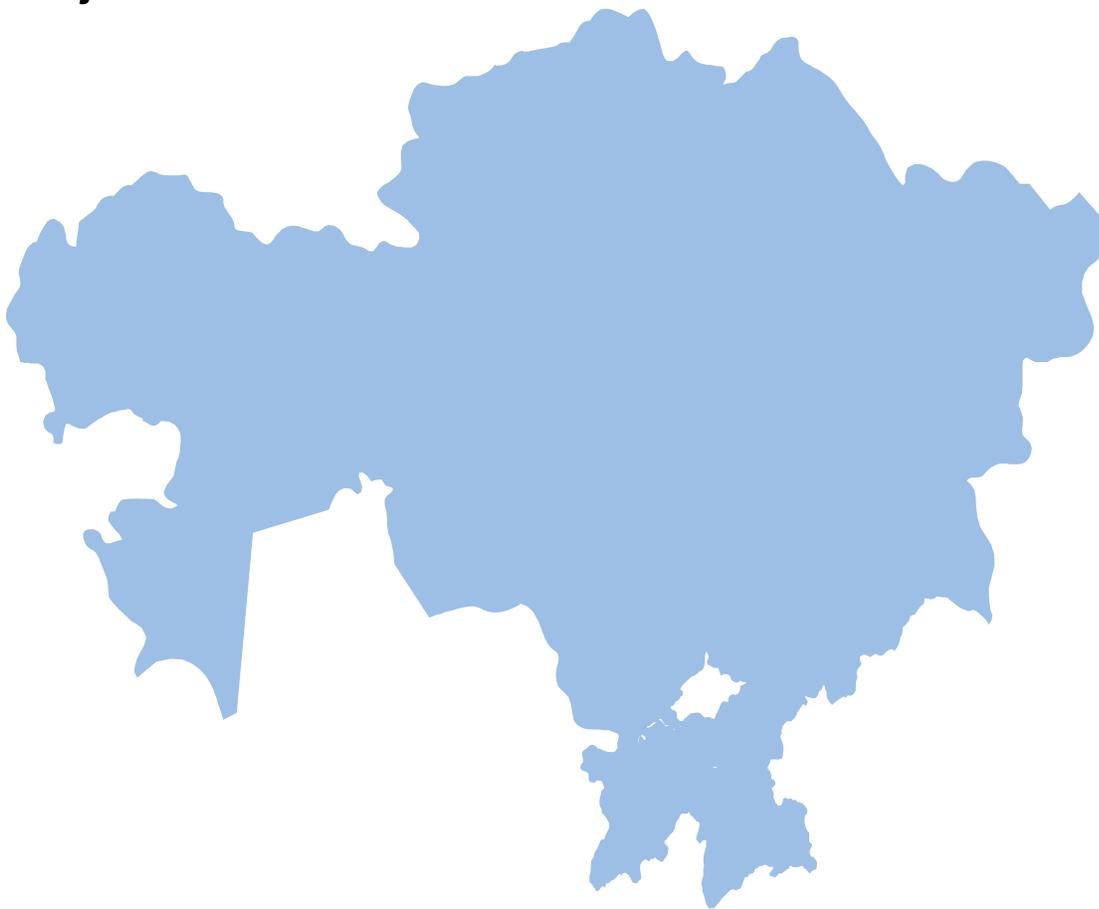




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Regional Economic Performance Assessment

Kazakhstan, the Kyrgyz Republic,
Tajikistan



November 2007

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Regional Economic Performance Assessment Kazakhstan, the Kyrgyz Republic, Tajikistan

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Under Contract No. PCE-I-00-00-00013-00, Task Order 004, the Country Analytical Support (CAS) Project, 2004–2006, sponsored by the Economic Growth office of USAID’s Bureau of Economic Growth, Agriculture and Trade (EGAT), Nathan Associates Inc. developed a standard methodology for producing analytical reports to provide a clear and concise evaluation of economic growth performance in designated countries receiving USAID assistance. Under Contract No. GEG-I-00-04-00002-00, Task Order 004, 2006–2008, Nathan Associates continues to provide support to the EGAT Bureau by producing analytical reports evaluating economic growth performance in designated host countries. Nathan is also developing a special template for countries emerging from crisis, assessing data issues in countries with large gaps in their data, conducting in-depth sector reviews based on the diagnostic analysis in the country reports, and providing other analytical support to the EGAT Bureau.

The Economic Performance Assessment reports are tailored to meet the needs of USAID missions and regional bureaus for country-specific analysis. Reports for Kazakhstan, the Kyrgyz Republic, and Tajikistan have been completed for the USAID Europe and Eurasia Bureau. This is a follow-on report that examines the three countries from a regional perspective. It contains

- A synthesis of key data indicators drawn from numerous sources, including the World Bank, the International Monetary Fund, the Millennium Challenge Corporation, the United Nations, other international data sets, and host-country documents and data sources;
- International benchmarking to assess performance of the three Central Asian countries in comparison to groups of countries, and predicted values based on international data;
- An easy-to-read analytic narrative that highlights areas of countries’ performance—including commonalities, differences, or where performance is particularly strong or weak—thereby assisting in the identification of future programming priorities; and
- A convenient summary of the main findings, in the form of a Highlights Table.

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Contents

Highlights of the Region's Performance	v
1. Introduction	1
Methodology	1
Data Quality and Format	3
2. Overview of the Economy	5
Growth Performance	5
Poverty and Inequality	8
Economic Structure	9
Demography and Environment	11
Gender	13
3. Private Sector Enabling Environment	17
Fiscal and Monetary Policy	17
Business Environment	20
Financial Sector	22
External Sector	24
Economic Infrastructure	30
Science and Technology	32
4. Pro-Poor Growth Environment	35
Health	35
Education	37
Employment and Workforce	38
Agriculture	40
Appendix. CAS Methodology	

Illustrations

Table

Table 1-1. Topic Coverage	3
---------------------------	---

Figures

Figure 2-1 Real GDP Growth, Five-Year Average	6
Figure 2-2 Gross Fixed Investment as a Percentage of GDP, Five-Year Average	7
Figure 2-3 Percentage of Population Living on Less than \$2 PPP per Day, Most Recent Year	8
Figure 2-4 Labor Productivity, Most Recent Year	10
Figure 2-5 Youth Dependency Ratio, Most Recent Year	12
Figure 2-6 Life Expectancy, Male/Female, Most Recent Year	15
Figure 3-1 Overall Budget Balance (Including Grants) as a Percentage of GDP, Most Recent Year	18
Figure 3-2 Annual Growth in Money Supply as a Percentage of GDP, Five-Year Average	20
Figure 3-3 Government Effectiveness Index, Most Recent Year	21
Figure 3-4 Domestic Credit to Private Sector as a Percentage of GDP, Most Recent Year	23
Figure 3-5 Trade as a Percentage of GDP, Five-Year Average	25
Figure 3-6 Ease of Trading Across Borders Ranking, Most Recent Year	26
Figure 3-7 Remittance Receipts as a Percentage of Exports, Most Recent Year	28
Figure 3-8 Foreign Direct Investment as a Percentage of GDP, Five-Year Average	29
Figure 3-9 Quality of Air Transportation Infrastructure Index, Most Recent Year	31
Figure 3-10 Internet Users per 1,000 People, Most Recent Year	32
Figure 4-1 Access to Improved Water Source and Sanitation, Most Recent Year	36
Figure 4-2 Expenditure per Student by Level of Education as Percentage of GDP, Most Recent Year	38
Figure 4-3 Rigidity of Employment Index, Most Recent Year	40
Figure 4-4 Agriculture Value Added per Worker, Most Recent Year	41

HIGHLIGHTS OF THE REGION'S PERFORMANCE

Economic Growth	Kazakhstan and Tajikistan have experienced strong growth in the past five years, while growth in the Kyrgyz Republic was disrupted by political events in 2005.
Poverty	Poverty has declined in all three countries in recent years but remains much higher in Tajikistan and the Kyrgyz Republic than in Kazakhstan. Income is distributed more evenly than in many countries.
Economic Structure	A steady structural shift in output away from agriculture is evident in all three countries, with the services sector leading production. Employment, however, is inefficiently concentrated in the agriculture sector, indicating a need for jobs in more productive sectors and measures to increase labor productivity in the agriculture sector.
Demography and Environment	Population growth in all three countries exceeds the median for former Soviet countries but is below global income group medians. All three countries have average to below-average scores on the Environmental Performance Index.
Gender	Female primary completion rates are high in all three countries, but Tajikistan's labor participation rate for females is low compared to the rates in Kazakhstan and the Kyrgyz Republic.
Fiscal and Monetary Policy	All three countries have reduced their budget deficits or expanded their budget surpluses. The money supply has grown rapidly in all three countries, but inflationary pressures are more pronounced in Kazakhstan and Tajikistan than in the Kyrgyz Republic.
Business Environment	Although each country's performance varies by indicator, challenges remain across the board in governance. Tajikistan is the poorest performer on most administrative and procedural indicators.
Financial Sector	Compared to Kazakhstan's increasingly sophisticated financial market, Tajikistan's financial market is weak and underdeveloped. The Kyrgyz Republic shows favorable monetary deepening, but low domestic credit to the private sector may be hindering investment.
External Sector	All three countries participate in international trade at healthy levels, yet they are the lowest-ranked countries worldwide in ease of trading across borders. Tajikistan and the Kyrgyz Republic depend heavily on workers' remittances to finance imports.
Economic Infrastructure	The three countries have relatively good rail transportation but mediocre air transportation systems. Although telecommunications and Internet services have grown rapidly in the past few years, they still lag behind those of comparators.
Science and Technology	Data are sparse but suggest that the three countries are lagging behind in the development of scientific and technological resources.
Health	Low government funding of health care is a problem across the region. HIV prevalence rates are low, but a recent increase raises concern.
Education	As a result of a strong Soviet educational system, all three countries maintain almost 100 percent youth literacy rates; low public funding of education at all levels, however, threatens to undermine this legacy and educational performance overall.
Employment and Workforce	Job creation in more productive sectors is a high priority for all three countries—particularly the Kyrgyz Republic and Tajikistan, where emigration rates are high.
Agriculture	As the three countries continue privatizing farmland, agricultural labor productivity is increasing. Tajikistan shows a marked increase in crop and livestock production from its 1999–2001 levels.

1. Introduction

This report is a follow-on to the economic performance assessments of Kazakhstan (November 2005), the Kyrgyz Republic (January 2006), and Tajikistan (March 2006) that Nathan Associates produced for the USAID/Europe and Eurasia Bureau and EGAT. Because socioeconomic conditions are changing rapidly as these countries transition from centrally planned to market-driven economies, this report relies on newly available data to provide a concise evaluation of indicators covering a broad range of issues relating to economic growth and poverty reduction in the region. The report draws on a variety of international data sources¹ and uses international benchmarking against reference group averages, comparator countries, and statistical norms to identify major constraints, trends, and opportunities for strengthening growth and reducing poverty.

This report uses two upper-middle-income countries, Bulgaria and Romania, as performance comparators. These formerly communist countries have made remarkable strides in the transition from communism. Performance is also compared to median values of former Soviet Union (FSU) countries, as well as those of the global set of upper-middle-income (UMI) countries (for Kazakhstan) and low-income (LI) countries (for the Kyrgyz Republic and Tajikistan).² Kazakhstan, the Kyrgyz Republic, and Tajikistan share a common recent historical experience as former Soviet republics but have widely varying post-Soviet outcomes. Nonetheless, their shared experiences allow for meaningful and useful comparisons. The global medians of LI and UMI countries remain useful for comparing the focus countries with countries around the world with similar incomes.

METHODOLOGY

The methodology used here is analogous to examining an automobile dashboard to see which gauges are signaling problems. Sometimes a blinking light has obvious implications—such as the need to fill the fuel tank. In other cases, it may be necessary to have a mechanic probe more

¹ Sources include the World Bank, the International Monetary Fund, the Millennium Challenge Corporation, the United Nations (including the Millennium Development Goals database), the World Economic Forum, and host-country documents and data sources. This report reflects data available as of September 2007.

² At the time of publication of our *Kazakhstan Economic Performance Assessment* (November 2005), the World Bank classified Kazakhstan as an LMI country. Accordingly, we benchmarked Kazakhstan's performance against LMI group medians. For the 2006 calendar year, the World Bank reclassified Kazakhstan as a UMI country and maintained that classification in 2007. In accordance with this change, we benchmark Kazakhstan's performance against UMI group medians in this report.

deeply to assess the source of the trouble and determine the best course of action.³ Similarly, the regional economic performance assessment is based on an examination of key economic and social indicators, to see which are signaling problems. Some “blinking” indicators have clear implications, while others may require further study.

The analysis is organized around two mutually supportive goals: transformational growth and poverty reduction.⁴ Broad-based growth is the most powerful instrument for poverty reduction. At the same time, programs to reduce poverty and lessen inequality can help to underpin rapid and sustainable growth. These interactions can create a virtuous cycle of economic transformation and human development.

Transformational growth requires a high level of investment and rising productivity. This is achieved by establishing a strong *enabling environment for private sector development*, involving multiple elements: macroeconomic stability; a sound legal and regulatory system, including secure contract and property rights; effective control of corruption; a sound and efficient financial system; openness to trade and investment; sustainable debt management; investment in education, health, and workforce skills; infrastructure development; and sustainable use of natural resources.

In turn, the impact of growth on poverty depends on policies and programs that create opportunities and build capabilities for the poor. We call this the *pro-poor growth environment*. Here, too, many elements are involved, including effective education and health systems, policies facilitating job creation, agricultural development (in countries where the poor depend predominantly on farming), dismantling barriers to micro and small enterprise development, and progress toward gender equity.

The present evaluation must be interpreted with care. A concise analysis of selected indicators cannot provide a definitive diagnosis of economic performance problems, nor simple answers to questions about programmatic priorities. Instead, the aim of the analysis is to spot signs of serious problems affecting economic growth, subject to limits of data availability and quality. The results should provide insight about potential paths for USAID intervention, to complement on-the-ground knowledge and further in-depth studies.

The remainder of the report presents the most important results of the diagnostic analysis, in three sections: Overview of the Economy; Private Sector Enabling Environment; and Pro-Poor Growth Environment. Table 1-1 summarizes the topical coverage. The appendix provides a brief explanation of the criteria used for selecting indicators, the benchmarking methodology, and a table showing the full set of indicators examined for this report.

³ Sometimes, too, the problem is faulty wiring to the indicator—analogue here to faulty data.

⁴ In USAID’s white paper *U.S. Foreign Aid: Meeting the Challenges of the Twenty-first Century* (January 2004), transformational growth is a central strategic objective, both for its innate importance as a development goal and because growth is the most powerful engine for poverty reduction.

Table 1-1
Topic Coverage

Overview of the Economy	Private Sector Enabling Environment	Pro-Poor Growth Environment
<ul style="list-style-type: none"> •Growth Performance •Poverty and Inequality •Economic Structure •Demographic and Environmental Conditions •Gender 	<ul style="list-style-type: none"> •Fiscal and Monetary Policy •Business Environment •Financial Sector •External Sector •Economic Infrastructure •Science and Technology 	<ul style="list-style-type: none"> •Health •Education •Employment and Workforce •Agriculture

DATA QUALITY AND FORMAT

The breadth and quality of economic data collected for the three Central Asian countries range from average to excellent. The Kyrgyz Republic ranks the highest among the three in the World Bank's 2006 Overall Statistical Capacity Indicator Index, with an impressive score of 93 percent, including perfect scores in both data collection and indicator availability. Some issues remain, however, with the national accounts and balance of payments statistics. Consolidation of government finance accounts and lack of monthly data on import and export price indices are the major deficiencies. Kazakhstan receives a score of 87 percent in the Overall Statistical Capacity Indicator Index, with particular strengths in statistical practice and indicator availability. Kazakhstan fares lower in data collection because of the irregularity of the agricultural census and the lack of monthly statistics for import/export price indices. The World Bank gives Tajikistan a score of 68 percent in 2006 for overall statistical capacity. Although the country has relatively good data collection standards, it ranks average or below average on indicator availability and statistical practice. Weaknesses in statistical capacity include irregularity of the agricultural census, use of an outdated consumer price index base year, and lack of monthly data on an industrial production index and import/export price indices. These problems do not significantly affect the analysis in the present report.

2. Overview of the Economy

This section reviews basic information on the three Central Asian countries' macroeconomic performance, poverty and inequality, economic structure, demographic and environmental conditions, and indicators of gender equity. Some of the indicators cited here are descriptive rather than analytical and are included to provide context for the performance analysis.

GROWTH PERFORMANCE

Kazakhstan narrowly qualifies as a UMI country according to the World Bank classification,⁵ while the Kyrgyz Republic and Tajikistan are LI countries. Although Kazakhstan is the richest of the three Central Asian countries, its 2006 per capita GDP in current U.S. dollars of \$5,113 was below the median of its income group (US\$6,090). Tajikistan, with a per capita GDP of \$441 in current U.S. dollars, fared slightly worse than the median in its income group (US\$457), while the Kyrgyz Republic performed better, with a per capita GDP of US\$542. Both countries, however, fall far short of the FSU median of US\$1,799. The story remains the same when the purchasing power parity (PPP) method of income calculation is used: Kazakhstan (PPP \$9,294) edges out all former Soviet Union countries but remains below the UMI median (PPP \$11,861). The Kyrgyz Republic (PPP \$2,150) performs better than the LI median (PPP \$1,672), while Tajikistan (PPP \$1,501) lags behind, and both countries remain considerably below the FSU median of PPP \$5,085.⁶

Of the three countries, Kazakhstan registers the most stable and highest GDP growth rate, averaging 9.8 percent per annum in the five years to 2006, when output expanded at an estimated 10.6 percent (Figure 2-1). Kazakhstan's GDP growth is buoyed by robust oil and non-oil revenues and surpasses all international benchmarks, including the regression benchmark for a country with Kazakhstan's characteristics and the FSU median (both at 8.1 percent), as well as the UMI median (5.9 percent). Indeed, the IMF estimates that Kazakhstan's non-oil GDP growth alone will remain close to 10 percent in 2007.⁷ Tajikistan follows, with an estimated output expansion of 7.0 percent in 2006, which, though more than 3.5 percentage points less than its 2004 level because of considerable disruptions in energy supply, is still higher than the GDP

⁵ The groups are: low income, \$905 or less; lower middle income, \$906–\$3,595; upper middle income, \$3,596–\$11,115; and high income, \$11,116 or more.
<http://web.worldbank.org/WBSITE/EXTERNAL/DATASTATISTICS/0,,contentMDK:20420458~menuPK:64133156~pagePK:64133150~piPK:64133175~theSitePK:239419,00.html>.

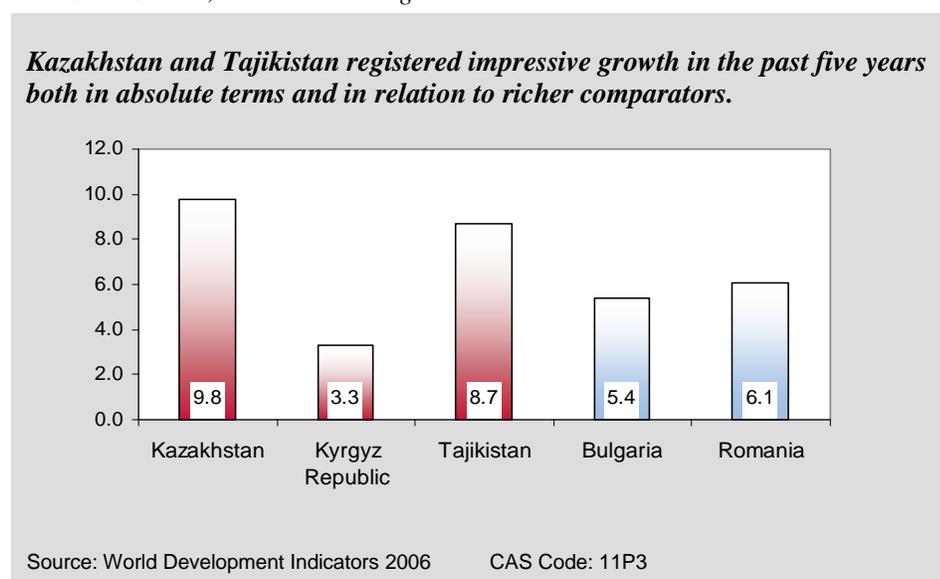
⁶ The 2006 per capita income figures in both current U.S. dollars and PPP for Kazakhstan, Kyrgyz Republic, and Tajikistan are IMF estimates.

⁷ IMF, Article IV Consultation-Staff Report, July 2007.

growth rate in LI countries globally (5.8 percent). Tajikistan's recent growth is attributable mainly to a surge in construction activity as well as significant remittance flows.⁸ The Kyrgyz Republic's growth rate was estimated at a modest 2.7 percent in 2006; though lower than all comparable benchmarks, it is an improvement over the rate in the previous year, when output contracted by 0.2 percent in real terms.⁹ GDP, which is sustained largely by gold mining and hydropower, declined partly because of the March 2005 Tulip Revolution, which ousted the government, and partly because of the repercussions of a series of accidents at the Kumtor gold mine since 1998. Nonetheless, a swift rebound may be expected because of soaring gold prices globally and the country's strengthening of tax revenue. Indeed, the IMF projects output to grow by 6.5 percent in 2007.¹⁰

Figure 2-1

Real GDP Growth, Five-Year Average



Gross fixed investment among the three countries is highest in Kazakhstan, averaging 26.3 percent of GDP in 2002–2006. This is higher than all comparable benchmarks: the FSU median (23.7 percent), UMI median (20.2 percent), and even Romania's rate (24.6 percent) and Bulgaria's rate (26.2 percent). Gross fixed investment in the Kyrgyz Republic and Tajikistan, however, averaged 15.7 percent and 12.6 percent of GDP, respectively—below all benchmarks (Figure 2-2).

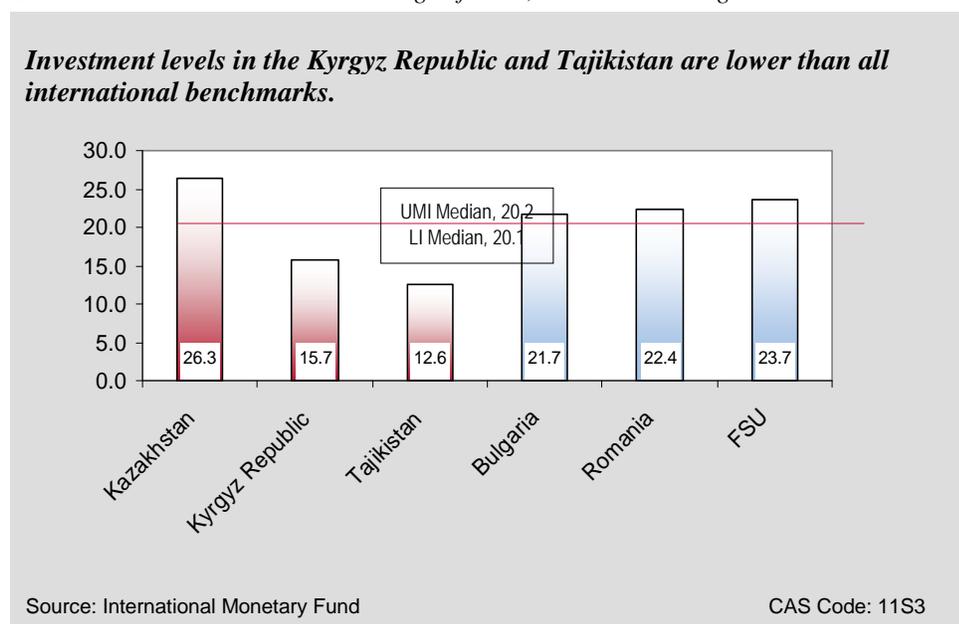
⁸ IMF, *Republic of Tajikistan, 2006 Article IV Consultation—Staff Report*, April 2007 notes that recorded remittance receipts to Tajikistan as a percentage of GDP are among the highest in the world.

⁹ Kyrgyz Republic noted a negative GDP growth rate in 2005, despite an increase in output in current USD as well as PPP\$, due to an appreciation of the som against the dollar. The IMF 2007 Article IV Consultation-Staff Report notes that the som has appreciated by nearly 5 percent since end-2004.

¹⁰ IMF, *Fourth Review under the Three-year Arrangement under the Poverty Reduction and Growth Facility and Request for Modification of Quantitative Performance Criteria – Staff Report*. June 2007.

Figure 2-2

Gross Fixed Investment as a Percentage of GDP, Five-Year Average



In Tajikistan, despite the low rates of fixed investment, economic growth is supported by remarkable investment *efficiency*, as seen in the incremental capital-output ratio (ICOR), which averaged 1.2 in the five years to 2006. To put this in perspective, \$1.2 of capital investment has been required to achieve an extra dollar of output in Tajikistan. By this gauge, investment efficiency in Tajikistan is enviable compared to that in Kazakhstan (2.3), the Kyrgyz Republic (4.1), Romania (3.8), Bulgaria (4.1), the FSU median (4.1), LI countries (4.3), and even UMI countries (5.7).¹¹ Tajikistan can capitalize on its current investment efficiency by encouraging more private investment and by channeling its remittances to investment activities. Currently, private investment in Tajikistan makes up less than 50 percent of total gross fixed investment while private investment accounts for more than 83 percent of domestic investment in Kazakhstan and more than 74 percent in the Kyrgyz Republic.

Kazakhstan's strong gross fixed investment and investment efficiency in relation to the UMI medians demonstrate the country's considerable potential for further growth. Similarly, Tajikistan's growth performance is promising; nonetheless, strategies to institute a social safety net in case of remittance interruption and to encourage private investment are needed. The Kyrgyz Republic's low investment rate, coupled with its low investment efficiency, may impede stronger economic growth, particularly if global gold prices stabilize.

