we do our best to track progress over time.

Our aim is to make this report a periodic compendium of policy-relevant data that KRG policymakers can use to identify strengths and challenges in their decision-making process, and the KRI public can use to stay informed about the state of their region. As the KRSO and other agencies within the KRG collect more data, we are confident that we will be able to provide a more complete list of socio-economic indicators in future editions, while also tracking changes in these indicators.

APPENDIX A: OFFICIAL MILLENNIUM DEVELOPMENT GOALS (MDG) INDICATORS FOR MONITORING PROGRESS

Goals and Targets (from the Millennium Declaration)	Indicators for monitoring progress
Goal 1: Eradicate extreme poverty and hunger	
Target 1.A: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day	1.1 Proportion of population below $1 (PPP) per day[15] 1.2 Poverty gap ratio 1.3 Share of poorest quintile in national consumption
Target 1.B: Achieve full and productive employment and decent work for all, including women and young people	1.4 Growth rate of GDP per person employed 1.5 Employment-to-population ratio 1.6 Proportion of employed people living below $1 (PPP) per day 1.7 Proportion of own-account and contributing family workers in total employment
Target 1.C: Halve, between 1990 and 2015, the proportion of people who suffer from hunger	1.8 Prevalence of underweight children under-five years of age 1.9 Proportion of population below minimum level of dietary energy consumption
Goal 2: Achieve universal primary education	
Target 2.A: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling	2.1 Net enrolment ratio in primary education 2.2 Proportion of pupils starting grade 1 who reach last grade of primary 2.3 Literacy rate of 15-24 year-olds, women and men
Goal 3: Promote gender equality and empower women	
Target 3.A: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015	3.1 Ratios of girls to boys in primary, secondary and tertiary education 3.2 Share of women in wage employment in the non-agricultural sector 3.3 Proportion of seats held by women in national parliament
Goal 4: Reduce child mortality	
Target 4.A: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate	4.1 Under-five mortality rate 4.2 Infant mortality rate 4.3 Proportion of 1 year-old children immunised against measles
Goal 5: Improve maternal health	
Target 5.A: Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio	5.1 Maternal mortality ratio 5.2 Proportion of births attended by skilled

[15] For monitoring country poverty trends, indicators based on national poverty lines should be used, where available.

	health personnel
Target 5.B: Achieve, by 2015, universal access to reproductive health	5.3 Contraceptive prevalence rate 5.4 Adolescent birth rate 5.5 Antenatal care coverage (at least one visit and at least four visits) 5.6 Unmet need for family planning
Goal 6: Combat HIV/AIDS, malaria and other diseases	
Target 6.A: Have halted by 2015 and begun to reverse the spread of HIV/AIDS	6.1 HIV prevalence among population aged 15-24 years 6.2 Condom use at last high-risk sex 6.3 Proportion of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS 6.4 Ratio of school attendance of orphans to school attendance of non-orphans aged 10-14 years
Target 6.B: Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it	6.5 Proportion of population with advanced HIV infection with access to antiretroviral drugs
Target 6.C: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases	6.6 Incidence and death rates associated with malaria 6.7 Proportion of children under 5 sleeping under insecticide-treated bednets 6.8 Proportion of children under 5 with fever who are treated with appropriate anti-malarial drugs 6.9 Incidence, prevalence and death rates associated with tuberculosis 6.10 Proportion of tuberculosis cases detected and cured under directly observed treatment short course
Goal 7: Ensure environmental sustainability	
Target 7.A: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources Target 7.B: Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss	7.1 Proportion of land area covered by forest 7.2 CO2 emissions, total, per capita and per $1 GDP (PPP) 7.3 Consumption of ozone-depleting substances 7.4 Proportion of fish stocks within safe biological limits 7.5 Proportion of total water resources used 7.6 Proportion of terrestrial and marine areas protected 7.7 Proportion of species threatened with extinction
Target 7.C: Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation	7.8 Proportion of population using an improved drinking water source 7.9 Proportion of population using an

	improved sanitation facility
Target 7.D: By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers	7.10 Proportion of urban population living in slums[16]
Goal 8: Develop a global partnership for development	
Target 8.A: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system Includes a commitment to good governance, development and poverty reduction – both nationally and internationally Target 8.B: Address the special needs of the least developed countries Includes: tariff and quota free access for the least developed countries' exports; enhanced programme of debt relief for heavily indebted poor countries (HIPC) and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction Target 8.C: Address the special needs of landlocked developing countries and small island developing States (through the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second special session of the General Assembly) Target 8.D: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term	*Some of the indicators listed below are monitored separately for the least developed countries (LDCs), Africa, landlocked developing countries and small island developing States.* <u>Official development assistance (ODA)</u> 8.1 Net ODA, total and to the least developed countries, as percentage of OECD/DAC donors' gross national income 8.2 Proportion of total bilateral, sector-allocable ODA of OECD/DAC donors to basic social services (basic education, primary health care, nutrition, safe water and sanitation) 8.3 Proportion of bilateral official development assistance of OECD/DAC donors that is untied 8.4 ODA received in landlocked developing countries as a proportion of their gross national incomes 8.5 ODA received in small island developing States as a proportion of their gross national incomes <u>Market access</u> 8.6 Proportion of total developed country imports (by value and excluding arms) from developing countries and least developed countries, admitted free of duty 8.7 Average tariffs imposed by developed countries on agricultural products and textiles and clothing from developing countries 8.8 Agricultural support estimate for OECD countries as a percentage of their gross domestic product 8.9 Proportion of ODA provided to help build trade capacity <u>Debt sustainability</u>