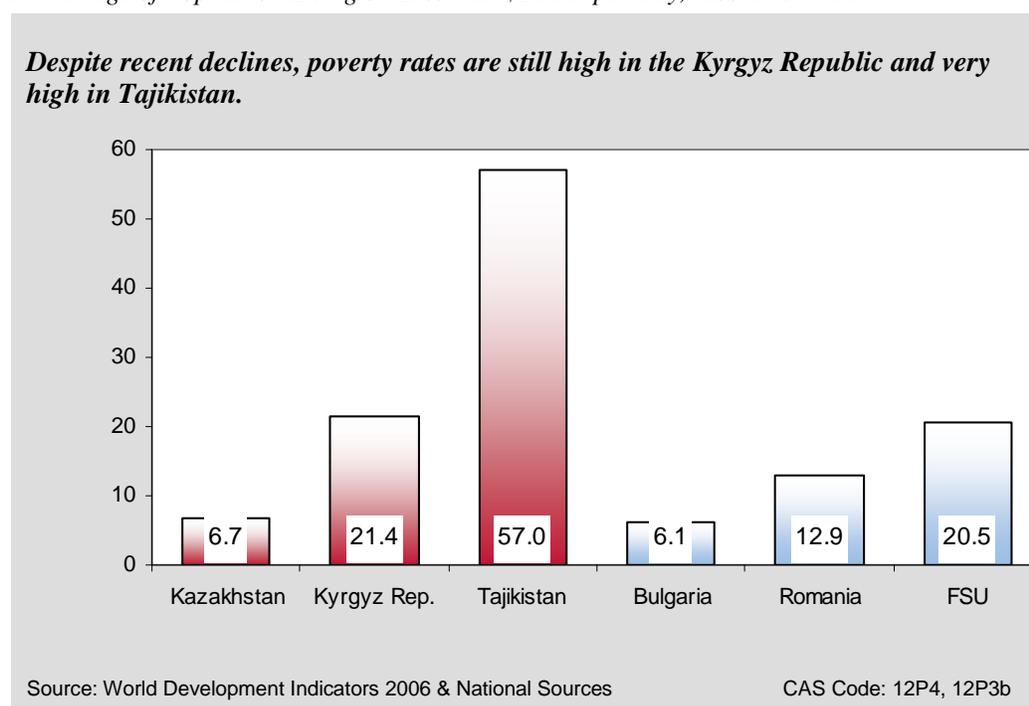
¹¹ The factors contributing to Tajikistan's strong investment efficiency are not entirely clear. It must be noted, however, that Tajikistan's economy is in great extent supported by remittance flows. The extent to which remittances fund consumption vs. investment is not known; however, if remittances flow primarily to consumption, then the ICOR might reflect the disproportionate role of remittance-driven consumption in driving growth, rather than extraordinary efficiency of investment.

POVERTY AND INEQUALITY

National performance with respect to poverty and inequality is driven by many factors, ranging from the availability of natural resources to political stability and the business environment. The three countries covered by this study range from among the richest to among the poorest of former Soviet republics, but poverty has been declining in all three. In Kazakhstan, the share of the population living on less than \$2 PPP per day fell from 8.2 percent in 2003 to 6.7 percent in 2004 (latest figures); in Tajikistan, it fell from 64.0 percent to 57.0 percent over the same period, and in the Kyrgyz Republic, it fell from 27.2 percent in 2001 to 21.4 percent in 2003¹² (Figure 2-3).

Figure 2-3

Percentage of Population Living on Less than \$2 PPP per Day, Most Recent Year



Income inequality is less of a problem in Kazakhstan, the Kyrgyz Republic, and Tajikistan than in many other countries: the share of income held by the poorest 20 percent of the population in 2003 in Kazakhstan (7.4 percent) and in Tajikistan (7.9 percent) is close to the FSU median of 7.8 percent. In the Kyrgyz Republic, 8.9 percent of income accrued to the poorest 20 percent in 2003, which is higher than in Bulgaria (8.7 percent), Romania (8.1 percent), and the average of the five highest performers on this indicator globally (8.7 percent).

Despite the relatively equitable distribution of income at the national level, regional disparities within countries persist. In Tajikistan, 64 percent of the population of Sogd Province and 78 percent of the population of Khatlon Province lived on less than \$2 PPP per day in 2003,

¹² The percentage of the population living on less than \$2 PPP per day in 2003 is actually an increase over the Kyrgyz Republic's 1999 figure of 12.3 percent, but the rate appears to have declined since 2001.

whereas only 49 percent of the people in Dushanbe and 45 percent in the centrally controlled Region of Republican Subordination are so poor.¹³ In the Kyrgyz Republic, poverty is higher in the Talas and Naryn oblasts than in other areas.¹⁴

In the Kyrgyz Republic and Tajikistan, worker remittances are an important part of the economy and a vital consideration for poverty reduction: in 2005 they equaled 13 percent of GDP in the Kyrgyz Republic and more than 20 percent in Tajikistan. In Tajikistan alone, an estimated 620,000 labor migrants—nearly 10 percent of the population—go abroad to work each year, primarily to Russia, but to other Central Asian Republics as well. Remittances are one of the principal sources of livelihood in Tajikistan's rural areas.¹⁵ Channeling remittances into productive investment should be a cornerstone of poverty reduction strategies in both countries (See External Sector, p. 24 for more on this topic).

ECONOMIC STRUCTURE

The three countries' economies are exhibiting a slow but steady structural transformation, broadly in line with international development experience. The contribution of agriculture to GDP is declining gradually in all three: from 2001 to 2005, agricultural output declined from 9.4 percent to 6.8 percent of GDP in Kazakhstan; from 37.3 percent to 34.1 percent in the Kyrgyz Republic, and from 26.2 percent to 24.4 percent in Tajikistan.¹⁶ Over the same period, the services sector—the leading sector in all three countries—expanded at rates of 1.1 percent in Kazakhstan, 6.6 percent in the Kyrgyz Republic, and an impressive 7.0 percent in Tajikistan. The services sector accounted for over half of GDP—53.7 percent—in Kazakhstan, 45.0 percent in the Kyrgyz Republic, and 43.7 percent in Tajikistan. In the Kyrgyz Republic and Tajikistan, this performance is comparable to their income group median (43.2 percent) and the FSU median (46.4 percent), but Kazakhstan performs worse than the UMI median (63.4 percent) and Bulgaria (58.7 percent).

Structural differences in output are important because of the difference in labor productivity among sectors in all three countries: labor productivity is high in manufacturing and very low in agriculture. This can be seen by comparing the latest available data for output shares and employment shares (Figure 2-4).

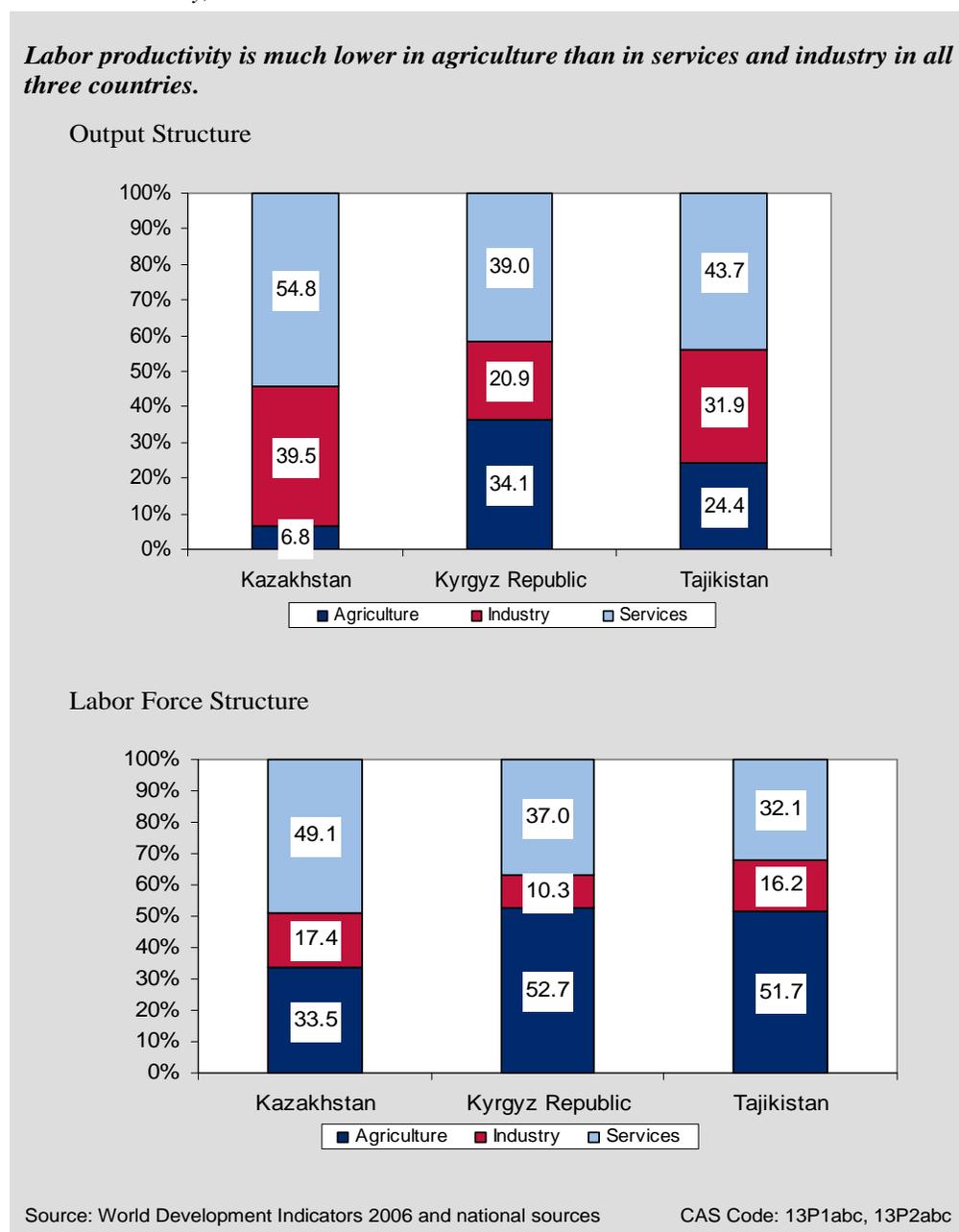
¹³ Tajikistan Draft Poverty Reduction Strategy for 2007–2009. www.undp.tj.

¹⁴ Kyrgyz Republic Millennium Development Goals Progress Report, 2003, 14. www.undp.kg.

¹⁵ UN Office for the Coordination of Humanitarian Affairs, "Tajikistan: Remittances – a Tool for Development," *IRIN News*, May 18, 2005. <http://www.irinnews.org/Report.aspx?ReportId=28614>, accessed October 4, 2007.

¹⁶ The share of output in agriculture actually increased in 2005 (24.4 percent) and 2003 (27.1 percent) for Tajikistan from the previous years. Nonetheless, these are aberrations in the declining trend noticeable since 1997, when the share of agriculture in output was 35.4 percent.

Figure 2-4
Labor Productivity, Most Recent Year



In 2005, more than half the labor force in Tajikistan was employed in the agriculture sector, yet the sector produced less than a quarter of total output. Similarly, in 2004, more than one-third of the labor force was employed in agriculture in Kazakhstan but produced less than one-tenth of total output.¹⁷ In contrast, in 2002 (most recent data), the manufacturing sector in the Kyrgyz Republic employed 10.3 percent of the total work force but produced 23.3 percent of total

¹⁷ Comparisons across sectors to assess labor productivity refer to the latest year of data availability for both employment and output.

output;¹⁸ similar productivity levels are observed in Kazakhstan, where 17.4 percent of the labor force produced 37.6 percent of output in 2004, and Tajikistan, where 16.9 percent of the labor force produced 31.9 percent of total output in 2005.

These disparities in labor productivity mean that each industrial worker in Tajikistan produces nearly four times as much output as each agricultural worker; in Kazakhstan, the figure is more than nine times, and in the Kyrgyz Republic it is more than three times. In Kazakhstan, average productivity in the services sector was nearly five times higher than in agriculture; it was nearly 1.5 times higher in the Kyrgyz Republic and nearly three times higher in Tajikistan. These figures reveal gross inefficiencies in labor allocation in the three Central Asian economies and point to the need to implement not just programs that boost productivity in agriculture but also those that stimulate investment and more rapid job creation in the industrial and services sectors to increase aggregate labor productivity and enhance overall economic growth.

DEMOGRAPHY AND ENVIRONMENT

Since the 1990s, Central Asia has experienced significant emigration and decreasing birth rates.¹⁹ Estimates for 2006 put the population of Kazakhstan at 15.1 million, that of the Kyrgyz Republic at 5.2 million, and that of Tajikistan at 6.4 million.²⁰ The average rates of population growth in the period 2002–2006 in all three countries exceeded the FSU median (0.3 percent) but did not reach the countries' global income group medians: Tajikistan's and the Kyrgyz Republic's populations grew at average rates of 1.1 percent and 0.9 percent per year, respectively, compared to the LI group median of 2.2 percent, while Kazakhstan's population grew at an average annual rate of 0.5 percent, compared to the UMI median of 0.8 percent.

Looking ahead, the United Nations World Population Prospects predicts that by 2025 the population of Kazakhstan will decline slightly, by 0.3 million, while the population in Tajikistan and the Kyrgyz Republic will continue to increase, by 2.6 million and 1.3 million, respectively. All three countries have a much more stable population forecast than the majority of their former Soviet Union counterparts, as well as Romania (-2.3 million) and Bulgaria (-1.5 million).²¹

Although the populations of these Central Asian countries are not increasing dramatically, their composition is changing. The change is reflected in the countries' youth and elderly dependency rates. The youth dependency rate²² has decreased steadily over the past five years in Kazakhstan,

¹⁸ This report uses data from the World Development Indicators (2007) instead of statistics from the National Statistical Committee of the Kyrgyz Republic because the Kyrgyz statistics appear to account for registered employment only, thereby grossly misrepresenting the sector distribution of the labor force.

¹⁹ "From Red to Gray, 'The Third Transition' of Aging Populations in Eastern Europe and the Former Soviet Union," World Bank, 2007.

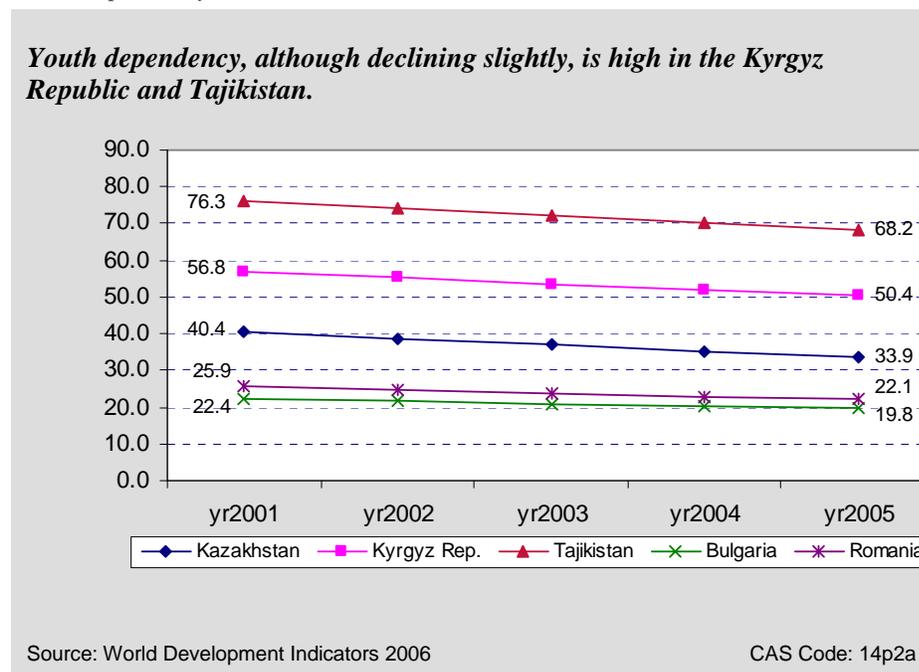
²⁰ Official censuses in Kazakhstan and Kyrgyz Republic were last taken in 1999 and in Tajikistan in 2000. Figures for 2006 are IMF estimates.

²¹ "From Red to Gray." Population projections were drawn from *World Population Prospects: The 2004 Revision*.

²² The youth dependency rate is calculated as the percentage of the population below age 15 divided by the working age population.

where the population under 15 currently sits at 33.9 percent of the working-age population (persons aged 15–64)—close to the UMI median (39.1 percent), but higher than the rates of Bulgaria (19.8 percent) and Romania (22.1 percent). In contrast, the youth dependency rate remains extremely high in both Tajikistan (68.2 percent) and the Kyrgyz Republic (50.4 percent). These figures represent declines from 2000—of 8 percentage points in the Kyrgyz Republic and 9.8 percentage points in Tajikistan—and are lower than the LI average (79.4 percent). Nevertheless, they remain much higher than the FSU median of 34.0 percent. Tajikistan’s rate is more than triple Romania’s 22.1 percent (Figure 2-5). High youth dependency rates place a heavy educational spending burden on the working-age population.

Figure 2-5
Youth Dependency Ratio, Most Recent Year



The elderly dependency rate²³ reveals that a smaller proportion of the population is over 65 in Tajikistan (6.8 percent of the working age population) and the Kyrgyz Republic (9.8 percent) than in Kazakhstan (12.4 percent). An aging population is a significant concern in the majority of FSU countries, yet all three Central Asian states have lower elderly dependency rates than the FSU median of 13.3 percent, and much lower than either Romania (21.1 percent) or Bulgaria (24.2 percent). Kazakhstan’s rate, however, has increased by 1.6 percent in the past five years (from 10.8 percent in 2001 to 12.4 percent in 2005).

Other important structural characteristics of the population include the adult literacy and urbanization rates (the proportion of the population living in urbanized areas). All three countries

²³ Elderly dependency rate is calculated as the percentage of the population over age 65 divided by the working age population

have extremely high literacy rates, surpassing their respective income group medians. This excellent performance is common in the region, as most adults were educated under the strong Soviet educational system. In terms of urbanization, however, much of Central Asia rates lower than other FSU countries. The median urbanization rate for the FSU is 51.9 percent; of the three countries in this study, only Kazakhstan is more urbanized (57.3 percent). The Kyrgyz Republic (35.8 percent) and Tajikistan (24.7 percent) fall significantly below the FSU median, and Tajikistan's score falls below even the LI median (30.6 percent). These figures underscore the importance of rural development for poverty reduction in Tajikistan and the Kyrgyz Republic.

The UNDP notes, "The legacy of the Soviet Union has also left the Central Asian states with a severe environmental crisis. The land, air, and soil were often irreversibly damaged through industrial practices and complete disregard for the local environment."²⁴ All three Central Asian countries have average to below-average scores on the Environmental Performance Index (1 being poor and 100 being exemplary). In 2006, Kazakhstan received a score of 63.5, the Kyrgyz Republic a score of 60.5, and Tajikistan a score of 48.2. These scores place both the Kyrgyz Republic and Tajikistan below the FSU median of 61.4 and Tajikistan below even the LI median of 51.0. In Tajikistan, the lowest-scoring of the three countries, areas of particular concern are indoor air pollution, with a score of 0, and drinking water, with a score of 24.2.

GENDER

Gender equity enables economic growth by ensuring that the productive capacities of all citizens can be developed and used to the fullest extent. Countries with high levels of gender equity tend to exhibit high levels of human development in addition to greater productivity and growth. Because gender equity was one of the central accomplishments of the Soviet Union, these Central Asian countries perform better on a number of gender equity indicators than their income group peers. Since the collapse of the Soviet Union, however, women have lost ground, especially in political representation and employment opportunity, and have become more vulnerable as a result.²⁵

Among these Central Asian countries, gender equity varies significantly. Gender disparity in the labor market is especially evident in Tajikistan, where the female labor force participation rate is only 50.2 percent. This is significantly lower than in the Kyrgyz Republic (61.5 percent) and Kazakhstan (74.7 percent). Kazakhstan's female labor force participation also exceeds the FSU median (63.3 percent) and UMI median (56.7 percent).

The Soviet educational legacy remains evident in girls' primary completion rate, as all three countries scored much higher on this indicator than their income group medians. In Tajikistan, however, female enrollment rates²⁶ are lower than in the other Central Asian countries, Bulgaria, or Romania. An increasing number of girls in Tajikistan are leaving school before completion,

²⁴ UNDP: Europe and the Commonwealth of Independent States, http://europeandcis.undp.org/?menu=p_region®ionID=6, accessed September 18, 2007.

²⁵ Central Asia Human Development Report, 2005.

²⁶ The male-to-female gross enrollment rate is the ratio of total enrollments in primary, secondary, and tertiary education to the total school-age population for all three levels.

leaving the female gross enrollment rate for 2004 at 65 percent. This is 12 percentage points lower than Tajikistan's gross male enrollment rate, at 77.0 percent. Kazakhstan's gross female enrollment rate (93.0 percent), in contrast, has trended in the opposite direction and is especially high in relation not only to the FSU median (77 percent) but also to Bulgaria (81 percent), Romania (77 percent), and the UMI median (81 percent). The Kyrgyz Republic scores close to Bulgaria, Romania, and the FSU median, with a female gross enrollment rate of 80 percent (see Education, p. 37, for further discussion of this issue).

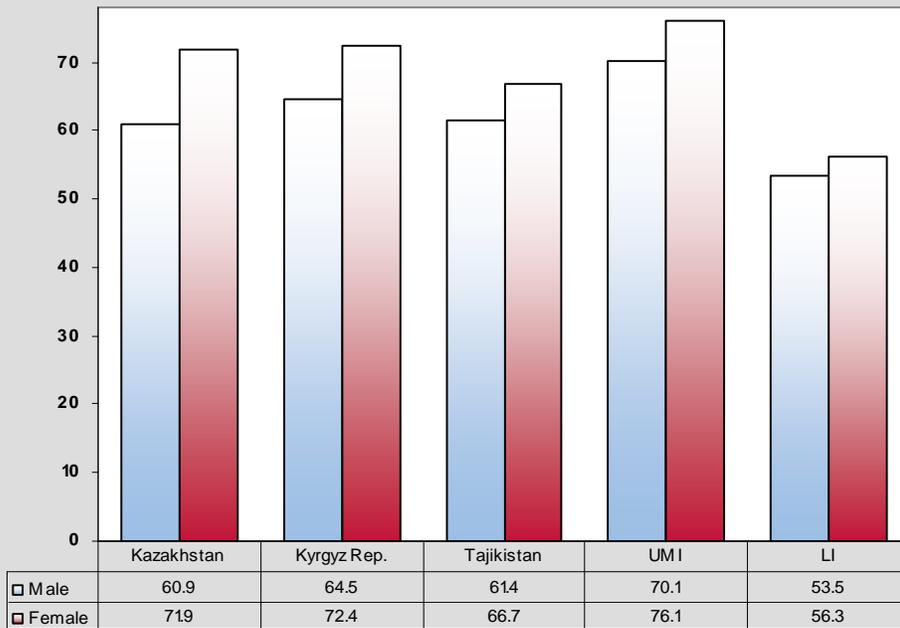
Life expectancy is a fundamental indicator of health conditions. As in many countries, women in Central Asia enjoy a longer life expectancy than men. Women's life expectancy in the three Central Asian republics in this study ranges from 66.7 years in Tajikistan to 71.9 years in Kazakhstan and 72.4 years in the Kyrgyz Republic. While Tajikistan's female life expectancy rate is lower than the FSU median (71.5 years), the rates of Kazakhstan and the Kyrgyz Republic are both higher than this median, and the rates of Tajikistan and the Kyrgyz Republic are significantly higher than the LI median of 56.3 years—a notable strong point for these countries.

The male-to-female life expectancy ratio in Kazakhstan is worrisome, however: an 11-year difference in male and female mortality rates (60.9 years for men, compared to the 71.9 years for women in 2005) is a significantly larger gap than in Tajikistan (5.3 years) and the Kyrgyz Republic (7.9 years) and than the FSU median gap (8.8 years). Indeed, Kazakhstan's gender disparity in life expectancy is one of the highest in the world. Kazakhstan's gap reflects a mortality crisis that is occurring in a majority of FSU countries. The World Bank attributes much of this drop in life expectancy in men to an increase in mental illness, suicide rates, and risk-taking behavior, including extremely high alcohol and tobacco usage among men in the FSU²⁷ (Figure 2-6).

²⁷ Paci, Pierella, "Gender in Transition," World Bank, 2002

Figure 2-6
Life Expectancy, Male/Female, Most Recent Year

The disparity in life expectancy between male and female is most pronounced in Kazakhstan.



Source: World Development Indicators 2006

CAS Code: 15p3a-b

3. Private Sector Enabling Environment

This section reviews key indicators of the enabling environment for encouraging rapid and efficient growth of the private sector. Sound fiscal and monetary policies are essential for macroeconomic stability, which is a necessary (though not sufficient) condition for sustained growth. A dynamic market economy also depends on basic institutional foundations, including secure property rights, an effective system for enforcing contracts, and an efficient regulatory environment that does not impose undue barriers on business activities. Financial institutions play a major role in mobilizing and allocating saving, facilitating transactions, and creating instruments for risk management. Access to the global economy is another pillar of a good enabling environment because the external sector is a central source of potential markets, modern inputs, technology, and finance, as well as competitive pressure for improving efficiency and productivity. Equally important is development of the physical infrastructure to support production and trade. Finally, developing countries need to adapt and apply science and technology to attract efficient investment, improve competitiveness, and stimulate productivity.

FISCAL AND MONETARY POLICY

Kazakhstan and Tajikistan have exercised fiscal prudence in recent years, and the Kyrgyz Republic has shown consistent improvement in this area. Kazakhstan's budget surplus of 7.5 percent in 2006 was nearly double the average of the five highest surpluses worldwide in 2004 (3.9 percent),²⁸ and more than double Bulgaria's in 2006 (3.6 percent). Tajikistan ran a surplus of 1.7 percent in 2006 after running deficits in the four previous years. The Kyrgyz Republic's budget deficit has shrunk every year since 2002; at 2.3 percent in 2006, it was less than half the deficit of 5.6 percent four years earlier (Figure 3-1).