[16] The actual proportion of people living in slums is measured by a proxy, represented by the urban population living in households with at least one of the four characteristics: (a) lack of access to improved water supply; (b) lack of access to improved sanitation; (c) overcrowding (3 or more persons per room); and (d) dwellings made of non-durable material.

	8.10 Total number of countries that have reached their HIPC decision points and number that have reached their HIPC completion points (cumulative) 8.11 Debt relief committed under HIPC and MDRI Initiatives 8.12 Debt service as a percentage of exports of goods and services
Target 8.E: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries	8.13 Proportion of population with access to affordable essential drugs on a sustainable basis
Target 8.F: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications	8.14 Fixed telephone lines per 100 inhabitants 8.15 Mobile cellular subscriptions per 100 inhabitants 8.16 Internet users per 100 inhabitants

Source: http://mdgs.un.org/unsd/mdg/Host.aspx?Content=indicators/officiallist.htm

APPENDIX B - COMPLETE LIST OF SEMS INDICATORS *(note:* designates indicators that are planned for future reports)*		
Indicator	*Critical Indicator (CI)?* *Millennium Development Goal Indicator (MDG)?*	*Source* *(survey or agency; for '*' indicators, source is planned future source)*
POVERTY		
Proportion of population living on less than $2.50 a day*		IHSES 2012
Proportion of population living on less than $1.25 a day*	MDG	IHSES 2012
Poverty gap	MDG	IHSES 2012
Poverty rate	MDG	IHSES 2012
Share in total income (consumption) of the poorest 20% of the population*	MDG	IHSES 2102
Proportion of vulnerable workers (own-account and contributing family workers) in the employed population	MDG	KRLFS 2012
Underweight Prevalence (Moderate and severe) among children under 5	MDG	MICS
Underweight Prevalence(Severe) among children under 5		MICS
Stunting Prevalence (Moderate and severe) among children under 5		MICS
Stunting Prevalence(Severe) among children under 5		MICS

EDUCATION		
Net Primary School Enrollment Rate	MDG	MICS 2011
Gross Primary School Completion Rate	MDG	MICS 2011
Net Primary School Completion Rate		MICS 2011
Literacy 15-24 year old males	MDG	KRLFS
Literacy 15-24 year old males	MDG	KRLFS
Number of new schools completed during the year*	CI	Ministry of Education
Number of new teachers trained during the year*	CI	Ministry of Education
Gross student enrollment in secondary education	CI	KRLFS
Net student enrollment in secondary education	CI	KRLFS
Completion rate in secondary education	CI	Ministry of Education
Grade repetition rates*		Ministry of Education
Dropouts*		Ministry of Education
Expenditures on Education*		Ministry of Finance
GENDER		
Gender Parity index for primary school	MDG	MICS 2011
Gender Parity index for secondary school	MDG	MICS 2011
Gender Parity index for tertiary schooling	MDG	KRLFS
Proportion of seats held by women in	MDG	Official sources

national parliament		
Proportion of women who are widowed		KRLFS
Proportion of families headed by women		KRLFS
Young women aged 15-19 who are currently married		MICS
Total Fertility Rate		MICS
HEALTH		
Under-five mortality rate	MDG	MICS
Infant Mortality rate	MDG, CI	MICS
Measles Immunization Coverage at 12 months	MDG	MICS
Tuberculosis Immunization Coverage at 12 months		MICS
DPT Immunization Coverage at 12 months	CI	MICS
Polio Immunization Coverage at 12 months		MICS
Full Immunization Coverage at 12 months		MICS
Births delivered by skilled attendant	MDG	MICS
Contraceptive prevalence	MDG	MICS
Comprehensive knowledge about HIV 15-24 years	MDG	MICS
Maternal mortality ratio*		MOH
Cancer related deaths*		MOH