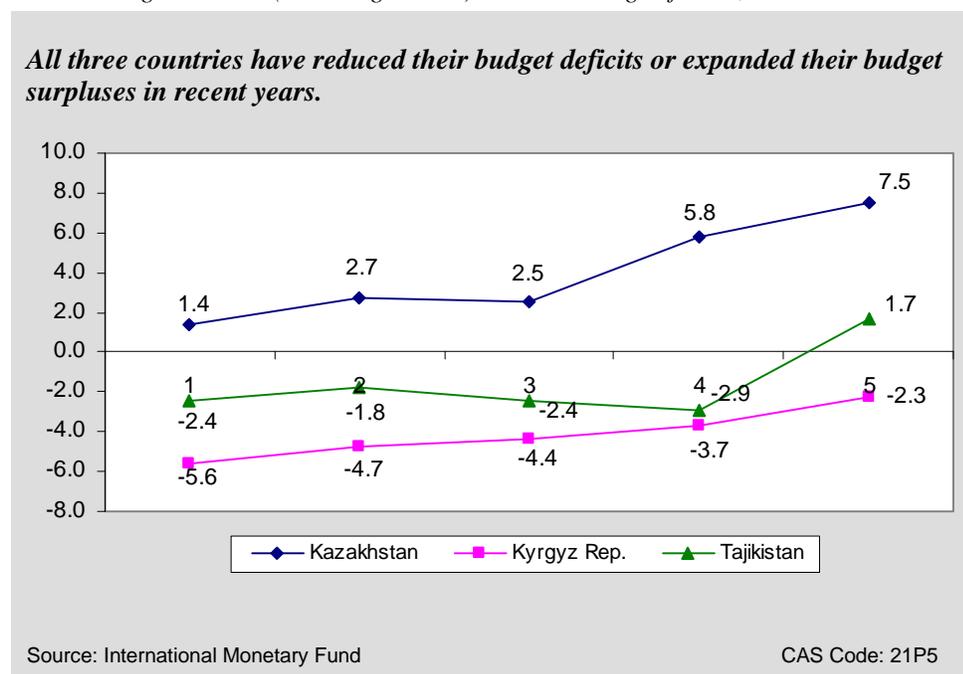
Kazakhstan's surplus has grown in recent years thanks to strong oil and non-oil tax revenues and improvements in tax administration. Between 2002 and 2005, the share of government revenues from international trade taxes dropped from 7.0 percent to 3.6 percent and the share from "grants and other revenue" dropped from 16.5 percent to 8.9 percent, while the share from taxes on income, profits, and capital gains rose from 38.1 percent to 48.6 percent. Like Kazakhstan,

²⁸ This is the last year for which global benchmarking data are available. Since 2005, the World Bank's *World Development Indicators* has reported government *expense* rather than expenditure as a percentage of GDP, but data are available for only a limited number of countries. See the Technical Notes to this report for an explanation of the differences between expense and expenditure.

Tajikistan has become less dependent on trade taxes, which accounted for 7.7 percent of revenues in 2006 compared to 22 percent in 2002. While increased grants helped Tajikistan's fiscal performance,²⁹ so did tax administration reforms, public financial management reforms, and prudent spending. Nevertheless, the IMF notes that tax collections as a percentage of GDP (16.6 percent in 2005) remain low compared to those of other FSU countries, and weaknesses remain in tax compliance and financial monitoring of state enterprises.³⁰ In the Kyrgyz Republic, the gains in fiscal performance are threatened by planned increases for spending on public sector wages and pensions, and Parliament's reduction of the retirement age from 63 to 60. Stronger expenditure control, public financial management, and tax administration remain high priorities for the country.³¹

Figure 3-1

Overall Budget Balance (Including Grants) as a Percentage of GDP, Most Recent Year



Inflation

Inflation has been higher in Tajikistan and Kazakhstan than in the Kyrgyz Republic. Tajikistan's average annual consumer price inflation dipped to single digits in 2004 and 2005, only to rise to 10.1 percent in 2006. The latter figure is higher than the FSU median of 8.9 percent and the global LI median of 7.9 percent. On average, consumer prices in Kazakhstan rose by 8.6 percent

²⁹ The share of grants and other revenue rose to 29.5 percent, in part because of debt relief under the Multilateral Debt Relief Initiative in 2006 worth 3.5 percent of GDP. IMF, *Republic of Tajikistan: 2006 Article IV Consultation—Staff Report*, Country Report 07/144, April 2007, 22.

³⁰ *Ibid.*, 13–15.

³¹ IMF, *Kyrgyz Republic: Fourth Review*, 12–13.

in 2006; this was more than double the average for UMI countries worldwide (3.8 percent) and higher than the rates in Bulgaria (7.3 percent) and Romania (6.6 percent).

Factors contributing to inflation in Tajikistan included a poor harvest, gas price increases, and remittance-related increases in demand.³² An additional factor was high money supply growth (56.3 percent in 2006). This is a concern because excess growth in the supply of money, relative to the rate of real economic growth, is the principal cause of high and sustained inflation.

Tajikistan's money supply grew in the context of an intentionally loose monetary policy, as the central bank sought to keep demand high in advance of presidential elections.³³ By comparison, the money supply grew at a rate of 24.5 percent in Bulgaria and 20.2 percent in Romania in 2005. In light of Tajikistan's persistent struggles with inflation, which do not appear to be due to fiscal imbalance, assistance to monetary authorities to manage inflationary pressures seems warranted.

In Kazakhstan, inflation has been driven by dramatic growth in the money supply, which grew by an average of 47 percent each of the past five years, and by nearly 80 percent in 2006. Surging credit to the private sector and capital inflows have driven money supply growth: banks are borrowing heavily abroad to fund the former, while the latter is due in part to expectations of further appreciation of the tenge (see Financial Sector, p. 22, for more on structural factors behind money supply growth; see External Sector, p. 24, for more on exchange rates). The IMF has suggested that higher reserve requirements and greater exchange rate flexibility could help contain inflationary pressures.³⁴

In the Kyrgyz Republic, inflation crept upwards from 2.1 percent in 2002 to 5.6 percent in 2006, but remained below the global LI median of 7.9 percent. Annual money supply growth has averaged more than 30 percent since 2002; as in Kazakhstan, the leading factors are growth in credit to the private sector and net foreign assets. The government has committed to controlling liquidity growth, and the IMF projects that inflation will be lower in 2007³⁵ (Figure 3-2).

³² IMF, *Republic of Tajikistan: 2006 Article IV*, 4. Although our sources do not indicate goods for which remittances most affect demand, it seems plausible that remittances stimulate demand for both consumption and capital goods (e.g., manufacturing equipment).

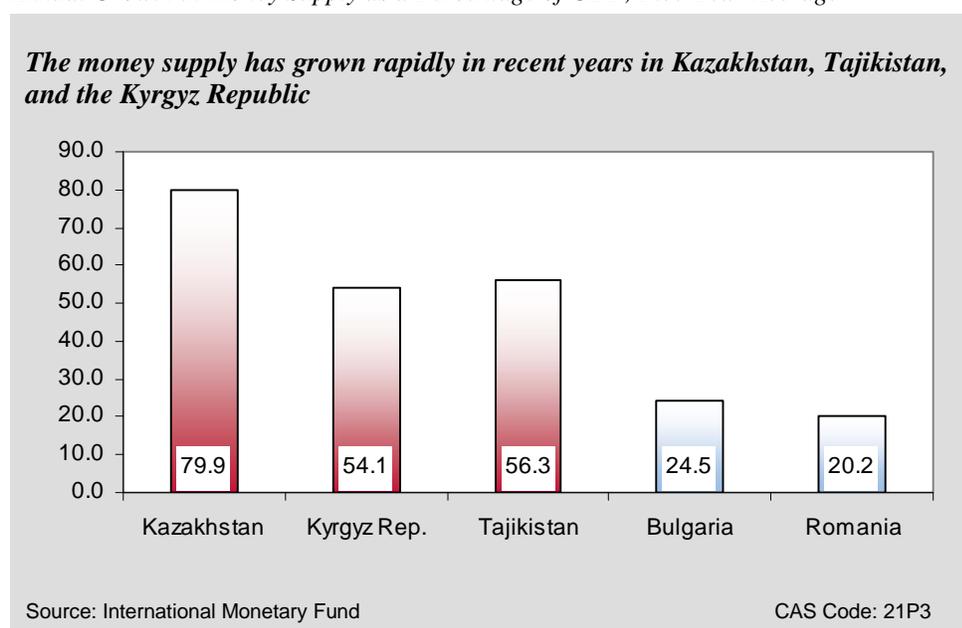
³³ The money supply growth figure quoted here is from the IMF, *Middle East and Central Asia Regional Economic Outlook*, 39. The IMF's April 2007 Article IV report for Tajikistan estimates broad money supply growth at 40.6 percent, while September 2007 IMF International Financial Statistics show growth at 59.7 percent. The source for our comment on the political factors behind Tajikistan's loose monetary policy in 2006 is the April 2007 Article IV report, p. 8.

³⁴ IMF, *Republic of Kazakhstan: 2007 Article IV*, 7. The report describes Kazakhstan's exchange rate regime as a "managed float" and notes that the currency became more flexible vis-à-vis the dollar in 2007.

³⁵ IMF, *Kyrgyz Republic: 2006 Article IV Consultation, Third Review Under the Poverty Reduction and Growth Facility, and Request for Waiver of Structural Performance Criterion—Staff Report, Country Report 07/135*, March 2007, 18 and 24.

Figure 3-2

Annual Growth in Money Supply as a Percentage of GDP, Five-Year Average



BUSINESS ENVIRONMENT

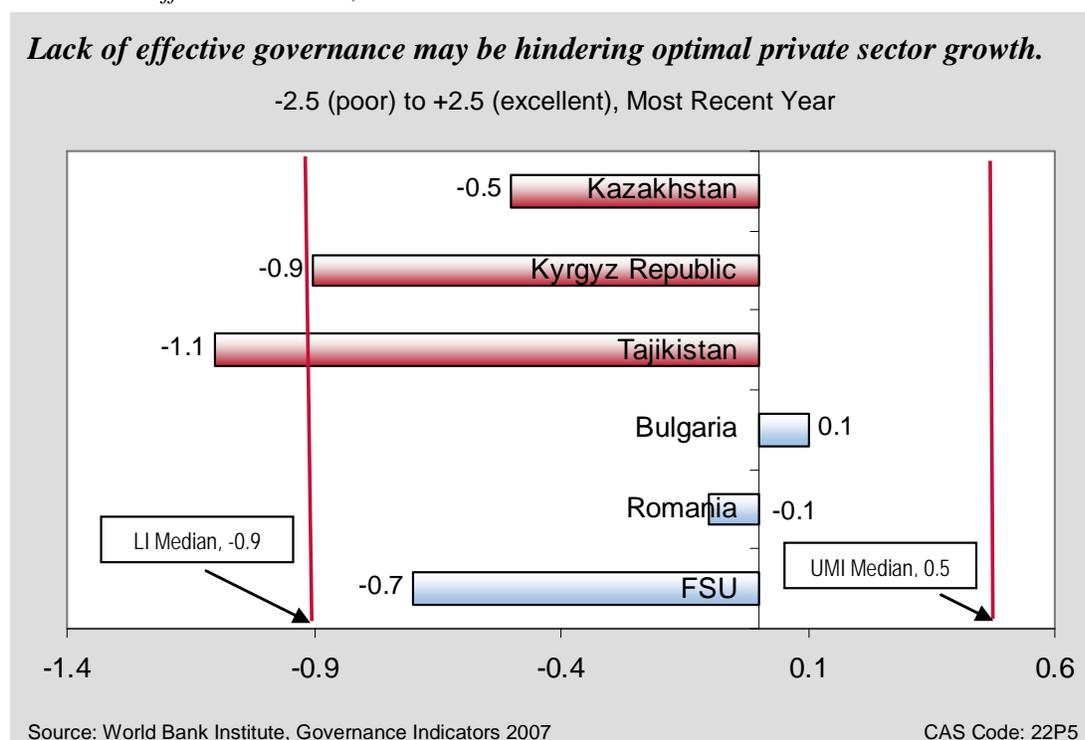
Institutional barriers to doing business, including corruption in government, are critical determinants of private sector development and prospects for sustainable growth. Of 178 countries ranked in 2007, the World Bank's global Ease of Doing Business index ranks Kazakhstan at 71, the Kyrgyz Republic at 94, and Tajikistan at 153. The Kyrgyz Republic is 52 places higher than the LI median (146), while Kazakhstan and Tajikistan rank below the median of their respective income groups with the UMI median ranking of 59. Kazakhstan and the Kyrgyz Republic fare better than the median for FSU countries (97). Nonetheless, significant problems remain, particularly in the realm of governance.

The three countries, and FSU countries in general, score very poorly on the World Bank Institute's governance indicators—Control of Corruption Index, Rule of Law Index, Regulatory Quality Index and Government Effectiveness Index, all of which are expressed on a scale of -2.5 (poor) to +2.5 (exceptional) with a global mean of 0.0. Their scores are not only below the global mean but are comparable to the median scores of LI countries,³⁶ even though the Central Asian countries demonstrate very strong performance in many key economic indicators vis-à-vis LI countries (e.g., GDP per capita, trade as a percentage of GDP). For instance, on the Rule of Law index for 2006, Kazakhstan scores -0.8, the Kyrgyz Republic -1.2, and Tajikistan -1.1, similar to the LI median of -0.9 and in sharp contrast to the UMI median of +0.3. Similarly, on the Government Effectiveness index for 2006, Kazakhstan scored -0.5, the Kyrgyz Republic -0.9, and Tajikistan -1.1. Corresponding figures for the medians of the FSU, UMI countries, and LI

³⁶ Comparisons of the governance indicators between countries must be interpreted with caution due to considerable uncertainty in their estimation. Similarly, implications from time-series changes for a particular country may be misleading because these indices do not compensate for changes in the world average.

countries are -0.7, -0.5, and -0.9 respectively (Figure 3-3). Tajikistan's performance for this indicator, near the global lowest-five average of -1.7, is particularly worrisome, but the government of Tajikistan recognizes the importance of improving governance³⁷ In the Kyrgyz Republic, the majority of governance indices dropped by 0.1 to 0.5 points in 2005, perhaps reflecting an erosion of public confidence in the government since the 2005 Tulip Revolution.

Figure 3-3
Government Effectiveness Index, Most Recent Year



Administrative barriers, including the number of legal procedures required to operate a business, add to the length and cost of operating a business. Here, the performance of the three Central Asian countries runs the gamut from best to worst. Kazakhstan and the Kyrgyz Republic provide relatively conducive environments for starting a business, which takes 8 procedures and 21 days in both countries. In Kazakhstan starting a business takes approximately 7.6 percent of gross national income (GNI) per capita; in the Kyrgyz Republic, 8.8 percent. These times and costs are better than the FSU medians of 9.3 procedures, 27.7 days, and 9.7 percent of GNI per capita, as well as the UMI countries' median of 9 procedures, 31 days, and 12.4 percent. In contrast, in Tajikistan starting a business takes 13 procedures, 49 days, and a whopping 39.6 percent of GNI per capita. The medians in LI countries are 10 procedures, 43 days, and an astronomical 100.0 percent of GNI per capita. It takes only 4 days to register property in the Kyrgyz Republic, which places the country near the world's top-five performing countries, which average 2 days. Registering property takes 52 days to in Kazakhstan, which is comparable to the 51-day median

³⁷ IMF, April 2007. Republic of Tajikistan: Article IV Consultation—Staff Report.

required in UMI countries and the 52-day median in FSU countries. Registering property in Tajikistan takes 37 days, less half the 78-day median of LI countries.

Businesses in the Kyrgyz Republic and Tajikistan and in the FSU region appear to face a high tax burden, at least in terms of statutory requirements, as distinct from actual payments. The Doing Business report for 2008 estimates that the median amount of taxes payable by a standard business in FSU countries is 51.4 percent of operating profit. Rates in the Kyrgyz Republic (61.4 percent) and Tajikistan (82.2 percent) are higher than this median and much higher than the median in LI countries (44 percent). Kazakhstan's 36.7 percent is low even compared to the UMI median of 44.2 percent.

Clearly, instituting regulatory and administrative reforms to foster an enabling environment for private sector growth is critical for Tajikistan. Governance indicators also reveal hindrances to private sector growth in Kazakhstan and the Kyrgyz Republic. Both the government and donor communities in each country should consider reforms to improve the quality of economic governance and regulatory requirements.

FINANCIAL SECTOR

A sound and efficient financial sector is key to mobilizing savings, fostering productive investment, and improving risk management. A basic gauge of financial development is the degree of monetary deepening as measured by the ratio of broad money (currency plus bank deposits) to GDP. By this measure, the Kyrgyz Republic and Kazakhstan demonstrate rapidly growing confidence in their increasingly sophisticated financial markets. In Kazakhstan, the ratio of broad money to GDP grew at an average annual rate of 13.6 percent—from 20.5 percent in 2002 to 36.3 percent in 2006. In the same period, the money supply in the Kyrgyz Republic almost doubled, from 14.6 percent to 28.6 percent of GDP, in part because of financial sector reforms that consolidated the banking system and enhanced banking supervision as well as the payment system. This degree of monetization far surpasses the FSU median (13.5 percent) as well as the LI median (25.1 percent), although the UMI median is much higher (48.4 percent).

Accompanying the steady rise in money supply in these two countries was a steadily rising inflation rate—8.6 percent in Kazakhstan and 5.6 percent in the Kyrgyz Republic in 2006 (see Fiscal and Monetary Policy, p. 17, for more details). In contrast, the ratio of money supply to GDP in Tajikistan grew at an average annual rate of just 1.4 percent over the past five years to reach a modest 9.4 percent in 2006.

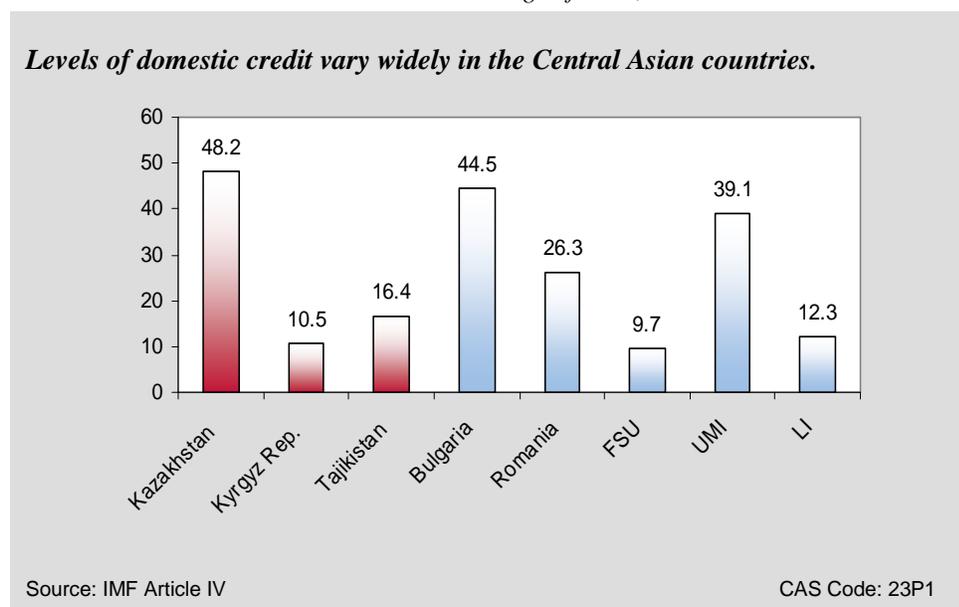
Kazakhstan's spread between lending and deposit rates, which can be viewed as a gauge of efficiency in financial intermediation, is also promising. The estimated interest rate spread was 6.0 percent in 2004, which compares favorably to the FSU median of 8.5 percent, the UMI median of 5.6 percent, and Bulgaria's 5.7 percent. In 2006, the interest rate spread in the Kyrgyz Republic was 17.6 percent, and in Tajikistan, 15.3 percent. Higher than all comparable benchmarks, these rates imply high interest for bank loans.

Investment growth depends largely on the availability of domestic credit to the private sector. In Tajikistan, private sector credit dipped from 20.4 percent of GDP in 2002 to 16.4 percent in 2006. This dip may be indicative not of a decline in private credit, but of GDP growth outpacing credit growth. Indeed, Tajikistan's private sector credit-to-GDP ratio remains much higher than even the

median for FSU countries (9.7 percent) as well as the median for LI countries (12.3 percent). In the past five years, domestic credit in relation to GDP grew at an average annual rate of 22.1 percent in Kazakhstan and 24.7 percent in the Kyrgyz Republic. Nonetheless, domestic credit makes up only a small portion of GDP in the Kyrgyz Republic—10.5 percent in 2006—while in Kazakhstan it has reached 48.2 percent. Indeed, the rapid expansion of banking sector credit in Kazakhstan has raised concerns. The IMF notes that although the level is in line with its peers (44.5 percent of GDP in Bulgaria in 2005 and a median of 39.1 percent in UMI countries), the pace of credit growth financed largely by external funding makes the country more vulnerable to refinancing risks and deterioration of loan quality³⁸ (Figure 3-4).

Figure 3-4

Domestic Credit to Private Sector as a Percentage of GDP, Most Recent Year



The development of financial markets is founded on solid institutions. An indicator of institutional soundness is the World Bank's index of legal rights of borrowers and lenders, which measures the degree to which collateral and bankruptcy laws facilitate lending, on a scale of 0 (poor) to 10 (excellent). The performance of the three countries on this indicator is mediocre, with Kazakhstan and the Kyrgyz Republic both standing at the UMI median (5.0) and Tajikistan at the LI median (4.0). The World Bank's Credit Information Index measures rules affecting the scope, accessibility, and quality of credit information available through either public or private credit registries, on a scale of 0 (poor) to 6 (excellent). In 2006, Kazakhstan scored 4.0, the Kyrgyz Republic 3.0, and Tajikistan 0.0. The first credit bureau in the FSU was established in Kazakhstan in 2004. Kazakhstan appears to have instituted the bureau with remarkable efficiency, as indicated by its jump on the index, from 0.0 in 2005 to 4.0 in 2006; the Kyrgyz Republic also increased its score by two points in the same period.

³⁸ IMF, July 2007 Republic of Kazakhstan: Article IV Consultation – Staff Report.

Despite high levels of credit available to the private sector, our analysis indicates a weak financial system in Tajikistan, as evidenced by the low degree of financial deepening, a high interest rate spread, and a lack of credit information. Indeed, the Heritage Foundation notes that the Tajik financial sector is dominated by banking and has a virtually undeveloped capital and securities market.³⁹ Although Kazakhstan shows strong progress, improvements in institutional foundations and prudent financing of credit growth may be desirable. In light of the low levels of domestic credit to the private sector, the Kyrgyz Republic may benefit from improving financial intermediation.

EXTERNAL SECTOR

Fundamental changes in international commerce and finance, including reduced transport costs, advances in telecommunications, and fewer policy barriers, have fueled a rapid increase in global integration in the past 25 years. The international flow of goods and services, capital, technology, ideas, and people offers great opportunities for Kazakhstan, the Kyrgyz Republic, and Tajikistan to boost growth and reduce poverty by stimulating productivity and efficiency, providing access to new markets and ideas, and expanding the range of consumer choice. At the same time, globalization poses new challenges, including the need for reforms to take full advantage of international markets and cost-effective approaches to cope with the resulting adjustment costs and regional imbalances.

International Trade and the Current Account

All three countries participate in international trade at levels that approach or exceed those in comparator countries. Trade accounted for an annual average of 95.2 percent of Kazakhstan's GDP from 2002 to 2006, as compared to 76.5 percent in Romania (2005), the 101.2 UMI median, the 102.2 FSU median, and 138.2 in Bulgaria (2005). In the Kyrgyz Republic and Tajikistan, trade's share of GDP averaged 96.0 percent and 114.1 percent, respectively, over the 2002–2006 period—greatly exceeding the global LI median of 66.5 percent (Figure 3-5).

Between 2001 and 2005, Tajikistan led the three countries in growth of exports in goods and services in constant local currency units: annual growth averaged 13.6 percent, more than double the global LI median of 6.5 percent.⁴⁰ In the same period, Kazakhstan's exports in current U.S. dollars grew by an average of 23.2 percent annually.⁴¹ The volume of Kazakhstan's leading export—oil—increased significantly (from 631,000⁴² to 1.16 million⁴³ barrels per day between

³⁹ Heritage Foundation, 2007 Index of Economic Freedom, <http://www.heritage.org/research/features/index/country.cfm?id=Tajikistan>, accessed November 6, 2007.

⁴⁰ Export growth in constant local currency units captures growth in export volumes, but does not capture actual foreign currency earnings, which may be affected by international price changes as well as volume. Export growth in current U.S. dollars shows changes in the purchasing power of export earnings, but the interpretation is complicated by movements in the exchange rate and dollar price inflation.

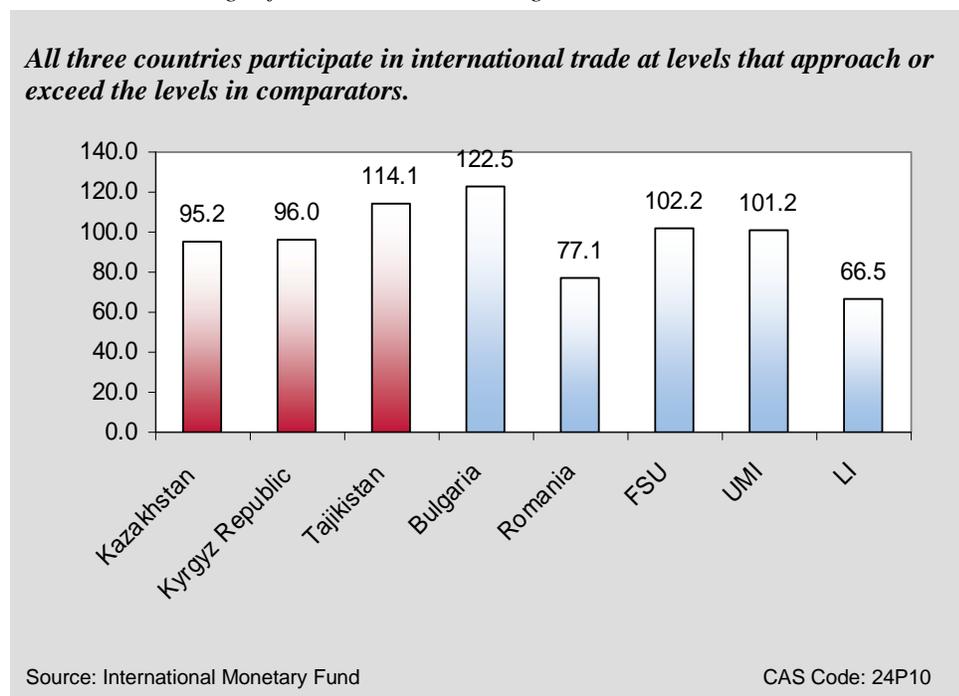
⁴¹ IMF, International Financial Statistics, September 2006.

⁴² "Kazakhstan: Oil and Natural Gas Exports," <http://www.eia.doe.gov/emeu/cabs/kazaexpo.html>, accessed September 26, 2007.

2001 and 2006), but the sharp increase in the dollar price of petroleum and appreciation of the tenge vis-à-vis the dollar also explain the growth in exports in current U.S. dollar terms (see more on exchange rate movements below). Export growth was less dramatic when measured in constant local currency units—an average of 6.9 percent annually—but still on par with the FSU median and greater than the global UMI median (5.9 percent), Romania’s export growth rate of 4.2 percent (2005), although lower than in Bulgaria (7.2 percent in 2005).

Figure 3-5

Trade as a Percentage of GDP, Five-Year Average



Export growth has been slowest in the Kyrgyz Republic: in constant local currency units, exports grew by an average of 3.2 percent annually between 2001 and 2005. Annual growth fluctuated throughout the period: after growing by more than 5 percent annually between 2002 and 2004, exports shrunk in constant local currency terms in 2005. Gold exports, which have been a crucial contributor to the Kyrgyz Republic’s economic growth over the past decade,⁴⁴ have slowed in recent years because of a drop in the quality of the gold remaining in the country’s principal mine, and a major accident in 2006 depressed production there further. Non-gold exports dipped in the wake of the March 2005 revolution, but have since rebounded.⁴⁵

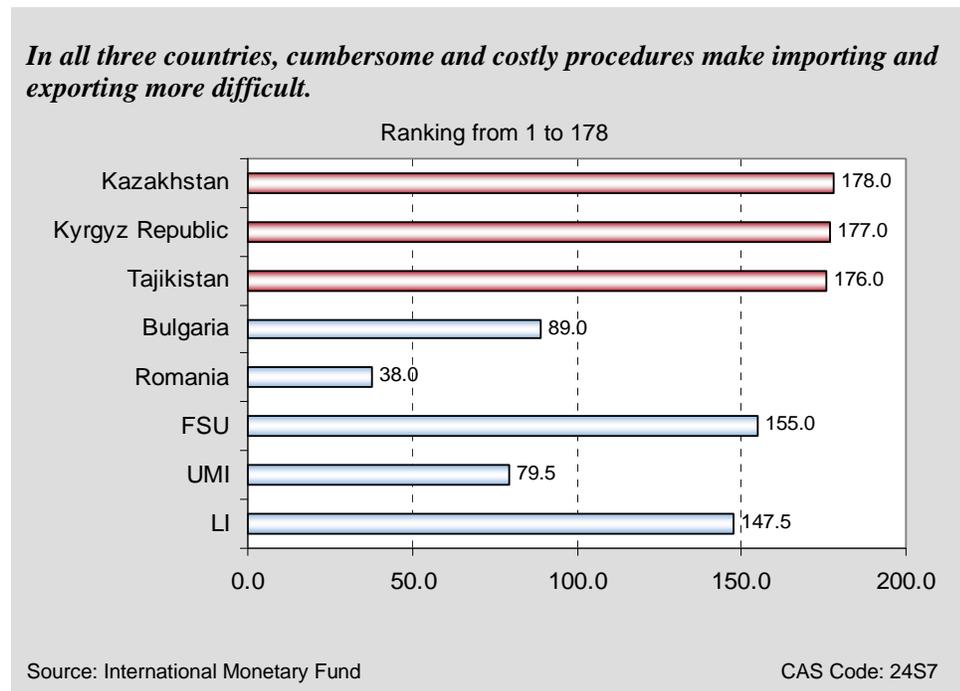
⁴³ “The Sector at a Glance: Key Insights on the Oil and Gas Sector of Kazakhstan,” *Kazakhstan Oil and Gas Report*, Business Monitor International, 2007, <http://www.businessmonitor.com/oilgas/kazakhstan.html>, accessed September 26, 2007.

⁴⁴ “New Gold Find Unlikely to Alter Overall Slowing of Growth,” *News Briefing Central Asia*, December 14, 2006, http://iwpr.net/?p=bkg&s=b&o=326233&apc_state=henbbkgdate2006.

⁴⁵ IMF, *Kyrgyz Republic: 2006 Article IV Consultation*, 9.

Despite the generally satisfactory performance on trade aggregates, trade in all three countries is hampered by costly, cumbersome, and time-consuming import and export procedures. *Doing Business 2008's* includes a Trading Across Borders index, on which Tajikistan, the Kyrgyz Republic, and Kazakhstan were the worst performers of 178 countries worldwide.⁴⁶ Thus, trade facilitation should remain a high priority for assistance in all three countries (Figure 3-6).

Figure 3-6
Ease of Trading Across Borders Ranking, Most Recent Year



Exports are highly concentrated among a few products in Kazakhstan and Tajikistan: in Kazakhstan, fuels accounted for nearly two-thirds of merchandise exports in 2004, and aluminum and cotton accounted for 86 percent of Tajikistan's exports in 2005. Concentration is less severe but still high in the Kyrgyz Republic: gold accounted for more than 40 percent of the value of exports in 2005.⁴⁷ High dependence on commodity exports leaves all three countries vulnerable to downward shocks in commodity prices; export diversification thus remains important for all three countries. Resolving trade facilitation problems should be a key element in export diversification strategies, because long delays render the countries unsuitable for production of high value-added manufactures that demand timely transit.

From 2002 through 2006, Kazakhstan and Tajikistan ran low but persistent current account deficits in all years except 2004, when Kazakhstan ran a small surplus (0.8 percent). Kazakhstan's deficit averaged 1.7 percent and Tajikistan's 2.7 percent. These figures compare favorably with the global medians for each country's respective income group. Kazakhstan's

⁴⁶ Data collected in 2007.

⁴⁷ UN COMTRADE data, as reported by the International Trade Centre, www.intracen.org.

deficit was less than the UMI median of 4.8 percent, and Tajikistan's was less than the LI median of 4.1 percent. Imports have increased in recent years in both countries because of rising demand for imported capital goods, higher prices for imported energy, and in the case of Tajikistan, because of rising demand for imported consumer goods.⁴⁸ In Kazakhstan, the increased value of exports has kept the current account deficit from widening, while large inflows of remittances have had the same effect in Tajikistan. The Kyrgyz Republic also ran steady but low current account deficits until 2006, when the deficit spiked to 16.8 percent because of the accident at the country's main gold mine and rising imports of energy, consumer goods, and construction materials. Assuming a return to normal operations at the main gold mine and the continued strong performance of non-gold exports, however, the IMF predicts that the deficit will shrink back below 6.5 percent by 2009.⁴⁹

The Kyrgyz Republic and Tajikistan depend heavily on worker remittances to finance their trade deficits: Tajikistan was second in the world in remittances' share of GDP in 2005, while the Kyrgyz Republic was 12th. In 2005, remittances equaled about 37 percent of exports in Tajikistan and 33 percent in the Kyrgyz Republic,⁵⁰ compared to the FSU median of 3.9 percent, the LI median of 7.5 percent, and Kazakhstan's 0.2 percent. Making remittance transfer mechanisms secure and efficient and channeling remittances into productive, poverty-reducing investments should be high priorities for both countries (Figure 3-7).

Despite the high remittance inflows, Tajikistan's somoni depreciated in real terms in 2005, while the Kyrgyz Republic's som appreciated slightly. The increased spending on imports probably helped hold down both currencies, as did real appreciation in Russia and Kazakhstan.⁵¹ Kazakhstan's tenge appreciated in real terms by almost 8 percent in 2006, with continued appreciation in the first half of 2007; the IMF's purchasing power parity models suggest, however, that the tenge may still be undervalued, and the IMF notes that further appreciation could help contain inflationary pressures by lowering import prices.⁵²

A point of strength for Kazakhstan—and of concern for Tajikistan—is the stock of foreign exchange reserves. Kazakhstan held reserves equal to seven months of imports in 2006, which is higher than the UMI median (4.1 months) and far higher than the FSU median (2.6 months). In

⁴⁸ IMF, *Republic of Kazakhstan: 2007 Article IV*, 5, and IMF, *Republic of Tajikistan: 2006 Article IV*, 8.

⁴⁹ IMF, *Kyrgyz Republic: Fourth Review*, 5 and IMF, *Kyrgyz Republic: 2006 Article IV Consultation*, 52. The IMF also notes that the increase in the deficit figure is due in part to revisions for statistics on the "shuttle trade," through which individuals travel to other countries to purchase goods, then resell them in their home countries. Finally, the IMF notes that the deficit may be overstated because of underestimation of remittances (2006 Article IV, 9 and 32).

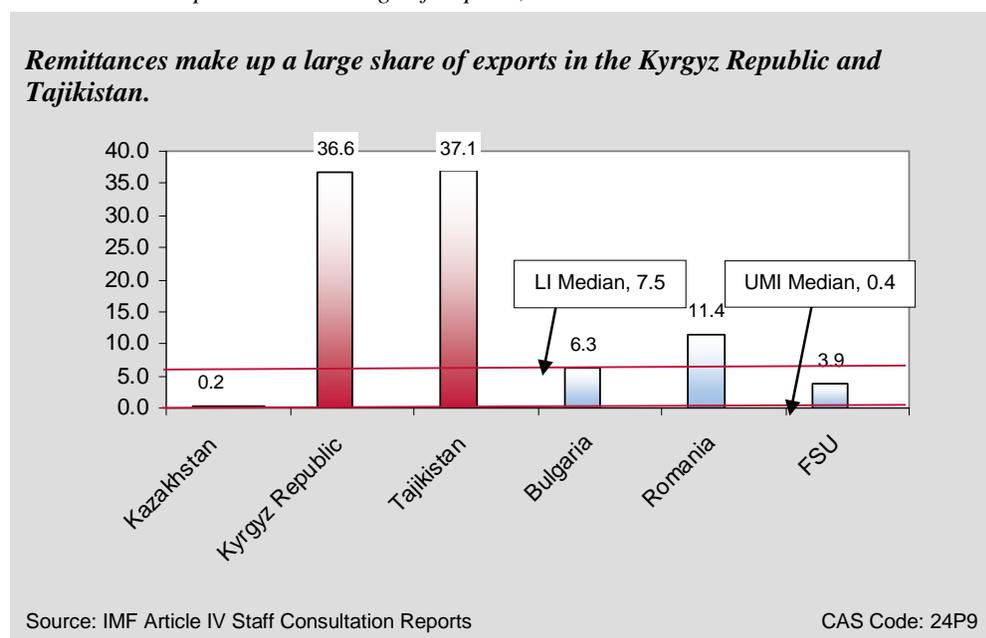
⁵⁰ The IMF is conducting a regional survey to improve remittance data, which it suspects are frequently underestimated (Kyrgyz Republic 2006 Article IV, 9). Underestimation of remittances is a problem in many countries because remittances often enter through informal channels (e.g., in individuals' luggage or via informal intermediaries); in such circumstances, they may not be counted in formal records of inflows.

⁵¹ IMF, *Kyrgyz Republic: Fourth Review*, 5.

⁵² IMF, *Republic of Kazakhstan: 2007 Article IV*, 11 and 16.

Figure 3-7

Remittance Receipts as a Percentage of Exports, Most Recent Year



contrast, Tajikistan's reserves stood at 1.7 months of imports in 2006, compared to the LI median of 3.1 months. This figure is worryingly below the three- to four-month level that is considered the minimum a country should hold to avoid balance of payments problems. The IMF notes that "there is no sign that the somoni is overvalued"—an argument against devaluing the currency to buoy reserves at this time.⁵³ Nevertheless, assistance to help Tajikistan manage reserves could be warranted. The Kyrgyz Republic's reserves stood at 3.9 months of imports in 2006, which is better than the FSU and LI medians and within the minimum range recommended.

Foreign Direct Investment and External Debt

Foreign direct investment (FDI) can catalyze productivity gains by transferring technology, developing human capital, and enhancing competition. Annual FDI inflows in all three countries have exceeded regional and income group benchmarks over the past five years: they averaged 7.7 percent of GDP in Kazakhstan, 6.5 percent in Tajikistan, and 3.7 percent in the Kyrgyz Republic, compared to the FSU median of 2.9, the UMI median of 4.2, and the LI median of 1.5. FDI in Tajikistan equaled 12 percent of GDP in 2006, exceeding the most recent (2005) figures for both Romania (6.7) and Bulgaria (9.8). In the Kyrgyz Republic, FDI dipped below 2 percent in 2005, likely due to investors' concern about political unrest, but then bounced back to 6.5 percent of GDP in 2006. Improvements in the business enabling environment could attract even more investment to the three countries (see the section on the Business Environment) (Figure 3-8).

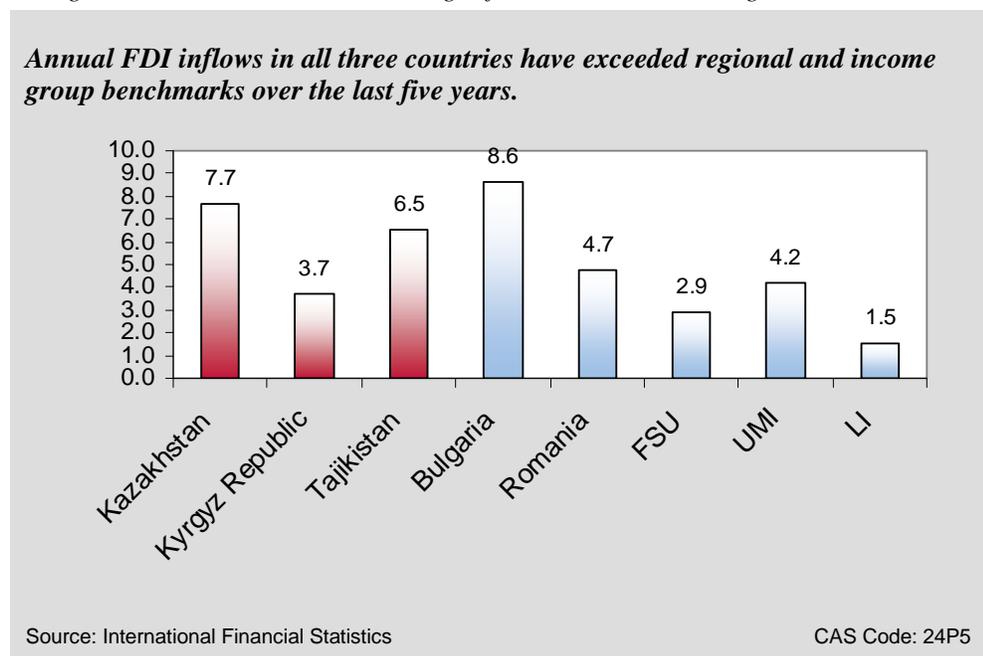
In contrast to the three countries' strong FDI performance, external debt presents a mixed picture. In Kazakhstan, the present value of external debt obligations equaled 106.2 percent of GNI in

⁵³ IMF, *Republic of Tajikistan: 2006 Article IV*, 8.

2005, compared to the UMI median of 64.2, the FSU median of 38.0, and the lower figures in Bulgaria (68.5) and Romania (51.4). However, unlike many developing countries, Kazakhstan's debt is overwhelmingly private. This debt includes intracompany loans and external borrowing by banks to finance domestic lending. While the IMF believes that the debt burden is still manageable, it suggests that further strengthening and enforcement of prudential regulations are warranted.⁵⁴

Figure 3-8

Foreign Direct Investment as a Percentage of GDP, Five-Year Average



In the Kyrgyz Republic, the present value of debt declined from 82.4 percent of GNI in 2004 to 53.9 percent in 2005, largely because of the country's March 11, 2005, Paris Club agreement, under which \$124 million of public debt was cancelled and \$431 million rescheduled.⁵⁵ The present value of debt is still higher, however, than the FSU median and the global LI median (38.0 percent). In February 2007, the government chose to forego significant additional debt relief through the multilateral lending institutions' Heavily Indebted Poor Countries and Multilateral Debt Relief Initiatives (HIPC and MDRI).⁵⁶ The debt burden does not appear unsustainable at present—annual public debt service equaled a low 3.0 percent of exports in 2005—but the situation merits close monitoring.

⁵⁴ IMF, *Republic of Kazakhstan: 2007 Article IV*, 16–17.

⁵⁵ "Kyrgyz Republic: the Paris Club Reduces the Kyrgyz Republic's Stock of Debt," <http://www.clubdeparis.org/sections/services/communiqués/kirghizie8053/viewLanguage/en>, accessed September 22, 2007.

⁵⁶ Political pressure from the opposition seems to have been a major reason for the decision. See Daniel Sershen, "Kyrgyzstan: Opposition United, Launches New Attack at President," *EurasiaNet*, <http://www.eurasianet.org/departments/insight/articles/eav022307a.shtml>, accessed September 22, 2007.

Tajikistan's external debt statistics are not alarming on the surface: the present value of external debt equaled about 41 percent of GNI in 2005, just above the FSU and global LI median of 38.0 and well below levels in Romania and Bulgaria. In addition, the debt burden was eased by the IMF's MDRI package, which was approved in January 2006.⁵⁷ However, Tajikistan agreed to a package of more than \$1 billion in loans from China in June 2006 and January 2007 to finance road, electricity, and hydropower projects.⁵⁸ Although these projects may increase productive capacity, they will also substantially increase the country's debt burden. As in Kazakhstan and the Kyrgyz Republic, donors will need to help the authorities monitor the debt situation closely over the coming years, and may wish to help Tajikistan explore alternative methods of financing future capital investments.

ECONOMIC INFRASTRUCTURE

A sound system of physical infrastructure—for transportation, communications, power, and information technology—is necessary for competitiveness and productive capacity and relies heavily on an enabling macroeconomic and political environment. The World Economic Forum's (WEF) annual index of infrastructure quality rates countries on a scale of 1 (poor) to 7 (excellent) on the basis of a survey of executive opinion. For 2006, Kazakhstan scored 3.4, the Kyrgyz Republic 2.3, and Tajikistan 2.8, compared to Bulgaria's 2.6, Romania's 2.4, the FSU median of 2.8, the UMI median of 4.0, and the LI median of 2.3.⁵⁹

Transport costs add significantly to the total costs of traded goods, especially for landlocked countries. For instance, the government of Kazakhstan estimates that the "share of transportation costs in the final cost of the goods makes up 8 percent and 11 percent for inland railways and automobile traffic respectively, while in industrialized countries these indicators normally make up 4–4.5 percent."⁶⁰ Air transport and railroad systems are particularly critical elements of physical infrastructure in the three Central Asian countries. The Kyrgyz Republic's WEF index score for air transport fell from 3.5 in 2005 to 3.1 in 2006, and Tajikistan's fell from 3.7 to 2.9, while Kazakhstan scored 4.1 in both years. All these scores are below the corresponding income group medians: the UMI median of 4.5 and the LI median of 3.2 (Figure 3-9).

In contrast, all three countries scored higher in railroad quality than their corresponding income groups. In 2006, Kazakhstan scored 3.3, the Kyrgyz Republic 2.0, and Tajikistan 2.8; the UMI median was 3.1, and the LI median was 1.8. (The ratings for Kazakhstan and Tajikistan, however, dipped from their 2005 scores of 4.0 and 2.9, respectively.) The quality of electricity supply in Tajikistan is especially poor: the country received a score of 1.8 in 2006, compared to 4.3 in Kazakhstan and 3.4 in the Kyrgyz Republic and averages of 3.6 in FSU countries, 2.7 in LI countries, and an impressive 5.0 in UMI countries.

⁵⁷ "IMF Financial Activities, Update October 5, 2006," <http://www.imf.org/external/np/tre/activity/2006/100506.htm#tab4>, accessed September 22, 2007.

⁵⁸ IMF, *Republic of Tajikistan: 2006 Article IV*, 7.

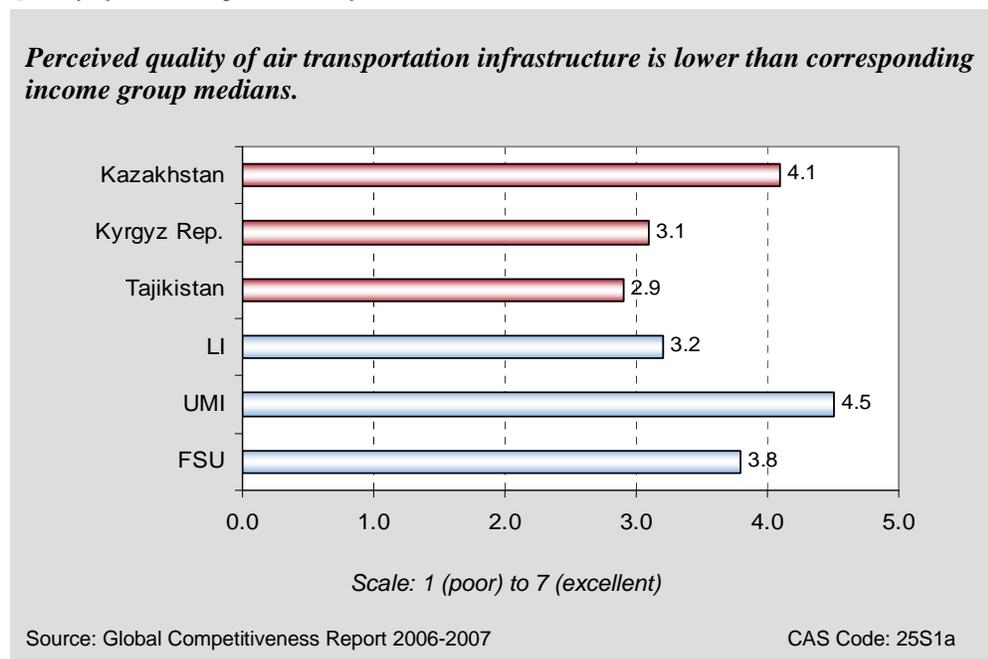
⁵⁹ Ratings based on the executive surveys reflect perceptions and therefore must be referenced with caution when comparing countries or periods.

⁶⁰ Government of Kazakhstan, <http://en.government.kz/resources/docs/doc5>, accessed September 20, 2007.

Finding a good indicator for benchmarking road quality across countries is difficult, but one widely used proxy is the percentage of roads that are paved. Data for this indicator are sparse but indicate that more than 90 percent of the roads in Kazakhstan and the Kyrgyz Republic are paved.⁶¹ By this measure, these two countries surpass the UMI median (53.9 percent) and the LI median (15.5 percent) by large margins and are on par with other FSU countries (91.1 percent).

Figure 3-9

Quality of Air Transportation Infrastructure Index, Most Recent Year



For modern economic growth, information and communications infrastructure is just as important as transportation and electricity. Telephone density, as measured by the number of fixed lines and mobile subscribers per 1,000 people, nearly tripled between 2000 and 2004 in Kazakhstan, going from 136.5 subscribers to 350.3; density more than doubled in the Kyrgyz Republic, going from 83.8 subscribers in 2001 to 190.5 in 2005. Tajikistan lags considerably behind in adopting telecommunications technology; it had a telephone density of only 46.0 subscribers per 1,000 people in 2003. The rapid expansion of telecommunications in Kazakhstan and the Kyrgyz Republic is not matched by a commensurate penetration of Internet technology. According to the Kazakhstan Statistical Agency, there were only about 20 Internet users per 1,000 people in the

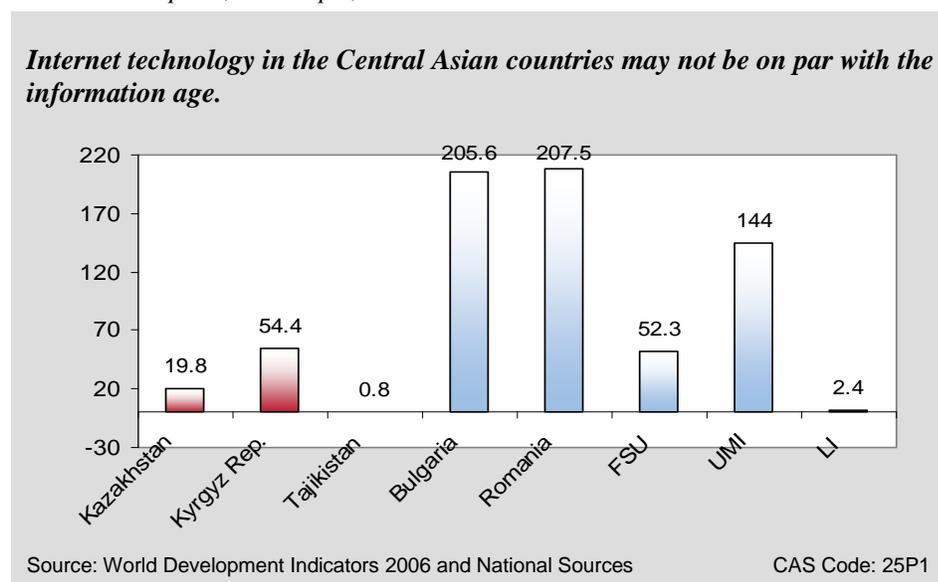
⁶¹ Latest available data date to 1999 (91.1 percent) for the Kyrgyz Republic and to 2004 for Kazakhstan (93.4 percent).

country, compared to the UMI median of 144 users.⁶² Corresponding figures for the Kyrgyz Republic and Tajikistan were about 54 users and less than 1 user, respectively⁶³ (Figure 3-10).

Average to poor infrastructure, particularly technological infrastructure, may be a major impediment to increasing economic efficiency and international competitiveness in the three countries. Kazakhstan's Strategy of Transport Sector Development (2006–2015) sets out a plan to upgrade and expand its transport networks, and the Kyrgyz Republic has made the development and distribution of innovative equipment a priority in its PRSP (2007–2010). In its draft PRSP (2007–2009), Tajikistan, which recently increased external borrowing for major infrastructure projects, including the modernization of its telecommunications network, also prioritizes institutional reforms and investment promotion in the infrastructure sector. Donor support in the infrastructure sector would support national goals and, as our analysis shows, address clear weaknesses in the private sector enabling environment.