Tuberculosis Incidence*		MOH
Citizen trust of health services*		IHSES 2012
Proportion of tuberculosis cases detected and cured under DOTS (Directly Observed Treatment Short Course)*		MOH
Number of health centers per 10,000 individuals*	CI	MOH
Number and density of physicians per 10,000 population*	CI	MOH
Number of hospital beds per 10,000 population*	CI	MOH
Percentage of districts meeting standards for number of main public health centers (1 per 10,000 population)*	CI	MOH
Percentage of districts meeting standards for number of branch public health centers (1 per 5,000 population)*	CI	MOH
AGRICULTURE		
Proportion of employees in agricultural activities		KRLFS
Land in use for agricultural production	CI	KRSO/Ministry of Agriculture and Water Resources (MOAWR)
Water used for irrigation*	CI	MOAWR
% of agricultural land that is irrigated *		MOAWR
Production of staple crops (wheat, rice)*	CI	MOAWR

Production of high-value crops (grapes, pomegranate)*	CI	MOAWR
Prices and volumes agricultural products (local)*		KRSO
Prices and volumes agricultural products (Imported)*		KRSO
Agricultural income/year*		KRSO
ACCESS TO ESSENTIAL SERVICES, WATER, AND ELECTRICITY		
Proportion of population using solid fuels		MICS
Proportion of population using Improved Sanitation Facility	MDG	MICS
Proportion of population using improved drinking water sources	CI, MDG	MICS
Surface water stocks*	CI	MOAWR
Flows of water from inland water resources to economy*	CI	MOAWR
Losses of water in distribution*	CI	MOAWR
Unit nameplate capacity*	CI	MOAWR
Unit feasible capacity*	CI	MOAWR
Peak demand (load)*	CI	MOAWR

MACROECONOMICS		
Total government expenditures	CI	KRSO
Inflation (Change in Consumer Price Index)	CI	KRSO
Personal expenditures on goods and services*	CI	KRSO
Exports of goods*	CI	Ministry of Trade and Industry, Ministry of Finance
Imports of goods*	CI	Ministry of Trade and Industry, Ministry of Finance
PRIVATE SECTOR		
Share of workers employed in private sector		KRLFS
Percentage of workers by economic activity (Agriculture, Services, Industry)	CI	KRLFS
Number of enterprises by economic activity*	CI	Ministry of Trade and Industry/ KRSO
Foreign direct investment inflow *	CI	Ministry of Trade and Industry/ KRSO
Fixed investment by firms*	CI	Ministry of Trade and Industry/ KRSO
Mobile phones per 1,000 people*	CI	Ministry of Transport and Communication
Internet users per 100 people*	CI	Ministry of Transport and Communication
LABOR MARKET		
Labor Force Participation Rate for age		KRLFS

15+		
Labor Force Participation Rate for age 15+, males		KRLFS
Labor Force Participation Rate for age 15+, females		KRLFS
Unemployment Rate, age 15+	CI	KRLFS
Unemployment Rate, age 15+, males		KRLFS
Unemployment Rate, age 15+, females		KRLFS
Youth Unemployment Rate (15-24)		KRLFS
Youth Unemployment Rate (15-24), males		KRLFS
Youth Unemployment Rate (15-24), females		KRLFS
Number of paid Employees(thousands)		KRLFS
TOURISM		
Foreign Arrivals, number of visitors (excluding other Arab countries)	CI	Ministry of Municipalities and Tourism / KRSO
Foreign Arrivals, total days visiting (excluding other Arab countries)	CI	Ministry of Municipalities and Tourism / KRSO
Foreign Arrivals, number of visitors - from other Arab countries	CI	Ministry of Municipalities and Tourism / KRSO
Foreign Arrivals, Total days visiting – from other Arab countries	CI	Ministry of Municipalities and Tourism / KRSO
Average expenditure per day*	CI	Ministry of Interior (administrative records) / Ministry of Municipalities and Tourism / KRSO

TRANSPORTATION		
Extent of paved roads, total (kilometers)	CI	Ministry of Housing and Reconstruction(MOHR)/ Ministry of Municipalities and Tourism (MOMT; for urban roads)
Extent of main roads (kilometers)	CI	MOHR/MOMT
Extent of central roads (kilometers)	CI	MOHR/MOMT
Extent of rural roads (kilometers)	CI	MOHR/MOMT
Extent of highways (kilometers)	CI	MOHR/MOMT
Passenger vehicles traveling between major cities*	CI	Ministry of Transportation
Goods transported by road (tons/hour)*	CI	Ministry of Housing and Reconstruction
Injury collisions*	CI	Ministry of Interior/Ministry of Health
GOVERNANCE		
Prevalence of bribery paid by households		KRSO and CSO
Civil servants offered at least one bribe in the previous year		KRSO and CSO
Share of civil servant who agree that most people hesitate to report corruption due to lack of secrecy		KRSO and CSO
Share of civil servants that did not have to go through substantive selection procedures during recruitment		KRSO and CSO

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