Figure 3-10

Internet Users per 1,000 People, Most Recent Year



SCIENCE AND TECHNOLOGY

Science and technology are central elements of a dynamic growth process, because technical knowledge is a driving force for productivity and competitiveness. Even for LI countries like the Kyrgyz Republic and Tajikistan, transformational development increasingly depends on acquiring and adapting technology from the global economy and applying it in ways that are appropriate to the local level of development. A lack of capacity to access and use technology prevents an

⁶² Internet use is expected to increase dramatically after Kazakhstan joins the WTO, which will open doors to competition in the telecommunications sector. The sector is now predominantly owned by the government.

⁶³ Anecdotal reports suggest that figures for 2007 are close to 85 per 1,000 in Kazakhstan, 55 in the Kyrgyz Republic, and 3 in Tajikistan. <http://www.internetworldstats.com/asia.htm>.

economy from benefiting from globalization. State-sponsored research and technology resources were given high priority during the Soviet era,⁶⁴ but science and technology have developed little since that time in the Central Asian countries. As of 2006, “average spending on Research & Development in countries from Central Europe to Central Asia (was) now under 1 percent of GDP, well below the European Union's target of 3 percent.”⁶⁵

Unfortunately, few reliable international science and technology indicators are available for Kazakhstan, Tajikistan, and the Kyrgyz Republic. Those that are available suggest that all three countries are doing worse than their respective income groups, while at or slightly below average when compared to the FSU median. In availability of scientists and engineers (1 for poor, 7 for excellent) all three scored lower than the FSU median (4.2) in 2006 and lower than their respective income group medians: Kazakhstan scored 3.7, compared to the UMI median of 4.7; and the Kyrgyz Republic scored 3.4 and Tajikistan 3.3, compared to the LI median of 3.9.

UNESCO compiles international data on research and development spending, but no data are available for Tajikistan, and data for the Kyrgyz Republic and Kazakhstan are very limited. In the Kyrgyz Republic, overall research and development expenditure in 2001 was 0.2 percent of GDP, below the FSU median of 0.3 percent.

The FDI Technology Transfer index⁶⁶ reveals a similar story. In 2006, all three countries rated lower than their respective income groups. The Kyrgyz Republic and Tajikistan received scores of 4.0, less than the LI median (4.8), and Kazakhstan received a 4.7, slightly less than the UMI median (5.0). More intensive development of scientific and technological resources in all three countries would greatly contribute to their ability to compete globally.⁶⁷

⁶⁴ Central Asia Human Development Report, 2005.

⁶⁵ Praag, Nick van, “Major Reforms Necessary for State Support of Commercial Innovation to Promote Growth, Lower Poverty,” World Bank, March 27, 2006.

⁶⁶ The FDI Technology Transfer Index ranges from 1 (FDI brings little new technology) to 7 (FDI brings a lot of new technology).

⁶⁷ Human Development Report, Kazakhstan 2006, 36.

4. Pro-Poor Growth Environment

Rapid growth is the most powerful and dependable instrument for fighting poverty, but the link from growth to poverty reduction is not mechanical. In some circumstances, income growth for poor households exceeds the overall rise in per capita income, while in others the poor are left far behind. A pro-poor growth environment stems from policies and institutions that improve opportunities and capabilities for the poor while reducing their vulnerabilities. This section focuses on four topics central to pro-poor growth: health, education, employment and the workforce, and agricultural development.

HEALTH

The provision of basic health services is an important form of human capital investment and a significant determinant of growth and poverty reduction. Performance on individual health care indicators varies among the three countries, but all of the health care systems have significant deficiencies. For example, life expectancy at birth has not improved significantly in Tajikistan, the Kyrgyz Republic, or Kazakhstan since 2000. Life expectancy at birth ranged from 68.3 years in the Kyrgyz Republic to 64.0 years in Tajikistan in 2005. Despite its recent growth and wealth, Kazakhstan's life expectancy is 66.2 years, below the FSU median (68.1 years) and the UMI median (73.0 years). Although these expectancies are not extremely low by global standards, they fall short of expectancies of richer countries, such as Bulgaria (72.6 years) and Romania (71.7 years). Rates of child malnutrition also vary. Kazakhstan's low rate of 4.0 percent is below the FSU median (4.8 percent), while the Kyrgyz Republic's rate of 6.7 percent exceeds this regional median. (Data are not available for Tajikistan for this indicator.)

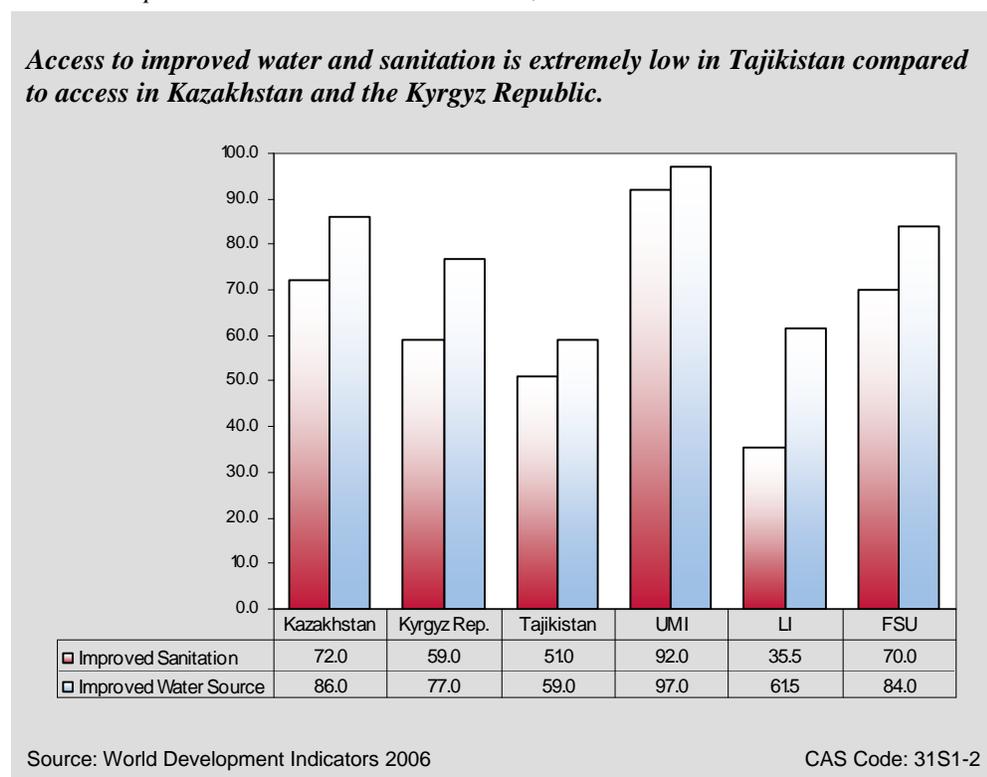
Insufficient state funding for health care is a problem in all three countries. In Tajikistan, public health expenditure equaled an estimated 1.0 percent of GDP in 2007—half the LI median of 2.0 percent of GDP.⁶⁸ At 2.2 percent of GDP, expenditure in the Kyrgyz Republic exceeded the LI median but was slightly below the FSU median of 2.3 percent. And Kazakhstan's expenditure rate of 2.5 is lower than the UMI median (3.9), indicating that that the development of health services has not kept pace with economic growth. All three countries spend a smaller percentage of GDP on health care than Bulgaria (4.3 percent) and Romania (3.3 percent).

⁶⁸ MCC reports that Tajikistan's expenditure on education in 2006 was a mere 0.4 percent (down from 1.3 in 2005). Questions have been raised about the quality of these data, so figures should be viewed with caution.

Secondary indicators also reveal that the provision of health care services is lagging in all three countries. Again, indicators for Tajikistan are the most worrisome; in 2005, only 51 percent of the population had access to improved sanitation, and a mere 59 percent had access to an improved water source—far less than the FSU medians of 70.0 percent and 84.0 percent, respectively. The Kyrgyz Republic also falls short of the FSU medians, with 59 percent of its population having access to improved sanitation and 77 percent having access to improved water sources. In 2005, 72.0 percent of the population of Kazakhstan had access to improved sanitation, and 86 percent had access to improved water sources, significantly less than the comparator UMI medians of 92 percent and 97 percent (Figure 4-1).

Figure 4-1

Access to Improved Water Source and Sanitation, Most Recent Year



As in much of the region, the threat of increased numbers of people infected with HIV is receiving the attention of Central Asian government officials. Although prevalence rates are still low, at 0.1 percent, in all three countries, increases in HIV/AIDS cases in the past few years are alarming. According to UNAIDS 2004, recorded cases of HIV/AIDS increased by 1,600 percent in the entire Central Asian region between 2000 and 2004. Between 2000 and 2003, Kazakhstan experienced a threefold increase, the Kyrgyz Republic a ninefold increase, and Tajikistan a 17-fold increase.⁶⁹ According to the UNAIDS 2006 AIDS Epidemic Update, drug users are the main concern in all three countries; for example, in 2005, injecting-drug users accounted for 68 percent

⁶⁹ Central Asia Human Development Report, 2005

of new HIV cases reported in Kazakhstan.⁷⁰ Substantial investment in HIV/AIDS education and prevention programs seems warranted.

EDUCATION

Investment in human capital is fundamental to economic growth and development. Central Asian states inherited from the Soviet Union a legacy of strong education and widespread literacy. But declining enrollment in higher education, a shortage of teachers, and lack of funding suggest that the region's educational systems are struggling to maintain this legacy.

All three countries report almost 100 percent youth literacy rates and nearly 100 percent persistence to grade 5.⁷¹ The youth literacy and persistence to grade 5 indicators are equally strong for male and female students and slightly better than in the comparator countries. In Kazakhstan, net enrollment in secondary education rose in the past 5 years to 91.8 percent, besting the UMI median rate of 77.5 percent; enrollment rates for secondary education in the Kyrgyz Republic (80.5 percent) and Tajikistan (79.6 percent) are much higher than the LI median (19.7 percent) and on par with the FSU median (79.6 percent). Tertiary enrollment is worryingly low in Tajikistan: at 17.3 percent in 2006 it is far below the FSU median of 40.6 percent, the Kyrgyz Republic's rate of 41.4 percent, and Kazakhstan's impressive rate of 53.0 percent—a rate much higher than the UMI median for tertiary enrolment of 37.7 percent.

Education quality is difficult to measure. At the primary level, a crude but common proxy is the pupil–teacher ratio. Ratios in the Kyrgyz Republic (24.5) and Tajikistan (21.3) are much higher than the FSU median (18.4) and the ratio in Kazakhstan (17.3). These high pupil–teacher ratios suggest that the quality of education may be suffering in the Kyrgyz Republic and Tajikistan.

Spending on all levels of education in all three countries has been a concern. Before independence, spending ranged from 5 percent to 6 percent of GDP.⁷² In 2005, Tajikistan was spending 3.4 percent of GDP on education and Kazakhstan only 2.3 percent.⁷³ Expenditure per student (percent of GDP per capita) varies by educational level⁷⁴ (Figure 4-2). In 2005, expenditure on primary education was lower than the FSU median of 10.8 percent of GDP per capita in all three countries; Kazakhstan expended 10.0 percent of GDP per capita, the Kyrgyz Republic 7.6 percent, and Tajikistan 8.7 percent.⁷⁵ At 7.9 percent of GDP per capita,

⁷⁰ UNAIDS 2006 Aids Epidemic Update

⁷¹ 2005 data are from UN Millennium Indicators.

⁷² “Youth in Central Asia: Losing the New Generation,” Asia Report No 66, International Crisis Group, October 31, 2003.

⁷³ WDI 2007. Figures for 2005 were not readily available for Kyrgyz Republic.

⁷⁴ The following figures reflect public expenditure only, and do not include private funds dedicated to education on all three levels.

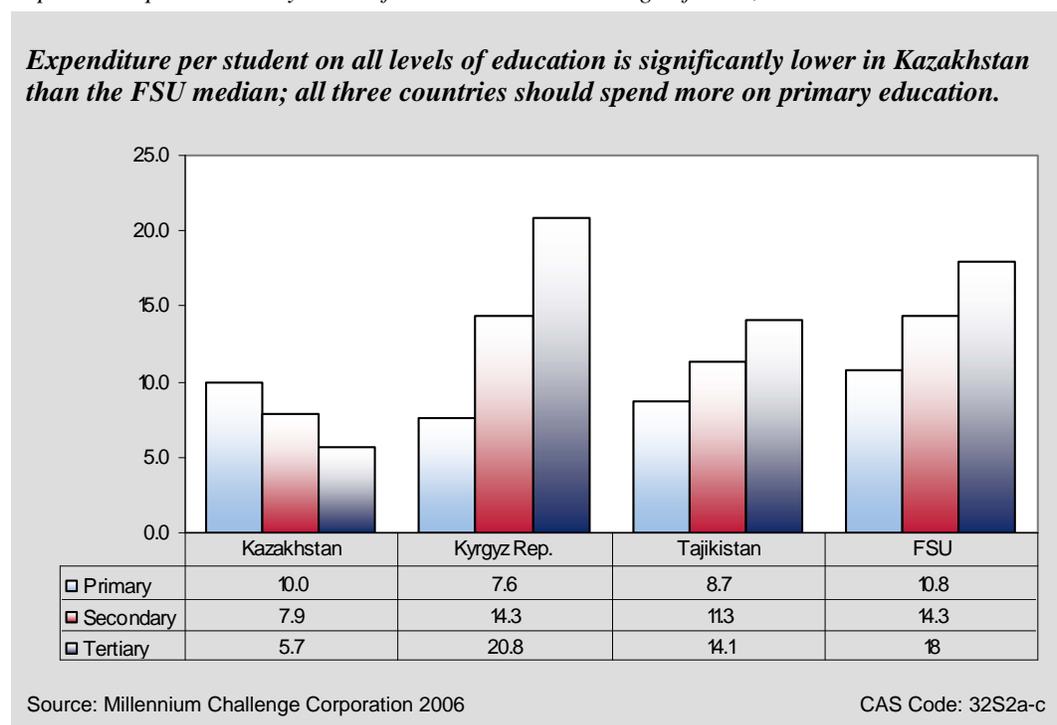
⁷⁵ Data on the Kyrgyz Republic's 2005 education expenditures are from World Bank Edstats. It refers to the most recent data within two years of referenced date.

Kazakhstan's expenditure on secondary education is significantly less than the FSU median expenditure of 14.3 percent of GDP, as well as expenditure rates in the Kyrgyz Republic (14.3 percent) and Tajikistan (11.3 percent). Expenditure on tertiary education in Kazakhstan was also low in 2005, only 5.7 percent of GDP per capita. The Kyrgyz Republic expended 20.8 percent of GDP per capita on tertiary education, besting the FSU median expenditure rate of 18.0 percent and Tajikistan's expenditure rate of 14.1 percent. While the Kyrgyz Republic is spending the most per capita at all levels, these data do not necessarily reflect how efficiently this money is spent—a subject worthy of further investigation.

Because of the importance of education to general human development, regional priorities should include more effective national policies on education spending, programs for raising the quality of secondary and tertiary education, and decreasing the burden on teachers by reducing the student–teacher ratio.

Figure 4-2

Expenditure per Student by Level of Education as Percentage of GDP, Most Recent Year



EMPLOYMENT AND WORKFORCE

In 2006, Kazakhstan had an estimated workforce of 8.1 million; in 2005, the Kyrgyz Republic had a workforce of 2.3 million, and Tajikistan a workforce of 2.1 million. With annual workforce growth rate averaging 1.5 percent, Kazakhstan's economy must absorb about 120,000 new workers each year to keep employment steady. The Kyrgyz Republic and Tajikistan, both with annual workforce growth rates of 1.8 percent, must be able to absorb about 38,000 to 40,000 new workers into their economies each year.

Unemployment figures from official sources in all three countries⁷⁶ must be treated with caution because they do not take into account the proportion of the population that has withdrawn from the workforce because of a lack of job opportunities, nor do they take into account trends in labor migration. The figures take into account only registered unemployment and are therefore likely to underestimate total employment. Official sources in Kazakhstan note that the unemployment rate declined steadily from 9.3 percent in 2002 to 7.8 percent in 2006. By an absolute measure, the 2006 rate may still be high, but the steady decline is encouraging. In Tajikistan, although official figures indicate that unemployment has remained low—averaging 2.4 percent in the same period—this figure may be misleading. Indeed, the World Bank estimated unemployment to be about 12 percent in 2003.⁷⁷ Moreover, the official unemployment figure does not take into account trends in labor migration; the State Statistical Committee of Tajikistan reports an average net emigration of 12,280 people annually between 1998 and 2005. This figure seems unrealistically low, but even this rate of emigration would reduce the need for job creation each year by 32 percent of the expansion of the labor force.

Employment trends in the Kyrgyz Republic are particularly worrisome. Unemployment increased from 8.6 percent in 2002 to 9.3 percent in 2006. With growth rates sliding in 2005 and the economy still rebounding from the shock, pressure on the economy to absorb the labor force is growing. Anecdotal reports indicate an exodus of labor, particularly to Russia, in search of better economic opportunities. Substantial increases in remittance inflows in the Kyrgyz Republic and Tajikistan offer further evidence of rising emigration (see External Sector, p. 24). On the one hand, such remittances can boost domestic investment, but on the other hand, they indicate a severe drain on human capital that might otherwise have supported domestic growth.

Statistics indicate widely varying labor productivity by sector: agricultural productivity is low in all three countries, while industrial productivity is much higher (see Economic Structure, p. 9). Greater efforts are needed to enhance job opportunities in more productive sectors to redress the disparity in productivity and stimulate rapid economic growth.

Job creation, first and foremost, requires transforming the business environment to attract investment. But institutional impediments in the labor market itself also need to be reduced; if government policies and regulations raise the cost of firing workers, it is riskier for employers to hire workers in the first place. The World Bank's Rigidity of Employment index measures the difficulty of hiring and firing workers on a scale of 0 (minimum rigidity) to 100 (maximum rigidity). For 2007, Kazakhstan received a score of 20 on this index, much better than the UMI median (32.7) and Bulgaria's and Romania's scores (29 and 66, respectively) (Figure 4-4). The Kyrgyz Republic's score of 38 was identical to the FSU and LI medians. In contrast, Tajikistan lagged far behind, with a score of 51. Kazakhstan's exceptional score is not surprising, because the World Bank estimates that firing a worker, in a standard situation, costs just 9 weeks of wages

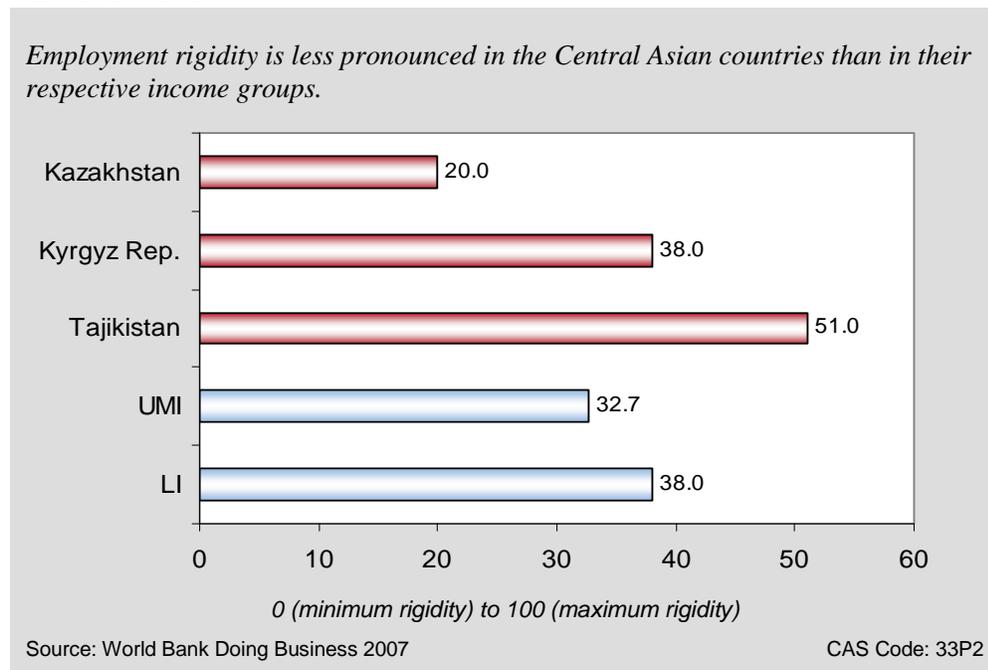
⁷⁶ Unemployment figures for Kazakhstan are from the Agency of Statistics of the Republic of Kazakhstan. Figures for the Kyrgyz Republic are from the 2007–2010 PRSP, and those for Tajikistan are from the National Bank of Tajikistan Statistics.

⁷⁷ Government of the Republic of Tajikistan, Poverty Reduction Strategy Paper: Second Progress Report. June 2005.

in Kazakhstan, compared to an average of 17 weeks in FSU countries and of 35 weeks in UMI countries. Firing a worker in the Kyrgyz Republic would also cost an employer about 17 weeks of wages, and in Tajikistan, 22 weeks of wages, better than the LI median of 36 weeks.

Figure 4-3

Rigidity of Employment Index, Most Recent Year



It appears that policies and regulations to stimulate job creation and reduce financial barriers to employing workers have already been instituted in the Central Asian countries. Nonetheless, our analysis points to job creation in highly productive sectors as a top priority for policymakers and donors to redress unemployment and reduce disparity in sectoral productivity.

AGRICULTURE

Agriculture accounts for only 6.8 percent of Kazakhstan's GDP and a mere 1.0 percent of its exports but accounts for more than one-third of GDP in the Kyrgyz Republic and nearly one-quarter of output in Tajikistan. Even so, in all three countries the services sector dominates output generation, and exports consist largely of nonagricultural products, such as fuel, ores, and metals. Still, about half the labor force is engaged in agriculture in the Kyrgyz Republic and Tajikistan; even in Kazakhstan, the sector absorbs about one-third of the labor force. Thus, agricultural performance remains vital to poverty reduction in all three countries.

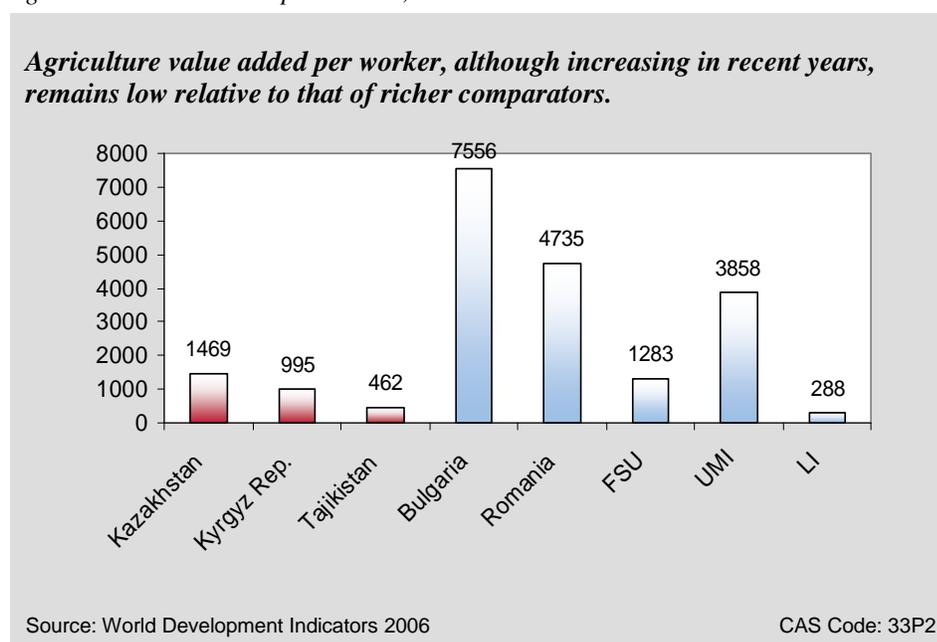
After independence, all three countries instituted land and agriculture reform programs. These reforms, although at various phases of implementation, seem to have yielded increases in agricultural labor productivity: from 2000 to 2004,⁷⁸ agricultural value added per worker grew at

⁷⁸ Latest years of available data.

an average annual rate of 6.5 percent in Kazakhstan, 3.8 percent in the Kyrgyz Republic, and a remarkable 10.6 percent in Tajikistan. However, agricultural productivity remains relatively low: in 2004, agricultural value added per worker in constant U.S. dollars was \$995.2 in the Kyrgyz Republic and \$462.1 in Tajikistan, far short of the median in FSU countries (\$1,283.1). Kazakhstan (\$1,469.1) fared better than the median of FSU countries but fell far short of the UMI median (\$3,858.4) (Figure 4-4). In 2005, the Kyrgyz Republic experienced a sharp contraction of 4.2 percent in overall agricultural value added, partly because of political unrest and partly because of unfavorable climatic conditions and rising oil prices. Tajikistan saw its rate of growth in agricultural value added slow from 11.3 percent in 2004 to just 1.6 percent in 2005 due to poor weather and a lack of timely inputs, particularly for cotton production.

Figure 4-4

Agriculture Value Added per Worker, Most Recent Year



Although Kazakhstan is the world's ninth-leading exporter of wheat,⁷⁹ its cereal yield⁸⁰ per hectare of harvested land was much lower than in all the benchmarks. In 2005, the country produced only 1,019.8 kg of cereal per hectare of harvested land. This compares unfavorably to 3,303.4 kg in the Kyrgyz Republic, 2,357.2 kg in Tajikistan, and medians of 2,681.3 kg in FSU countries and of 3,030.3 in UMI countries.⁸¹ In fact, Kazakhstan's crop production index, which shows agricultural production relative to the period 1999–2001, was only 100.9 in 2004. In other words, Kazakh agricultural crop production in 2004 saw virtually no improvement over 1999—

⁷⁹ International Trade Centre, <http://www.intracen.org/tradstat/sitc3-3d/ep041.htm>.

⁸⁰ Includes wheat, rice, maize, barley, oats, rye, millet, sorghum, buckwheat, and mixed grains.

⁸¹ Much of Kazakhstan's wheat, however, is produced using mechanized techniques in a relatively arid climate—as in the United States, which has much lower yields than does Europe. Despite low wheat yields, Kazakhstan's agricultural labor productivity is relatively high.

2001 levels. The Kyrgyz Republic fared marginally better, with a crop production index of 111.8, while Tajikistan's crop production index score of 149.3 in 2004 was an increase of almost 50 percent over its score in the 1999–2001 period. Cereal yields in both the Kyrgyz Republic and Tajikistan were much higher than the LI median of 1,325.9 kg.

Stockbreeding is an important and traditional agricultural subsector in all three countries. Here too, Tajikistan demonstrates strong performance: its livestock production increased by almost 50 percent in 2004 relative to the 1999–2001 period as measured by its Livestock Production Index score of 149.3. Kyrgyz livestock production declined substantially in 2004, when its Livestock Production Index dropped to 88.6, while in Kazakhstan, livestock production showed some improvement, with a score of 117.4 in 2004.

As the FSU countries transform themselves from centrally planned to market-based economies, uncertainty about private property rights for farming may impede agricultural development. Redistribution of large state-owned enterprises to enterprises owned by families or groups of families poses numerous administrative, technical, and equity challenges. Donor support for implementing related reforms may be important for agricultural development and poverty reduction alike.

Appendix. CAS Methodology

CRITERIA FOR SELECTING INDICATORS

The economic performance evaluation in this report is designed to balance the need for broad coverage and diagnostic value, on the one hand, and the requirement of brevity and clarity, on the other. The analysis covers 15 economic growth–related topics, and just over 100 variables. For the sake of brevity, the main text highlights issues for which the “dashboard lights” appear to be signaling problems and which suggest possible priorities for USAID intervention. The accompanying table provides a full list of indicators examined for this report. The separate Data Supplement contains the complete data set for Kazakhstan, the Kyrgyz Republic, and Tajikistan, including data for the benchmark comparisons, and technical notes for every indicator.

For each topic, the analysis begins with a screening of *primary performance indicators*. These Level I indicators are selected to answer the question: Is the country performing well or not in this area? The set of primary indicators also includes descriptive variables such as per capita income, the poverty head count, and the age dependency rate.

When Level I indicators suggest weak performance, we review a limited set of *diagnostic supporting indicators*. These Level II indicators provide additional details, or shed light on *why* the primary indicators may be weak. For example, if economic growth is poor, one can examine data on investment and productivity as diagnostic indicators. If a country performs poorly on educational achievement, as measured by the youth literacy rate, one can examine determinants such as expenditure on primary education, and the pupil–teacher ratio.¹

The indicators have been selected on the basis of the following criteria. Each must be accessible through USAID’s Economic and Social Database or convenient public sources, particularly on the Internet. They should be available for a large number of countries, including most USAID client states, to support the benchmarking analysis. The data should be sufficiently timely to support an assessment of country performance that is suitable for strategic planning purposes. Data quality is another consideration. For example, subjective survey responses are used only when actual measurements are not available. Aside from a few descriptive variables, the indicators must also be useful for diagnostic purposes. Preference is given to measures that are widely used, such as Millennium Development Goal indicators, or evaluation data used by the Millennium Challenge Corporation. Finally, an effort has been made to minimize redundancy. If two indicators provide similar information, preference is given to one that is simplest to understand, or most widely used. For example, both the Gini coefficient and the share of income

¹ Deeper analysis of the topic using more detailed data (Level III) is beyond the scope of this series.

accruing to the poorest 20 percent of households can be used to gauge income inequality. We use the income share because it is simpler and more sensitive to changes.

BENCHMARKING METHODOLOGY

Comparative benchmarking is the main tool used to evaluate each indicator. The analysis draws on several criteria, rather than a single mechanical rule. The starting point is a comparison of performance in the three Central Asian countries relative to the average for the Former Soviet Union countries, as well as the average of countries in the same income group—in this case, upper-middle income countries and LI countries.² For added perspective, two other comparisons are examined: (1) respective values for two comparator countries approved by the USAID mission (in this case Bulgaria and Romania); and (2) the average for the five best- and five worst-performing countries globally. Most comparisons are framed in terms of values for the latest year of data from available sources. Five-year trends are also taken into account when this information sheds light on the performance assessment.³

For selected variables, a second source of benchmark values uses statistical regression analysis to establish an expected value for the indicator, controlling for income and regional effects.⁴ This approach has three advantages. First, the benchmark is customized to each country's specific level of income. Second, the comparison does not depend on the exact choice of reference group. Third, the methodology allows the quantification of the margin of error and establishment of a “normal band” for a country with similar characteristics. An observed value falling outside this band on the side of poor performance signals a serious problem.⁵

Finally, where relevant, the three countries' performances are weighed against absolute standards. For example, gross international reserves equivalent to less than three months of imports signal an urgent need for a balance of payments adjustment through macroeconomic policies or a devaluation of the exchange rate.

² Income groups as defined by the World Bank for 2004. For this study, the average is defined in terms of the mean; future studies will use the median instead, because the values are not distorted by outliers.

³ The five-year trends are computed by fitting a log-linear regression line through the data points. The alternative of computing average growth from the end points produces aberrant results when one or both of those points diverges from the underlying trend.

⁴ This is a cross-sectional OLS regression using data for all developing countries. For any indicator, Y , the regression equation takes the form: Y (or $\ln Y$, as relevant) = $a + b * \ln \text{PCI} + c * \text{Region} + \text{error}$ – where PCI is per capita income in PPP\$, and Region is a set of 0-1 dummy variables indicating the region in which each country is located. When estimates are obtained for the parameters a , b , and c , the predicted value for the country under study is computed by plugging in the country-specific values for PCI and Region. Where applicable, the regression also controls for population size and petroleum exports (as a percentage of GDP).

⁵ This report uses a margin of error of 0.66 times the standard error of estimate (adjusted for heteroskedasticity, where appropriate). With this value, 25 percent of the observations should fall outside the normal range on the side of poor performance (and 25 percent on the side of good performance). Some regressions produce a very large standard error, giving a “normal band” that is too wide to provide a discerning test of good or bad performance.

STANDARD CAS INDICATORS

Indicator	Level	MDG, MCA, or EcGov ^a
Statistical Capacity Indicator	I	EcGov
Growth Performance		
Per capita GDP, in purchasing power parity dollars	I	
Per capita GDP, in current US dollars	I	
Real GDP growth	I	
Growth of labor productivity	II	
Investment Productivity, incremental capital-output ratio (ICOR)	II	
Gross fixed investment, percent GDP	II	
Gross fixed private investment, percent GDP	II	
Poverty and Inequality		
Human poverty index (0 for excellent to 100 for poor)	I	
Income-share, poorest 20 percent	I	
Population living on less than \$1 PPP per day (LI countries/ \$2 PPP per day (LMI countries)	I	MDG
Poverty headcount, by national poverty line	I	MDG
PRSP status	I	EcGov
Population below minimum dietary energy consumption	II	MDG
Economic Structure		
Employment or labor force structure	I	
Output structure	I	
Demography and Environment		
Adult literacy rate	I	
Youth dependency rate/ elderly dependency rate (Eastern Europe and FSU countries)	I	
Environmental performance index (0 for poor to 100 for excellent)	I	
Population size and growth	I	
Urbanization rate	I	
Gender		
Girls primary completion rate	I	MCA
Gross enrollment rate, all levels, male, female	I	MDG
Life expectancy at birth, male, female	I	
Labor force participation rate, male, female	I	
Fiscal and Monetary Policy		
Govt. expenditure, percent GDP	I	EcGov
Govt. revenue, excluding grants, percent GDP	I	EcGov
Growth in the broad money supply	I	EcGov
Inflation rate	I	MCA
Overall govt. budget balance, including grants, percent GDP	I	MCA, EcGov
Composition of government expenditure	II	

Indicator	Level	MDG, MCA, or EcGov ^a
Composition of government revenue	II	
Composition of money supply growth	II	
Business Environment		
Control of corruption index (-2.5 for poor to 2.5 for excellent)	I	EcGov
Ease of doing business ranking	I	EcGov
Rule of law index (-2.5 for poor to 2.5 for excellent)	I	MCA, EcGov
Regulatory quality index (-2.5 for poor to 2.5 for excellent)	I	MCA, EcGov
Government effectiveness index (-2.5 for poor to 2.5 for excellent)	I	MCA, EcGov
Cost of starting a business	II	MCA, EcGov
Procedures to enforce a contract	II	EcGov
Procedures to register property	II	EcGov
Procedures to start a business	II	EcGov
Time to enforce a contract	II	EcGov
Time to register property	II	EcGov
Time to start a business	II	MCA, EcGov
Total tax payable by business	II	EcGov
Business costs of crime, violence, terrorism index (1 for poor to 7 for excellent)	II	
Senior manager time spent dealing with government regulations	II	EcGov
Financial Sector		
Domestic credit to private sector, percent GDP	I	
Interest rate spread	I	
Money supply, percent GDP	I	
Stock market capitalization rate, percent of GDP	I	
Credit information index (0 for poor to 6 for excellent)	I	
Legal rights of borrowers and lenders index (0 for poor to 10 for excellent)	II	
Real interest rate	II	
Number of active microfinance borrowers	II	
External Sector		
Aid , percent GNI	I	
Current account balance, percent GDP	I	
Debt service ratio, percent exports	I	MDG
Export growth of goods and services	I	
Foreign direct investment, percent GDP	I	
Gross international reserves, months of imports	I	EcGov
Gross Private capital inflows, percent GDP	I	
Present value of debt, percent GNI	I	
Remittance receipts, percent exports	I	
Trade, percent GDP	I	

Indicator	Level	MDG, MCA, or EcGov ^a
Trade in services, percent GDP	I	
Concentration of exports	II	
Inward FDI potential index	II	
Net barter terms of trade	II	
Real effective exchange rate (REER)	II	EcGov
Structure of merchandise exports	II	
Trade policy index (0 for poor to 100 for excellent)	II	MCA, EcGov
Ease of trading across borders ranking	II	EcGov
Economic Infrastructure		
Internet users per 1,000 people	I	MDG
Overall infrastructure quality index (1 for poor to 7 for excellent)	I	EcGov
Telephone density, fixed line and mobile	I	MDG
Quality of infrastructure—railroads, ports, air transport, and electricity	II	
Roads paved, percent total roads	II	
Science and Technology		
Expenditure for R&D, percent GDP	I	
FDI and technology transfer index (1 for poor to 7 for excellent)	I	
Availability of scientists and engineers index (1 for poor to 7 for excellent)	I	
Science & technology journal articles per million people	I	
IPR protection index (1 for poor to 7 for excellent)	I	
Health		
HIV prevalence	I	
Life expectancy at birth	I	
Maternal mortality rate	I	MDG
Access to improved sanitation	II	MDG
Access to improved water source	II	MDG
Births attended by skilled health personnel	II	MDG
Child immunization rate	II	MCA
Prevalence of child malnutrition (weight for age)	II	
Public health expenditure, percent GDP	II	MCA, EcGov
Education		
Net primary enrollment rate—female, male, total	I	MDG
Persistence in school to grade 5	I	MDG
Youth literacy rate, all, male, female	I	
Net secondary enrollment rate	I	
Gross tertiary enrollment rate	I	
Education expenditure, primary, percent GDP	II	MCA, EcGov

Indicator	Level	MDG, MCA, or EcGov ^a
Expenditure per student, percent GDP per capita—primary, secondary, and tertiary	II	EcGov
Pupil-teacher ratio, primary school	II	
Employment and Workforce		
Labor force participation rate, total	I	
Rigidity of employment index (0 for minimum rigidity to 100 for maximum)	I	EcGov
Size and growth of the labor force	I	
Unemployment rate	I	
Economically active children, percent children ages 7-14	I	
Firing costs, weeks of wages	II	EcGov
Agriculture		
Agriculture value added per worker	I	
Cereal yield	I	
Growth in agricultural value-added	I	
Agricultural policy costs index (1 for poor to 7 for excellent)	II	EcGov
Crop production index	II	
Livestock production index	II	
Agricultural export growth	II	

^a Level I = primary performance indicators, Level II = supporting diagnostic indicators

^b MDG—Millennium Development Goal indicator

MCA—Millennium Challenge Account indicator

EcGov—Major indicators of economic governance, which is defined in USAID's Strategic Management Interim Guidance to include "microeconomic and macroeconomic policy and institutional frameworks and operations for economic stability, efficiency, and growth." The term therefore encompasses indicators of fiscal and monetary management, trade and exchange rate policy, legal and regulatory systems affecting the business environment, infrastructure quality, and budget allocations.

Data Supplement

Dataset	1
Technical Notes	29

* Based on most recent year of data

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data		
Statistical Capacity Indicator														CAS Code 11P0		
Kazakhstan	87.0	87.0	87.0	.	.	.	Bulgaria:	80.0	2006
Kyrgyzstan	92.0	93.0	93.0	.	.	.	Romania:	95.0	2006
Tajikistan	63.0	72.0	68.0	.	.	.	UMI:*	75.8	LI:* 56.0
														High 5 Avg:*	.	Low 5 Avg:* .
														FSU:*	78.3	
Per capita GDP, Purchasing Power Parity Dollars														CAS Code 11P1		
Kazakhstan	5,973	6,630	7,411	8,345	9,294	.	7,530	11	Bulgaria:	9,799	2006
Kyrgyzstan	1,684	1,824	1,987	2,010	2,150	.	1,931	6	Romania:	9,869	2006
Tajikistan	984	1,100	1,243	1,359	1,501	.	1,237	11	UMI:*	11,861	LI:* 1,672
														High 5 Avg:*	43,504	Low 5 Avg:* 709
														FSU:*	5,085	
Per capita GDP, current US Dollars														CAS Code 11P2		
Kazakhstan	1,655	2,064	2,863	3,786	5,113	.	3,096	29	Bulgaria:	3,995	2006
Kyrgyzstan	322	381	435	477	542	.	431	13	Romania:	5,633	2006
Tajikistan	195	248	329	364	441	.	315	20	UMI:*	6,090	LI:* 457
														High 5 Avg:*	53,335	Low 5 Avg:* 153
														FSU:*	1,799	
Real GDP Growth														CAS Code 11P3		
Kazakhstan	9.8	9.3	9.6	9.7	10.6	.	9.8	2.0	Bulgaria:	6.2	2006
Kyrgyzstan	0.0	7.0	7.0	-0.2	2.7	.	3.3	.	Romania:	7.7	2006
Tajikistan	9.1	10.2	10.6	6.7	7.0	.	8.7	-9.5	UMI:*	5.9	LI:* 5.8
														High 5 Avg:*	15.9	Low 5 Avg:* -5.4
														FSU:*	8.1	
Growth of Labor Productivity														CAS Code 11S1		
Kazakhstan	12.7	8.9	8.0	7.9	7.9	.	.	9.1	-10.7	Bulgaria:	5.7	2005
Kyrgyzstan	3.5	-1.7	5.1	4.9	-2.6	.	.	1.9	.	Romania:	3.9	2005
Tajikistan	8.0	6.9	7.9	8.2	5.0	.	.	7.2	-7.7	UMI:*	4.7	LI:* 1.9
														High 5 Avg:*	11.5	Low 5 Avg:* -8.7
														FSU:*	6.6	
Investment Productivity - Incremental Capital-Output Ratio (ICOR)														CAS Code 11S2		
Kazakhstan	3.5	2.9	2.3	2.1	2.3	.	.	2.6	-11.0	Bulgaria:	4.1	2005
Kyrgyzstan	2.9	4.9	3.8	3.1	4.1	.	.	3.8	2.4	Romania:	3.8	2005

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Tajikistan	2.3	1.6	1.4	1.0	1.2	.	.	1.5	-17.5	UMI:*	5.7	LI:*	4.3
														High 5 Avg:*	54.5	Low 5 Avg:*	-86.2
														FSU:*	4.1		
Gross Fixed Investment, Percentage of GDP														CAS Code 11S3			
Kazakhstan	25.7	23.8	25.1	27.7	29.4	.	26.3	4.2	Bulgaria:	26.2	2006	
Kyrgyzstan	16.5	13.8	14.8	16.2	17.1	.	15.7	2.3	Romania:	24.6	2006	
Tajikistan	10.9	12.0	13.5	13.8	12.6	.	12.6	4.3	UMI:*	20.2	LI:*	20.1
														High 5 Avg:*	44.7	Low 5 Avg:*	8.2
														FSU:*	23.7		
Gross Fixed Private Investment, Percentage of GDP														CAS Code 11S4			
Kazakhstan	22.4	18.8	19.7	22.9	24.5	.	21.7	3.7	Bulgaria:	21.7	2006	
Kyrgyzstan	10.4	9.6	10.3	12.0	12.7	.	11.0	6.3	Romania:	20.9	2006	
Tajikistan	5.5	5.5	5.4	6.0	6.0	.	5.7	2.6	UMI:*	17.8	LI:*	
														High 5 Avg:*	-25.7	Low 5 Avg:*	-1274.9
														FSU:*	17.7		
Human Poverty Index														CAS Code 12P1			
Kazakhstan	n/a	.	.	.	Bulgaria:	.	.	
Kyrgyzstan	n/a	.	.	.	Romania:	.	.	
Tajikistan	n/a	.	.	.	UMI:*	.	LI:*	.
														High 5 Avg:*	57.6	Low 5 Avg:*	4.0
														FSU:*	.		
Income Share, Poorest 20%														CAS Code 12P2			
Kazakhstan	8.1	.	7.4	.	.	.	.	.	.	Bulgaria:	8.7	2003	
Kyrgyzstan	.	.	7.5	.	9.0	7.7	8.9	.	.	.	.	.	.	Romania:	8.1	2003	
Tajikistan	.	.	8.1	.	.	.	7.9	.	.	.	.	.	.	UMI:*	.	LI:*	.
														High 5 Avg:*	8.7	Low 5 Avg:*	3.1
														FSU:*	7.8		
Percentage of Population Living on Less than \$1 PPP per day														CAS Code 12P3a			
Kazakhstan	2.0	.	2.0	.	.	.	.	.	.	Bulgaria:	2.0	2003	
Kyrgyzstan	.	.	2.0	.	2.0	.	2.0	.	.	.	.	.	.	Romania:	2.0	2003	
Tajikistan	.	.	36.0	.	32.7	.	18.0	.	.	.	.	.	.	UMI:*	.	LI:*	.
														High 5 Avg:*	33.7	Low 5 Avg:*	2.0
														FSU:*	2.0		

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Percentage of Population Living on Less than \$2 PPP per day														CAS Code 12P3b			
Kazakhstan	19.4	12.8	8.2	6.7	.	.	.	.	.	Bulgaria:	6.1	2003	
Kyrgyzstan	.	.	12.3	.	27.2	.	21.4	.	.	.	.	.	.	Romania:	12.9	2003	
Tajikistan	64.0	57.0	.	.	.	.	.	UMI:*	.	LI:*	.
														High 5 Avg:*	69.8	Low 5 Avg:*	4.7
														FSU:*	20.5		
Poverty Headcount, National Poverty Line														CAS Code 12P4			
Kazakhstan	28.4	24.2	19.8	16.1	13.0	.	.	24.1	.	Bulgaria:	12.8	2001	
Kyrgyzstan	54.8	49.9	45.9	43.1	40.6	.	46.9	-7.5	Romania:	.	.	
Tajikistan	UMI:*	.	LI:*	.
														High 5 Avg:*	51.2	Low 5 Avg:*	22.3
														FSU:*	48.6		
PRSP Status														CAS Code 12P5			
Kazakhstan	no	.	.	.	Bulgaria:	no	2007	
Kyrgyzstan	yes	yes	yes	yes	yes	.	.	.	Romania:	no	2007	
Tajikistan	yes	yes	yes	yes	yes	.	.	.	UMI:*	.	LI:*	.
														High 5 Avg:*	-	Low 5 Avg:*	-
														FSU:*	.		
Population below Minimum Dietary Energy Consumption														CAS Code 12S1			
Kazakhstan	13.0	8.0	.	.	.	.	.	.	.	Bulgaria:	9.0	2002	
Kyrgyzstan	6.0	4.0	.	.	.	.	.	.	.	Romania:	2.5	2002	
Tajikistan	61.0	61.0	.	.	.	.	.	.	.	UMI:*	5.0	LI:*	28.0
														High 5 Avg:*	67.0	Low 5 Avg:*	2.5
														FSU:*	9.0		
Labor Force Structure (Employment in agriculture, % total)														CAS Code 13P1a			
Kazakhstan	35.5	35.5	35.3	33.5	.	.	.	.	.	Bulgaria:	8.9	2005	
Kyrgyzstan	.	49.0	52.4	53.1	52.9	52.7	.	.	.	.	.	52.0	1.6	Romania:	32.1	2005	
Tajikistan	49.9	50.7	51.0	51.6	51.7	.	51.0	0.9	UMI:*	15.4	LI:*	.
														High 5 Avg:*	54.7	Low 5 Avg:*	0.4
														FSU:*	42.1		
Labor Force Structure (Employment in industry, % total)														CAS Code 13P1b			
Kazakhstan	16.3	16.3	17.0	17.4	.	.	.	.	.	Bulgaria:	34.2	2005	
Kyrgyzstan	.	13.1	11.6	10.5	10.3	10.3	.	.	.	.	.	11.2	-6.0	Romania:	30.3	2005	
Tajikistan	18.8	18.1	17.8	16.9	16.2	.	17.6	-3.7	UMI:*	25.6	LI:*	.

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
														High 5 Avg:*	38.6	Low 5 Avg:*	11.1
														FSU:*	16.1		
Labor Force Structure (Employment in services, % total)														CAS Code 13P1c			
Kazakhstan	48.1	48.2	47.8	49.1	.	.	.	.	.	Bulgaria:	56.8	2005	
Kyrgyzstan	.	37.9	36.1	36.5	36.7	37.0	.	.	.	.	.	36.8	-0.3	Romania:	37.5	2005	
Tajikistan	31.3	31.1	31.3	32.1	32.1	.	31.6	0.8	UMI:*	57.6	LI:*	.
														High 5 Avg:*	79.7	Low 5 Avg:*	30.5
														FSU:*	44.2		
Output structure (Agriculture, value added, % GDP)														CAS Code 13P2a			
Kazakhstan	9.4	8.6	8.4	7.6	6.8	.	.	8.2	-7.6	Bulgaria:	9.6	2005	
Kyrgyzstan	37.3	37.7	37.1	33.3	34.1	.	.	35.9	-3.0	Romania:	10.1	2005	
Tajikistan	26.2	24.7	27.1	21.6	24.4	.	.	24.8	-2.7	UMI:*	5.9	LI:*	34.9
														High 5 Avg:*	63.6	Low 5 Avg:*	2.2
														FSU:*	18.2		
Output structure (Industry, value added, % GDP)														CAS Code 13P2b			
Kazakhstan	38.8	38.6	37.6	37.6	39.5	.	.	38.4	0.1	Bulgaria:	31.6	2005	
Kyrgyzstan	28.9	23.3	22.3	24.1	20.9	.	.	23.9	-6.2	Romania:	35.0	2005	
Tajikistan	40.1	39.4	37.5	35.4	31.9	.	.	36.9	-5.7	UMI:*	29.9	LI:*	21.1
														High 5 Avg:*	67.6	Low 5 Avg:*	11.6
														FSU:*	35.9		
Output structure (Services, etc., value added, % GDP)														CAS Code 13P2c			
Kazakhstan	51.8	52.8	53.9	54.8	53.7	.	.	53.4	1.1	Bulgaria:	58.7	2005	
Kyrgyzstan	33.8	39.0	40.6	42.6	45.0	.	.	40.2	6.6	Romania:	54.9	2005	
Tajikistan	33.8	35.9	35.4	43.0	43.7	.	.	38.4	7.0	UMI:*	63.4	LI:*	43.2
														High 5 Avg:*	80.6	Low 5 Avg:*	19.7
														FSU:*	46.4		
Adult Literacy Rate														CAS Code 14P1			
Kazakhstan	99.5	.	.	99.5	.	.	.	Bulgaria:	98.2	2006	
Kyrgyzstan	98.7	.	.	98.7	.	.	.	Romania:	97.3	2006	
Tajikistan	99.5	.	.	99.5	.	.	.	UMI:*	95.3	LI:*	59.5
														High 5 Avg:*	99.7	Low 5 Avg:*	24.7
														FSU:*	99.4		
Youth Dependency Rate														CAS Code 14P2a			
Kazakhstan	40.4	38.7	36.9	35.3	33.9	.	.	37.0	-4.5	Bulgaria:	19.8	2005	

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Kyrgyzstan	56.8	55.2	53.6	52.0	50.4	.	.	53.6	-3.0	Romania:	22.1	2005	
Tajikistan	76.3	74.4	72.4	70.3	68.2	.	.	72.3	-2.8	UMI:*	39.1	LI:*	79.4
														High 5 Avg:*	99.4	Low 5 Avg:*	16.6
														FSU:*	34.0		
Elderly Dependency Rate														CAS Code 14P2b			
Kazakhstan	10.8	11.3	11.8	12.2	12.4	.	.	11.7	3.5	Bulgaria:	24.2	2005	
Kyrgyzstan	9.6	9.7	9.8	9.9	9.8	.	.	9.8	0.7	Romania:	21.1	2005	
Tajikistan	6.4	6.5	6.6	6.7	6.8	.	.	6.6	1.6	UMI:*	11.5	LI:*	6.0
														High 5 Avg:*	27.5	Low 5 Avg:*	1.8
														FSU:*	13.3		
Environmental Performance Index (1 to 100)														CAS Code 14P3			
Kazakhstan	63.5	.	.	.	Bulgaria:	72.0	2006	
Kyrgyzstan	60.5	.	.	.	Romania:	56.9	2006	
Tajikistan	48.2	.	.	.	UMI:*	76.5	LI:*	51.0
														High 5 Avg:*	86.9	Low 5 Avg:*	31.8
														FSU:*	61.4		
Population Size (Millions)														CAS Code 14P4a			
Kazakhstan	14.9	14.9	15.0	15.1	15.1	.	15.0	0.5	Bulgaria:	7.7	2006	
Kyrgyzstan	5.0	5.0	5.1	5.1	5.2	.	5.1	1.0	Romania:	21.6	2006	
Tajikistan	6.3	6.4	6.4	6.5	6.4	.	6.4	0.6	UMI:*	3.6	LI:*	11.7
														High 5 Avg:*	611.1	Low 5 Avg:*	0.0
														FSU:*	7.4		
Population Growth, Annual %														CAS Code 14P4b			
Kazakhstan	-0.2	0.0	0.3	0.7	0.9	.	.	0.5	.	Bulgaria:	-0.5	2005	
Kyrgyzstan	0.8	0.8	0.9	1.1	1.0	.	.	0.9	7.6	Romania:	-0.2	2005	
Tajikistan	1.1	1.1	1.1	1.1	1.2	.	.	1.1	1.8	UMI:*	0.8	LI:*	2.2
														High 5 Avg:*	5.5	Low 5 Avg:*	-0.7
														FSU:*	0.3		
Urbanization Rate														CAS Code 14P5			
Kazakhstan	56.5	56.7	56.9	57.1	57.3	.	.	56.9	0.4	Bulgaria:	70.7	2005	
Kyrgyzstan	35.5	35.6	35.6	35.7	35.8	.	.	35.6	0.2	Romania:	53.7	2005	
Tajikistan	25.7	25.4	25.2	24.9	24.7	.	.	25.2	-1.0	UMI:*	66.6	LI:*	30.6
														High 5 Avg:*	100.0	Low 5 Avg:*	10.4
														FSU:*	51.9		

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Girls' Primary Completion Rate														CAS Code 15P1			
Kazakhstan	99.0	109.5	113.3	109.9	109.5	108.2	.	Bulgaria:	97.4	2007	
Kyrgyzstan	90.2	93.4	97.8	91.4	93.4	93.2	.	Romania:	89.2	2006	
Tajikistan	92.2	89.6	100.0	97.5	89.6	93.8	.	UMI:*	96.5	LI:*	52.5
														High 5 Avg:*	117.0	Low 5 Avg:*	22.2
														FSU:*	95.6		
Gross Enrollment Rate, All Levels of Education, Male														CAS Code 15P2a			
Kazakhstan	77.0	80.0	83.0	89.0	.	.	.	.	.	Bulgaria:	81.0	2004	
Kyrgyzstan	79.0	80.0	81.0	77.0	.	.	.	.	.	Romania:	73.0	2004	
Tajikistan	78.0	80.0	82.0	77.0	.	.	.	.	.	UMI:*	77.0	LI:*	52.5
														High 5 Avg:*	101.2	Low 5 Avg:*	28.2
														FSU:*	77.0		
Gross Enrollment Rate, All Levels of Education, Female														CAS Code 15P2b			
Kazakhstan	78.0	80.0	87.0	93.0	.	.	.	.	.	Bulgaria:	81.0	2004	
Kyrgyzstan	80.0	81.0	83.0	80.0	.	.	.	.	.	Romania:	77.0	2004	
Tajikistan	65.0	67.0	69.0	65.0	.	.	.	.	.	UMI:*	81.0	LI:*	46.5
														High 5 Avg:*	106.8	Low 5 Avg:*	21.8
														FSU:*	77.0		
Life Expectancy, Male														CAS Code 15P3a			
Kazakhstan	59.7	60.7	57.8	58.0	60.9	.	.	59.4	-0.1	Bulgaria:	69.0	2005	
Kyrgyzstan	64.2	64.6	62.7	62.9	64.5	.	.	63.8	-0.2	Romania:	68.2	2005	
Tajikistan	65.6	66.0	61.0	61.2	61.4	.	.	63.0	-2.1	UMI:*	70.1	LI:*	53.5
														High 5 Avg:*	78.5	Low 5 Avg:*	35.1
														FSU:*	62.7		
Life Expectancy, Female														CAS Code 15P3b			
Kazakhstan	71.5	71.8	69.0	69.1	71.9	.	.	70.7	-0.3	Bulgaria:	76.3	2005	
Kyrgyzstan	71.9	72.2	71.1	71.3	72.4	.	.	71.8	0.0	Romania:	75.4	2005	
Tajikistan	71.0	71.3	66.3	66.4	66.7	.	.	68.3	-1.9	UMI:*	76.1	LI:*	56.3
														High 5 Avg:*	84.1	Low 5 Avg:*	35.1
														FSU:*	71.5		
Labor Force Participation Rate, Male														CAS Code 15P4a			
Kazakhstan	82.4	82.5	82.2	82.4	82.6	.	.	82.4	0.0	Bulgaria:	64.6	2005	
Kyrgyzstan	79.7	79.7	79.9	79.9	80.0	.	.	79.8	0.1	Romania:	75.1	2005	
Tajikistan	68.4	68.3	68.7	65.9	65.5	.	.	67.4	-1.2	UMI:*	83.8	LI:*	88.6

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
														High 5 Avg:*	98.6	Low 5 Avg:*	67.6
														FSU:*	77.9		
Labor Force Participation Rate, Female														CAS Code 15P4b			
Kazakhstan	72.9	73.4	73.1	74.3	74.7	.	.	73.7	0.6	Bulgaria:	51.6	2005	
Kyrgyzstan	61.9	61.3	61.7	61.5	61.5	.	.	61.6	-0.1	Romania:	61.2	2005	
Tajikistan	51.4	52.0	53.1	50.3	50.2	.	.	51.4	-0.8	UMI:*	56.7	LI:*	61.9
														High 5 Avg:*	92.2	Low 5 Avg:*	19.2
														FSU:*	63.3		
Government Expenditure, % of GDP														CAS Code 21P1			
Kazakhstan	20.5	21.5	21.7	22.2	20.3	.	21.5	0.1	Bulgaria:	36.5	2006	
Kyrgyzstan	24.8	24.5	28.0	28.9	29.0	.	26.6	4.8	Romania:	32.9	2006	
Tajikistan	19.2	19.1	20.3	23.0	21.7	.	20.4	4.3	UMI:*	.	LI:*	.
														High 5 Avg:*	43.7	Low 5 Avg:*	12.1
														FSU:*	.		
Government Revenue, % of GDP														CAS Code 21P2			
Kazakhstan	22.5	25.4	24.6	28.1	27.9	.	25.7	5.3	Bulgaria:	39.0	2005	
Kyrgyzstan	21.7	21.7	22.3	23.7	25.8	.	23.0	4.3	Romania:	25.8	2002	
Tajikistan	16.5	17.0	17.3	19.3	18.7	.	17.8	3.8	UMI:*	27.0	LI:*	13.4
														High 5 Avg:*	50.6	Low 5 Avg:*	8.9
														FSU:*	17.7		
Growth in the Money Supply														CAS Code 21P3			
Kazakhstan	32.8	27.0	69.8	25.2	79.9	.	46.9	.	Bulgaria:	24.5	2005	
Kyrgyzstan	35.1	34.5	33.6	25.5	54.1	.	36.6	.	Romania:	20.2	2005	
Tajikistan	42.9	28.6	14.1	23.9	56.3	.	33.2	.	UMI:*	13.3	LI:*	17.6
														High 5 Avg:*	107.2	Low 5 Avg:*	5.2
														FSU:*	33.7		
Inflation Rate														CAS Code 21P4			
Kazakhstan	5.9	6.4	6.9	7.6	8.6	.	7.1	9.3	Bulgaria:	7.3	2005	
Kyrgyzstan	2.1	3.1	4.1	4.3	5.6	.	3.8	22.9	Romania:	6.6	2005	
Tajikistan	12.2	16.4	7.2	7.3	10.1	.	10.6	-11.9	UMI:*	3.8	LI:*	7.9
														High 5 Avg:*	89.7	Low 5 Avg:*	-1.2
														FSU:*	8.9		
Overall Budget Balance, Including Grants, % of GDP														CAS Code 21P5			
Kazakhstan	1.4	2.7	2.5	5.8	7.5	.	4.0	41.2	Bulgaria:	3.6	2006	

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Kyrgyzstan	-5.6	-4.7	-4.4	-3.7	-2.3	.	-4.1	20.2	Romania:	-1.7	2006	
Tajikistan	-2.4	-1.8	-2.4	-2.9	1.7	.	-1.6	.	UMI:*	-2.4	LI:*	.
														High 5 Avg:*	3.9	Low 5 Avg:*	-8.1
														FSU:*	-0.3		
Composition of Government Expenditure (Wages and salaries)														CAS Code 21S1a			
Kazakhstan	Bulgaria:	.	.	
Kyrgyzstan	26.1	27.5	20.8	21.7	22.7	.	23.7	-5.1	Romania:	.	.	
Tajikistan	16.9	14.6	13.5	16.2	19.0	.	16.0	3.3	UMI:*	15.4	LI:*	.
														High 5 Avg:*	69.2	Low 5 Avg:*	3.2
														FSU:*	11.4		
Composition of Government Expenditure (Goods and services)														CAS Code 21S1b			
Kazakhstan	Bulgaria:	.	.	
Kyrgyzstan	25.2	28.0	27.0	25.2	26.5	.	26.4	0.0	Romania:	.	.	
Tajikistan	28.4	28.7	27.8	29.3	29.2	.	28.7	0.7	UMI:*	29.7	LI:*	.
														High 5 Avg:*	48.8	Low 5 Avg:*	4.6
														FSU:*	33.5		
Composition of Government Expenditure (Interest payments)														CAS Code 21S1c			
Kazakhstan	6.3	.	Bulgaria:	.	.	
Kyrgyzstan	6.5	6.4	4.9	5.4	3.0	.	5.2	-16.9	Romania:	.	.	
Tajikistan	9.8	6.5	3.5	2.2	2.3	.	4.9	-39.9	UMI:*	11.4	LI:*	.
														High 5 Avg:*	35.6	Low 5 Avg:*	0.6
														FSU:*	8.1		
Composition of Government Expenditure (Subsidies and other current transfers)														CAS Code 21S1d			
Kazakhstan	53.8	.	Bulgaria:	.	.	
Kyrgyzstan	17.9	18.5	31.4	31.1	32.3	.	26.2	17.0	Romania:	.	.	
Tajikistan	16.6	16.0	15.2	18.3	19.0	.	17.0	4.1	UMI:*	47.7	LI:*	.
														High 5 Avg:*	71.2	Low 5 Avg:*	16.2
														FSU:*	48.9		
Composition of Government Expenditure (Other expenditure)														CAS Code 21S1e			
Kazakhstan	Bulgaria:	.	.	
Kyrgyzstan	0.0	0.0	0.0	0.0	0.0	.	0.0	.	Romania:	.	.	
Tajikistan	0.0	0.0	0.0	0.0	0.0	.	0.0	.	UMI:*	10.0	LI:*	.
														High 5 Avg:*	.	Low 5 Avg:*	.
														FSU:*	9.5		

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data		
Composition of Government Expenditure (capital expenditure)														CAS Code 21S1f		
Kazakhstan	.	.	.	.	.	22.4	23.1	25.1	21.8	24.2	.	23.3	.	Bulgaria:	.	.
Kyrgyzstan	.	.	.	.	.	24.4	19.5	16.0	16.6	15.4	.	18.4	-10.8	Romania:	.	.
Tajikistan	.	.	.	.	.	28.3	34.1	40.1	34.1	30.6	.	33.4	1.5	UMI:*	.	LI:*
														High 5 Avg:*	53.8	Low 5 Avg:*
														FSU:*	.	1.7
Composition of Government Revenue (Taxes of income, profits and capital gains)														CAS Code 21S2a		
Kazakhstan	.	.	.	.	19.9	38.1	38.9	40.1	48.6	.	.	37.1	18.4	Bulgaria:	13.5	2005
Kyrgyzstan	.	.	.	.	.	12.9	12.8	12.1	14.2	11.7	.	12.7	-0.9	Romania:	9.3	2002
Tajikistan	.	.	.	.	.	10.7	9.3	9.5	10.4	9.0	.	9.8	-2.4	UMI:*	15.0	LI:*
														High 5 Avg:*	53.8	Low 5 Avg:*
														FSU:*	7.5	1.7
Composition of Government Revenue (Taxes on goods and services)														CAS Code 21S2b		
Kazakhstan	.	.	.	.	42.9	38.0	40.8	39.9	38.4	.	.	40.0	-1.7	Bulgaria:	42.5	2005
Kyrgyzstan	.	.	.	.	.	36.8	38.6	39.6	35.6	37.1	.	37.5	-0.6	Romania:	32.6	2002
Tajikistan	.	.	.	.	.	41.7	43.0	43.6	46.3	41.9	.	43.3	0.8	UMI:*	33.0	LI:*
														High 5 Avg:*	64.6	Low 5 Avg:*
														FSU:*	43.4	3.1
Composition of Government Revenue (Taxes on international trade)														CAS Code 21S2c		
Kazakhstan	.	.	.	.	5.7	7.0	6.1	5.3	3.6	.	.	5.5	-11.9	Bulgaria:	2.2	2005
Kyrgyzstan	.	.	.	.	.	2.5	2.3	2.1	6.7	9.3	.	4.6	37.6	Romania:	2.5	2002
Tajikistan	.	.	.	.	.	22.0	19.8	16.8	10.4	7.7	.	15.3	-27.4	UMI:*	4.3	LI:*
														High 5 Avg:*	44.9	Low 5 Avg:*
														FSU:*	6.2	-1.7
Composition of Government Revenue (Social contributions)														CAS Code 21S2d		
Kazakhstan	47.7	29.9	0.2	.	.	.	.	.	.	.	.	.	.	Bulgaria:	26.1	2005
Kyrgyzstan	.	.	.	.	.	15.8	15.6	15.1	15.4	14.5	.	15.3	-1.9	Romania:	41.5	2002
Tajikistan	.	.	.	.	.	11.3	10.5	10.6	10.4	8.5	.	10.3	-5.6	UMI:*	24.9	LI:*
														High 5 Avg:*	45.3	Low 5 Avg:*
														FSU:*	22.6	0.4
Composition of Government Revenue (Other taxes)														CAS Code 21S2e		
Kazakhstan	.	.	.	.	0.2	0.4	0.3	0.2	0.4	.	.	0.3	.	Bulgaria:	0.0	2005
Kyrgyzstan	.	.	.	.	.	9.2	10.5	10.5	9.4	8.5	.	9.6	-2.7	Romania:	0.5	2002
Tajikistan	.	.	.	.	.	1.2	1.3	.	.	.	.	.	.	UMI:*	1.9	LI:*
																.

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
														High 5 Avg:*	19.8	Low 5 Avg:*	-
														FSU:*	0.3		
Composition of Government Revenue (Grants and other revenue)														CAS Code 21S2f			
Kazakhstan	31.3	16.5	13.8	14.6	8.9	.	.	17.0	-26.3	Bulgaria:	15.6	2005	
Kyrgyzstan	23.0	20.2	20.6	18.7	18.9	.	20.3	-4.7	Romania:	13.5	2002	
Tajikistan	10.1	13.4	15.6	18.4	29.5	.	17.4	24.6	UMI:*	14.0	LI:*	.
														High 5 Avg:*	78.7	Low 5 Avg:*	3.0
														FSU:*	19.6		
Composition of Money Supply Growth (Domestic credit to the public sector)														CAS Code 21S3a			
Kazakhstan	-44.5	-91.7	-20.0	-90.5	-56.9	.	-60.7	-4.8	Bulgaria:	.	.	
Kyrgyzstan	37.1	3.4	-95.3	9.4	-0.9	.	-9.3	.	Romania:	-2.6	2006	
Tajikistan	44.0	-73.6	-140.4	-31.7	-23.1	.	-44.9	.	UMI:*	.	LI:*	.
														High 5 Avg:*	-	Low 5 Avg:*	-
														FSU:*	.		
Composition of Money Supply Growth (Domestic credit to the private sector)														CAS Code 21S3b			
Kazakhstan	109.8	124.6	81.9	267.9	134.7	.	143.8	11.7	Bulgaria:	.	.	
Kyrgyzstan	11.5	23.5	56.5	70.6	35.1	.	39.4	33.4	Romania:	95.6	2006	
Tajikistan	210.1	108.6	1,045.3	149.8	76.2	.	318.0	-17.1	UMI:*	.	LI:*	.
														High 5 Avg:*	-	Low 5 Avg:*	-
														FSU:*	.		
Composition of Money Supply Growth (Domestic credit to non-financial public enterprises)														CAS Code 21S3c			
Kazakhstan	-1.1	7.9	-1.0	5.0	-0.8	.	2.0	.	Bulgaria:	.	.	
Kyrgyzstan	Romania:	0.6	2006	
Tajikistan	-145.5	-75.1	0.0	26.9	22.6	.	-34.2	.	UMI:*	.	LI:*	.
														High 5 Avg:*	-	Low 5 Avg:*	-
														FSU:*	.		
Composition of Money Supply Growth (Net foreign assets, reserves)														CAS Code 21S3d			
Kazakhstan	127.6	73.3	44.6	1.7	68.0	.	63.0	-50.0	Bulgaria:	.	.	
Kyrgyzstan	47.7	80.7	176.2	58.0	70.9	.	86.7	4.6	Romania:	-0.6	2006	
Tajikistan	-22.6	68.1	-645.0	242.9	92.3	.	-52.8	.	UMI:*	.	LI:*	.
														High 5 Avg:*	-	Low 5 Avg:*	-
														FSU:*	.		
Composition of Money Supply Growth (Other items net)														CAS Code 21S3e			
Kazakhstan	-91.9	-14.1	-5.5	-84.2	-44.9	.	-48.1	-3.6	Bulgaria:	.	.	

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Kyrgyzstan	3.7	-7.5	-37.4	-37.9	-5.1	.	-16.8	.	Romania:	6.9	2006	
Tajikistan	14.0	72.1	-159.9	-287.8	-68.0	.	-85.9	.	UMI:*	.	LI:*	.
														High 5 Avg:*	.	Low 5 Avg:*	.
														FSU:*	.		
Control of Corruption Index (-2.5 for poor to +2.5 for excellent)														CAS Code 22P1			
Kazakhstan	-1.1	-1.1	-1.2	-0.9	-0.9	.	-1.0	4.8	Bulgaria:	-0.1	2006	
Kyrgyzstan	-0.9	-0.9	-1.0	-1.1	-1.1	.	-1.0	-7.2	Romania:	-0.2	2006	
Tajikistan	-1.0	-1.0	-1.2	-1.1	-0.9	.	-1.0	2.0	UMI:*	3.8	LI:*	.
														High 5 Avg:*	9.5	Low 5 Avg:*	1.9
														FSU:*	2.5		
Ease of Doing Business Ranking (1 to 178)														CAS Code 22P2			
Kazakhstan	71.0	.	.	Bulgaria:	46.0	2007	
Kyrgyzstan	94.0	.	.	Romania:	48.0	2007	
Tajikistan	153.0	.	.	UMI:*	58.8	LI:*	145.5
														High 5 Avg:*	.	Low 5 Avg:*	.
														FSU:*	96.5		
Rule of Law Index (-2.5 for poor to 2.5 for excellent)														CAS Code 22P3			
Kazakhstan	-1.0	-1.0	-1.0	-0.8	-0.8	.	-0.9	5.8	Bulgaria:	-0.2	2006	
Kyrgyzstan	-0.8	-0.8	-0.8	-1.1	-1.2	.	-0.9	-11.2	Romania:	-0.2	2006	
Tajikistan	-1.3	-1.1	-1.1	-1.0	-1.1	.	-1.1	5.6	UMI:*	0.3	LI:*	-0.9
														High 5 Avg:*	2.0	Low 5 Avg:*	-1.8
														FSU:*	-0.9		
Regulatory Quality Index (-2.5 for poor to 2.5 for excellent)														CAS Code 22P4			
Kazakhstan	-0.7	-0.7	-0.7	-0.5	-0.4	.	-0.6	15.3	Bulgaria:	0.5	2006	
Kyrgyzstan	-0.2	-0.3	-0.2	-0.7	-0.6	.	-0.4	-31.8	Romania:	0.4	2006	
Tajikistan	-1.3	-1.1	-1.1	-1.0	-1.0	.	-1.1	6.0	UMI:*	0.6	LI:*	-0.8
														High 5 Avg:*	1.8	Low 5 Avg:*	-2.2
														FSU:*	-0.5		
Government Effectiveness Index (0 for poor to 1 for excellent)														CAS Code 22P5			
Kazakhstan	-0.9	-0.6	-0.7	-0.6	-0.5	.	-0.7	11.0	Bulgaria:	0.1	2006	
Kyrgyzstan	-0.6	-0.7	-0.7	-0.9	-0.9	.	-0.8	-9.3	Romania:	-0.1	2006	
Tajikistan	-1.1	-1.1	-1.1	-1.1	-1.1	.	-1.1	0.2	UMI:*	0.5	LI:*	-0.9
														High 5 Avg:*	2.2	Low 5 Avg:*	-1.7
														FSU:*	-0.7		

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Cost of Starting a Business % GNI per Capita														CAS Code 22S1			
Kazakhstan	11.1	10.5	8.6	7.0	7.6	.	.	Bulgaria:	8.4	2007	
Kyrgyzstan	10.9	11.6	10.4	9.8	8.8	.	.	Romania:	4.7	2007	
Tajikistan	75.1	39.6	.	.	UMI:*	12.4	LI:*	100.0
														High 5 Avg:*	574.0	Low 5 Avg:*	0.5
														FSU:*	9.7		
Procedures to Enforce a Contract														CAS Code 22S2			
Kazakhstan	42.0	42.0	38.0	38.0	38.0	.	.	Bulgaria:	40.0	2007	
Kyrgyzstan	39.0	39.0	39.0	39.0	39.0	.	.	Romania:	32.0	2007	
Tajikistan	34.0	34.0	.	.	UMI:*	37.0	LI:*	41.0
														High 5 Avg:*	53.7	Low 5 Avg:*	23.1
														FSU:*	37.0		
Procedures to Register Property														CAS Code 22S3			
Kazakhstan	8.0	8.0	8.0	8.0	.	.	Bulgaria:	9.0	2007	
Kyrgyzstan	4.0	4.0	4.0	4.0	.	.	Romania:	8.0	2007	
Tajikistan	6.0	6.0	.	.	UMI:*	6.0	LI:*	6.0
														High 5 Avg:*	13.9	Low 5 Avg:*	1.6
														FSU:*	6.0		
Procedures to Start a Business														CAS Code 22S4			
Kazakhstan	10.0	10.0	8.0	8.0	8.0	.	.	Bulgaria:	9.0	2007	
Kyrgyzstan	8.0	8.0	8.0	8.0	8.0	.	.	Romania:	6.0	2007	
Tajikistan	14.0	13.0	.	.	UMI:*	9.0	LI:*	10.0
														High 5 Avg:*	18.5	Low 5 Avg:*	2.4
														FSU:*	9.3		
Time to Enforce a Contract (in days)														CAS Code 22S5			
Kazakhstan	250	250	230	230	230	.	.	Bulgaria:	564	2007	
Kyrgyzstan	177	177	177	177	177	.	.	Romania:	537	2007	
Tajikistan	295	295	.	.	UMI:*	598	LI:*	530
														High 5 Avg:*	1612	Low 5 Avg:*	183
														FSU:*	281		
Time to Register Property (in days)														CAS Code 22S6			
Kazakhstan	52	52	52	52	.	.	Bulgaria:	19	2007	
Kyrgyzstan	4	4	4	4	.	.	Romania:	150	2007	
Tajikistan	37	37	.	.	UMI:*	51	LI:*	78

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
														High 5 Avg:*	486	Low 5 Avg:*	2
														FSU:*	52		
Time to Start a Business (in days)														CAS Code 22S7			
Kazakhstan	26	26	25	21	21	.	.	Bulgaria:	32	2007	
Kyrgyzstan	21	21	21	21	21	.	.	Romania:	14	2007	
Tajikistan	67	49	.	.	UMI:*	31	LI:*	43
														High 5 Avg:*	288	Low 5 Avg:*	4
														FSU:*	28		
Total Tax Payable by Business, % operating profit														CAS Code 22S8			
Kazakhstan	39.5	39.5	36.7	.	.	Bulgaria:	36.7	2007	
Kyrgyzstan	67.2	67.2	61.4	.	.	Romania:	46.9	2007	
Tajikistan	82.1	82.2	.	.	UMI:*	44.2	LI:*	44.0
														High 5 Avg:*	251.2	Low 5 Avg:*	12.2
														FSU:*	51.4		
Business Costs of Crime, Violence and Terrorism (1 for poor to 7 for excellent)														CAS Code 22S9			
Kazakhstan	3.8	4.1	.	.	.	Bulgaria:	3.2	2006	
Kyrgyzstan	3.6	3.0	.	.	.	Romania:	3.9	2006	
Tajikistan	3.4	3.9	.	.	.	UMI:*	4.2	LI:*	3.5
														High 5 Avg:*	6.6	Low 5 Avg:*	1.9
														FSU:*	4.0		
Senior Manager Time Spent Dealing with Government Regulations (%)														CAS Code 22S10			
Kazakhstan	7.3	.	.	3.1	.	.	.	.	Bulgaria:	2.8	2005	
Kyrgyzstan	5.8	.	.	6.1	.	.	.	.	Romania:	1.1	2005	
Tajikistan	5.6	.	.	3.3	.	.	.	.	UMI:*	5.1	LI:*	.
														High 5 Avg:*	17.4	Low 5 Avg:*	1.5
														FSU:*	3.6		
Domestic Credit to Private Sector, % GDP														CAS Code 23P1			
Kazakhstan	19.9	22.7	26.5	35.4	48.2	.	30.5	22.1	Bulgaria:	44.5	2005	
Kyrgyzstan	4.0	4.7	7.0	8.0	10.5	.	6.8	24.7	Romania:	26.3	2006	
Tajikistan	20.4	14.6	17.8	18.8	16.4	.	17.6	-1.8	UMI:*	39.1	LI:*	12.3
														High 5 Avg:*	175.6	Low 5 Avg:*	2.3
														FSU:*	9.7		
Interest Rate Spread														CAS Code 23P2			
Kazakhstan	.	.	.	4.0	4.1	4.9	5.5	6.0	.	.	.	4.9	11.4	Bulgaria:	5.7	2006	

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Kyrgyzstan	18.9	14.2	22.6	20.8	17.6	.	18.8	2.5	Romania:	.	.	
Tajikistan	5.0	6.9	10.6	13.5	15.3	.	10.3	29.2	UMI:*	5.6	LI:*	13.6
														High 5 Avg:*	56.8	Low 5 Avg:*	1.5
														FSU:*	8.5		
Money Supply (M2), % GDP														CAS Code 23P3			
Kazakhstan	20.5	21.8	27.8	27.0	36.3	.	26.7	13.6	Bulgaria:	67.3	2006	
Kyrgyzstan	14.6	17.5	20.6	21.2	28.6	.	20.5	15.3	Romania:	37.3	2006	
Tajikistan	8.4	8.3	7.0	7.6	9.4	.	8.1	1.4	UMI:*	48.4	LI:*	25.1
														High 5 Avg:*	185.7	Low 5 Avg:*	8.7
														FSU:*	13.5		
Stock Market Capitalization Rate, % GDP														CAS Code 23P4			
Kazakhstan	5.4	5.4	7.9	9.1	18.4	.	.	9.3	29.6	Bulgaria:	19.1	2005	
Kyrgyzstan	0.3	0.5	1.6	1.5	1.7	.	.	1.1	50.4	Romania:	20.9	2005	
Tajikistan	UMI:*	29.4	LI:*	.
														High 5 Avg:*	246.3	Low 5 Avg:*	1.1
														FSU:*	1.8		
Credit Information Index (0 for poor to 6 for excellent)														CAS Code 23P5			
Kazakhstan	0.0	0.0	0.0	4.0	4.0	.	.	Bulgaria:	6.0	2007	
Kyrgyzstan	0.0	0.0	1.0	3.0	3.0	.	.	Romania:	5.0	2007	
Tajikistan	0.0	0.0	.	.	UMI:*	4.0	LI:*	0.0
														High 5 Avg:*	6.0	Low 5 Avg:*	0.0
														FSU:*	2.3		
Legal Rights of Borrowers and Lenders (0 for poor to 10 for excellent)														CAS Code 23S1			
Kazakhstan	5.0	5.0	5.0	5.0	.	.	Bulgaria:	6.0	2007	
Kyrgyzstan	4.0	4.0	5.0	5.0	.	.	Romania:	7.0	2007	
Tajikistan	4.0	4.0	.	.	UMI:*	5.0	LI:*	4.0
														High 5 Avg:*	9.4	Low 5 Avg:*	0.6
														FSU:*	4.7		
Real Interest Rate														CAS Code 23S2			
Kazakhstan	Bulgaria:	3.8	2005	
Kyrgyzstan	28.0	22.3	14.6	23.0	18.6	.	.	21.3	-7.9	Romania:	.	.	
Tajikistan	-7.0	-5.4	-8.9	2.7	13.4	.	.	-1.0	.	UMI:*	8.7	LI:*	11.5
														High 5 Avg:*	29.4	Low 5 Avg:*	-11.9
														FSU:*	11.2		

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Number of Active Microfinance Borrowers														CAS Code 23S3			
Kazakhstan	32,300	50,600	12,786	30,359	.	.	.	Bulgaria:	5178.0	2006	
Kyrgyzstan	77	868	123,371	.	.	.	Romania:	10417.0	2006	
Tajikistan	3,351	45,958	.	.	.	UMI:*	.	LI:*	.
														High 5 Avg:*	.	Low 5 Avg:*	.
														FSU:*	.		
Aid, % of GNI														CAS Code 24P1			
Kazakhstan	0.7	0.8	0.9	0.7	0.4	.	.	0.7	-11.1	Bulgaria:	2.5	2004	
Kyrgyzstan	12.9	12.0	10.8	12.3	11.4	.	.	11.9	-2.3	Romania:	1.2	2004	
Tajikistan	16.4	14.3	10.1	12.2	10.9	.	.	12.8	-9.8	UMI:*	0.4	LI:*	12.5
														High 5 Avg:*	51.9	Low 5 Avg:*	-0.2
														FSU:*	1.9		
Current Account Balance, % GDP														CAS Code 24P2			
Kazakhstan	-4.2	-0.9	0.8	-1.9	-2.2	.	-1.7	.	Bulgaria:	-11.3	2005	
Kyrgyzstan	-5.0	-4.4	-3.5	-2.3	-16.8	.	-6.4	17.8	Romania:	-8.6	2005	
Tajikistan	-3.5	-1.3	-3.9	-2.5	-2.5	.	-2.7	0.2	UMI:*	-4.8	LI:*	-4.1
														High 5 Avg:*	21.0	Low 5 Avg:*	-20.5
														FSU:*	-1.0		
Debt Service ratio, % Exports														CAS Code 24P3			
Kazakhstan	4.9	7.5	3.1	3.9	4.0	.	.	4.7	-10.5	Bulgaria:	13.0	2005	
Kyrgyzstan	9.0	7.2	3.8	2.8	7.3	.	.	6.0	-13.6	Romania:	7.3	2005	
Tajikistan	4.5	4.4	3.9	4.6	4.5	.	.	4.4	.	UMI:*	6.1	LI:*	7.4
														High 5 Avg:*	49.1	Low 5 Avg:*	1.4
														FSU:*	4.0		
Exports Growth, Goods and Services														CAS Code 24P4			
Kazakhstan	-1.8	16.6	7.5	10.9	1.4	.	.	6.9	.	Bulgaria:	7.2	2005	
Kyrgyzstan	-3.2	8.1	5.3	12.8	-6.8	.	.	3.2	.	Romania:	4.2	2005	
Tajikistan	6.8	12.0	6.8	30.7	11.6	.	.	13.6	20.1	UMI:*	5.9	LI:*	6.5
														High 5 Avg:*	49.0	Low 5 Avg:*	-15.5
														FSU:*	6.7		
Foreign Direct Investment, % GDP														CAS Code 24P5			
Kazakhstan	10.5	6.8	9.6	3.5	8.0	.	7.7	-12.3	Bulgaria:	9.8	2005	
Kyrgyzstan	0.3	2.4	7.9	1.7	6.5	.	3.7	58.8	Romania:	6.7	2005	
Tajikistan	3.0	2.0	13.1	2.4	12.0	.	6.5	29.4	UMI:*	4.2	LI:*	1.5

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
														High 5 Avg:*	90.7	Low 5 Avg:*	-0.7
														FSU:*	2.9		
Gross International Reserves, Months of Imports														CAS Code 24P6			
Kazakhstan	3.3	4.5	5.9	3.3	7.0	.	4.8	11.9	Bulgaria:	4.8	2005	
Kyrgyzstan	4.0	3.8	4.7	3.3	3.9	.	3.9	-1.9	Romania:	5.5	2005	
Tajikistan	1.8	1.8	2.5	2.1	1.7	.	2.0	0.4	UMI:*	4.1	LI:*	3.1
														High 5 Avg:*	16.4	Low 5 Avg:*	0.4
														FSU:*	2.6		
Gross Private Capital Inflows, % GDP														CAS Code 24P7			
Kazakhstan	9.8	7.4	11.2	5.6	14.1	.	9.6	4.5	Bulgaria:	11.4	2004	
Kyrgyzstan	-0.3	2.6	7.9	1.7	6.5	.	3.7	.	Romania:	8.8	2004	
Tajikistan	3.1	2.1	13.4	2.4	.	.	.	.	UMI:*	6.6	LI:*	1.8
														High 5 Avg:*	178.6	Low 5 Avg:*	-2.1
														FSU:*	7.0		
Present Value of Debt, % GNI														CAS Code 24P8			
Kazakhstan	100.9	106.2	.	.	.	.	Bulgaria:	68.5	2005	
Kyrgyzstan	82.4	53.9	.	.	.	.	Romania:	51.4	2005	
Tajikistan	41.3	40.7	.	.	.	.	UMI:*	64.2	LI:*	38.0
														High 5 Avg:*	352.4	Low 5 Avg:*	10.9
														FSU:*	38.0		
Remittance Receipts, % Exports														CAS Code 24P9			
Kazakhstan	0.8	0.9	0.3	0.2	0.2	.	.	0.5	-43.2	Bulgaria:	6.3	2005	
Kyrgyzstan	4.7	9.4	19.0	33.2	36.6	.	20.6	53.5	Romania:	11.4	2005	
Tajikistan	10.2	14.7	20.7	37.1	.	.	.	.	UMI:*	0.4	LI:*	7.5
														High 5 Avg:*	83.1	Low 5 Avg:*	0.0
														FSU:*	3.9		
Trade, % GDP														CAS Code 24P10			
Kazakhstan	94.3	91.4	96.2	98.0	96.3	.	95.2	1.1	Bulgaria:	138.2	2005	
Kyrgyzstan	87.5	84.2	93.5	95.1	119.8	.	96.0	7.5	Romania:	76.5	2005	
Tajikistan	144.4	136.8	128.4	78.8	82.3	.	114.1	-16.7	UMI:*	101.2	LI:*	66.5
														High 5 Avg:*	242.3	Low 5 Avg:*	26.3
														FSU:*	102.2		
Trade in Services, % GDP														CAS Code 24P11			
Kazakhstan	20.6	17.7	16.5	17.0	14.3	.	18.0	.	Bulgaria:	29.2	2005	

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data		
Kyrgyzstan	18.1	16.6	19.6	22.2	27.3	.	19.1	.	Romania:	10.8	2005
Tajikistan	14.0	13.5	16.2	17.2	18.8	.	.	.	UMI:*	19.4	LI:* 14.0
														High 5 Avg:*	92.1	Low 5 Avg:* 5.0
														FSU:*	18.8	
Concentration of Exports														CAS Code 24S1		
Kazakhstan	62.1	77.5	64.3	67.4	83.6	.	.	.	.	Bulgaria:	22.7	2005
Kyrgyzstan	62.4	52.9	60.4	54.1	53.5	.	.	.	.	Romania:	21.2	2005
Tajikistan	85.2	86.3	87.9	85.0	89.9	.	.	.	.	UMI:*	.	LI:* .
														High 5 Avg:*	-	Low 5 Avg:* -
														FSU:*	.	
Inward FDI Potential Index (0 for poor to 1 for excellent)														CAS Code 24S2		
Kazakhstan	0.2	.	.	.	.	.	Bulgaria:	0.2	2004
Kyrgyzstan	0.1	.	.	.	.	.	Romania:	0.2	2004
Tajikistan	0.1	.	.	.	.	.	UMI:*	0.2	LI:* 0.1
														High 5 Avg:*	0.5	Low 5 Avg:* 0.1
														FSU:*	0.2	
Net Barter Terms of Trade (= 100)														CAS Code 24S3		
Kazakhstan	Bulgaria:	.	.
Kyrgyzstan	Romania:	.	.
Tajikistan	UMI:*	.	LI:* 96.6
														High 5 Avg:*	130.7	Low 5 Avg:* 65.7
														FSU:*	.	
Real Effective Exchange Rate (REER) (= 100)														CAS Code 24S4		
Kazakhstan	Bulgaria:	125.3	2006
Kyrgyzstan	72.0	72.8	73.6	.	.	.	.	Romania:	.	.
Tajikistan	93.0	93.1	87.8	.	.	.	.	.	UMI:*	.	LI:* .
														High 5 Avg:*	-	Low 5 Avg:* -
														FSU:*	.	
Structure of Merchandise Exports (Agricultural raw materials exports)														CAS Code 24S5a		
Kazakhstan	.	.	.	1.4	1.4	.	1.3	1.0	.	.	.	.	.	Bulgaria:	1.8	2005
Kyrgyzstan	13.7	23.2	17.4	12.5	8.2	.	.	15.0	-16.5	Romania:	2.3	2005
Tajikistan	.	.	.	12.6	.	.	.	.	.	.	.	.	.	UMI:*	1.6	LI:* 4.3
														High 5 Avg:*	34.5	Low 5 Avg:* 0.0
														FSU:*	3.2	

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Structure of Merchandise Exports (Fuel exports)														CAS Code 24S5b			
Kazakhstan	.	.	.	52.0	55.2	.	61.8	65.3	.	.	.	.	.	Bulgaria:	10.4	2005	
Kyrgyzstan	21.7	19.5	20.9	18.8	11.7	.	.	18.5	-12.6	Romania:	10.6	2005	
Tajikistan	.	.	.	13.8	.	.	.	.	.	.	.	.	.	UMI:*	5.6	LI:*	1.7
														High 5 Avg:*	92.2	Low 5 Avg:*	0.0
														FSU:*	19.2		
Structure of Merchandise Exports (Manufactures exports)														CAS Code 24S5c			
Kazakhstan	.	.	.	19.6	18.9	.	18.0	15.5	.	.	.	.	.	Bulgaria:	59.3	2005	
Kyrgyzstan	39.6	33.4	39.0	43.0	27.5	.	.	36.5	-4.8	Romania:	79.5	2005	
Tajikistan	.	.	.	13.3	.	.	.	.	.	.	.	.	.	UMI:*	56.4	LI:*	17.0
														High 5 Avg:*	95.2	Low 5 Avg:*	3.0
														FSU:*	34.1		
Structure of Merchandise Exports (Ores and metals exports)														CAS Code 24S5d			
Kazakhstan	.	.	.	18.2	18.1	.	12.8	14.1	.	.	.	.	.	Bulgaria:	14.3	2005	
Kyrgyzstan	6.0	6.2	5.6	7.3	3.8	.	.	5.8	-7.7	Romania:	3.9	2005	
Tajikistan	.	.	.	55.9	.	.	.	.	.	.	.	.	.	UMI:*	2.1	LI:*	3.0
														High 5 Avg:*	52.0	Low 5 Avg:*	0.0
														FSU:*	8.1		
Structure of Merchandise Exports (Food exports)														CAS Code 24S5e			
Kazakhstan	.	.	.	6.8	5.2	.	6.0	4.1	.	.	.	.	.	Bulgaria:	10.5	2005	
Kyrgyzstan	19.0	17.6	15.9	18.4	11.3	.	.	16.4	-10.0	Romania:	2.9	2005	
Tajikistan	.	.	.	4.4	.	.	.	.	.	.	.	.	.	UMI:*	11.5	LI:*	26.1
														High 5 Avg:*	87.6	Low 5 Avg:*	0.2
														FSU:*	7.5		
Trade Policy Index (100 for excellent to 0 for poor)														CAS Code 24S6			
Kazakhstan	64.2	.	.	Bulgaria:	60.8	2007	
Kyrgyzstan	71.4	.	.	Romania:	74.0	2007	
Tajikistan	66.0	.	.	UMI:*	70.5	LI:*	55.3
														High 5 Avg:*	52.0	Low 5 Avg:*	40.0
														FSU:*	67.8		
Ease of Trading Across Borders Ranking														CAS Code 24S7			
Kazakhstan	177.0	178.0	.	.	Bulgaria:	89.0	2007	
Kyrgyzstan	176.0	177.0	.	.	Romania:	38.0	2007	
Tajikistan	175.0	176.0	.	.	UMI:*	79.5	LI:*	147.5

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data	
														High 5 Avg:*	Low 5 Avg:*
														FSU:*	155.0
Internet Users per 1,000 people														CAS Code 25P1	
Kazakhstan	6.2	9.0	12.4	13.5	19.8	.	.	10.3	27.3	Bulgaria:	205.6 2005
Kyrgyzstan	30.4	30.4	39.7	51.6	54.4	.	.	41.3	16.9	Romania:	207.5 2004
Tajikistan	.	.	.	0.5	0.5	0.6	0.6	0.8	.	.	.	0.6	11.7	UMI:*	LI:* 2.4
														High 5 Avg:*	Low 5 Avg:*
														FSU:*	52.3
Overall Infrastructure Quality (1 for poor to 7 for excellent)														CAS Code 25P2	
Kazakhstan	3.5	3.4	.	.	.	Bulgaria:	2.6 2006
Kyrgyzstan	2.3	2.3	.	.	.	Romania:	2.4 2006
Tajikistan	3.1	2.8	.	.	.	UMI:*	LI:* 2.3
														High 5 Avg:*	Low 5 Avg:*
														FSU:*	2.8
Telephone Density, Fixed Line and Mobile per 1,000 people														CAS Code 25P3	
Kazakhstan	.	.	.	136.5	169.7	209.2	238.7	350.3	.	.	.	220.9	22.3	Bulgaria:	1127.7 2005
Kyrgyzstan	83.8	89.7	106.1	133.5	190.5	.	.	120.7	20.4	Romania:	820.2 2005
Tajikistan	.	.	35.0	35.7	36.7	39.9	46.0	.	.	.	.	38.7	6.6	UMI:*	LI:* 22.8
														High 5 Avg:*	Low 5 Avg:*
														FSU:*	303.7
Quality of Infrastructure - Air Transport Infrastructure Index (1 for poor to 7 for excellent)														CAS Code 25S1a	
Kazakhstan	4.1	4.1	.	.	.	Bulgaria:	3.5 2006
Kyrgyzstan	3.5	3.1	.	.	.	Romania:	3.6 2006
Tajikistan	3.7	2.9	.	.	.	UMI:*	LI:* 3.2
														High 5 Avg:*	Low 5 Avg:*
														FSU:*	3.8
Quality of Infrastructure - Port Infrastructure Quality Index (1 for poor to 7 for excellent)														CAS Code 25S1b	
Kazakhstan	2.9	2.6	.	.	.	Bulgaria:	3.3 2006
Kyrgyzstan	1.2	1.5	.	.	.	Romania:	3.1 2006
Tajikistan	1.7	1.6	.	.	.	UMI:*	LI:* 2.4
														High 5 Avg:*	Low 5 Avg:*
														FSU:*	2.6
Quality of Infrastructure - Rail Development Index (1 for poor to 7 for excellent)														CAS Code 25S1c	
Kazakhstan	4.0	3.3	.	.	.	Bulgaria:	3.3 2006

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Kyrgyzstan	.	.	.	.	.	.	.	.	1.9	2.0	.	.	.	Romania:	2.9	2006	
Tajikistan	.	.	.	.	.	.	.	.	2.9	2.8	.	.	.	UMI:*	3.1	LI:*	1.8
														High 5 Avg:*	6.5	Low 5 Avg:*	1.1
														FSU:*	3.0		
Quality of Infrastructure - Quality of Electricity Supply Index (1 for poor to 7 for excellent)														CAS Code 25S1d			
Kazakhstan	.	.	.	.	.	.	.	.	4.7	4.3	.	.	.	Bulgaria:	4.0	2006	
Kyrgyzstan	.	.	.	.	.	.	.	.	3.4	3.4	.	.	.	Romania:	3.8	2006	
Tajikistan	.	.	.	.	.	.	.	.	1.9	1.8	.	.	.	UMI:*	5.0	LI:*	2.7
														High 5 Avg:*	6.9	Low 5 Avg:*	1.5
														FSU:*	3.6		
Roads, Paved (% total)														CAS Code 25S2			
Kazakhstan	.	.	.	.	.	.	94.0	93.4	.	.	.	.	.	Bulgaria:	99.0	2004	
Kyrgyzstan	91.1	91.1	91.1	.	.	.	.	.	.	.	.	.	.	Romania:	50.7	2004	
Tajikistan	.	.	.	.	.	.	.	.	.	.	.	.	.	UMI:*	53.9	LI:*	15.5
														High 5 Avg:*	100.0	Low 5 Avg:*	6.0
														FSU:*	91.1		
Expenditure in Research and Development, % GDP														CAS Code 26P1			
Kazakhstan	0.3	0.2	0.2	0.2	0.2	.	.	.	.	.	.	0.2	-7.7	Bulgaria:	0.5	2004	
Kyrgyzstan	.	0.2	0.2	0.2	0.2	0.2	.	.	.	.	.	0.2	-1.7	Romania:	0.4	2004	
Tajikistan	.	.	.	.	.	.	.	.	.	.	.	.	.	UMI:*	0.5	LI:*	.
														High 5 Avg:*	3.7	Low 5 Avg:*	0.1
														FSU:*	0.3		
FDI Technology Transfer Index														CAS Code 26P2			
Kazakhstan	.	.	.	.	.	.	.	.	4.3	4.7	.	.	.	Bulgaria:	4.6	2006	
Kyrgyzstan	.	.	.	.	.	.	.	.	3.5	4.0	.	.	.	Romania:	5.7	2006	
Tajikistan	.	.	.	.	.	.	.	.	4.1	4.0	.	.	.	UMI:*	5.0	LI:*	4.8
														High 5 Avg:*	6.1	Low 5 Avg:*	3.7
														FSU:*	4.3		
Availability of Scientists and Engineers (1 for poor to 7 for excellent)														CAS Code 26P3			
Kazakhstan	.	.	.	.	.	.	.	.	3.8	3.7	.	.	.	Bulgaria:	4.7	2006	
Kyrgyzstan	.	.	.	.	.	.	.	.	3.1	3.4	.	.	.	Romania:	4.9	2006	
Tajikistan	.	.	.	.	.	.	.	.	3.7	3.3	.	.	.	UMI:*	4.7	LI:*	3.9
														High 5 Avg:*	6.2	Low 5 Avg:*	2.6
														FSU:*	4.2		

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Scientific and Technology Journal Articles, per Million People														CAS Code 26P4			
Kazakhstan	.	.	109.0	113.0	116.0	123.0	128.0	.	.	.	.	117.8	4.1	Bulgaria:	829.0	2003	
Kyrgyzstan	9.0	15.0	10.0	.	.	.	.	.	.	.	.	.	.	Romania:	988.0	2003	
Tajikistan	29.0	15.0	20.0	.	.	.	.	.	.	.	.	.	.	UMI:*	157.3	LI:*	11.0
														High 5 Avg:*	17149.0	Low 5 Avg:*	6.0
														FSU:*	119.7		
IPR Protection (1 for poor to 7 for excellent)														CAS Code 26P5			
Kazakhstan	.	.	.	.	.	.	.	.	.	3.1	.	.	.	Bulgaria:	2.7	2006	
Kyrgyzstan	.	.	.	.	.	.	.	.	.	2.6	.	.	.	Romania:	3.1	2006	
Tajikistan	.	.	.	.	.	.	.	.	.	3.1	.	.	.	UMI:*	3.7	LI:*	2.7
														High 5 Avg:*	6.4	Low 5 Avg:*	1.9
														FSU:*	2.8		
HIV Prevalence														CAS Code 31P1			
Kazakhstan	.	.	.	.	0.0	0.0	0.1	.	0.1	.	.	.	.	Bulgaria:	0.1	2005	
Kyrgyzstan	.	.	.	.	.	.	0.0	.	0.1	.	.	.	.	Romania:	0.1	2005	
Tajikistan	.	.	.	.	.	.	0.0	0.1	0.1	.	.	.	.	UMI:*	.	LI:*	.
														High 5 Avg:*	33.4	Low 5 Avg:*	0.1
														FSU:*	.		
Life Expectancy at Birth														CAS Code 31P2			
Kazakhstan	.	.	.	.	65.8	66.0	65.9	66.1	66.2	.	.	66.0	0.2	Bulgaria:	72.6	2005	
Kyrgyzstan	.	.	.	.	68.7	68.1	68.3	68.2	68.3	.	.	68.3	-0.1	Romania:	71.7	2005	
Tajikistan	.	.	.	.	68.3	63.6	63.6	63.7	64.0	.	.	64.6	-1.3	UMI:*	73.0	LI:*	55.0
														High 5 Avg:*	80.9	Low 5 Avg:*	37.2
														FSU:*	68.1		
Maternal Mortality Rate, per 100,000 Live Births														CAS Code 31P3			
Kazakhstan	.	.	.	210.0	48.6	50.5	42.1	36.9	.	.	.	.	.	Bulgaria:	32.0	2000	
Kyrgyzstan	.	.	.	110.0	.	.	.	.	.	.	.	.	.	Romania:	49.0	2000	
Tajikistan	.	.	.	100.0	.	.	.	.	.	.	.	.	.	UMI:*	67.0	LI:*	690.0
														High 5 Avg:*	1800.0	Low 5 Avg:*	2.6
														FSU:*	45.5		
Access to Improved Sanitation														CAS Code 31S1			
Kazakhstan	.	.	.	99.0	.	72.0	.	72.0	.	.	.	.	.	Bulgaria:	99.0	2004	
Kyrgyzstan	.	.	.	100.0	.	60.0	.	59.0	.	.	.	.	.	Romania:	51.0	2002	
Tajikistan	.	.	.	90.0	.	53.0	.	51.0	.	.	.	.	.	UMI:*	92.0	LI:*	35.5

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
														High 5 Avg:*	100.0	Low 5 Avg:*	8.0
														FSU:*	70.0		
Access to Improved Water Source														CAS Code 31S2			
Kazakhstan	.	.	.	91.0	.	86.0	.	86.0	.	.	.	.	.	Bulgaria:	99.0	2004	
Kyrgyzstan	.	.	.	77.0	.	77.0	.	77.0	.	.	.	.	.	Romania:	57.0	2004	
Tajikistan	.	.	.	60.0	.	60.0	.	59.0	.	.	.	.	.	UMI:*	97.0	LI:*	61.5
														High 5 Avg:*	100.0	Low 5 Avg:*	26.4
														FSU:*	84.0		
Births Attended by Skilled Health Personnel														CAS Code 31S3			
Kazakhstan	98.5	99.0	99.0	.	99.0	.	.	.	.	Bulgaria:	99.0	2005	
Kyrgyzstan	99.0	99.0	99.0	.	98.0	.	.	.	.	Romania:	98.0	2005	
Tajikistan	.	.	.	71.1	.	71.0	71.0	.	.	.	.	.	.	UMI:*	99.4	LI:*	43.3
														High 5 Avg:*	99.6	Low 5 Avg:*	15.0
														FSU:*	97.2		
Child Immunization Rate														CAS Code 31S4			
Kazakhstan	99.0	90.5	98.5	90.5	98.5	94.6	.	Bulgaria:	96.0	2006	
Kyrgyzstan	98.5	99.0	98.5	99.0	98.5	98.8	.	Romania:	96.0	2007	
Tajikistan	84.5	84.5	82.5	97.5	82.5	87.3	.	UMI:*	96.0	LI:*	79.5
														High 5 Avg:*	99.0	Low 5 Avg:*	37.6
														FSU:*	98.0		
Prevalence of Child Malnutrition, Weight for Age														CAS Code 31S5			
Kazakhstan	4.0	4.0	.	4.0	.	.	.	.	.	Bulgaria:	1.6	2004	
Kyrgyzstan	.	.	.	6.6	7.2	11.0	7.8	6.7	.	.	.	.	.	Romania:	6.0	2004	
Tajikistan	n/a	.	.	.	.	.	UMI:*	.	LI:*	27.2
														High 5 Avg:*	44.0	Low 5 Avg:*	5.6
														FSU:*	4.8		
Public Health Expenditure, % GDP														CAS Code 31S6			
Kazakhstan	2.0	2.3	.	2.8	2.5	.	.	Bulgaria:	4.3	2007	
Kyrgyzstan	2.2	2.3	2.1	2.1	2.2	2.2	.	Romania:	3.3	2006	
Tajikistan	0.9	1.2	1.4	0.4	1.0	1.0	.	UMI:*	3.9	LI:*	2.0
														High 5 Avg:*	10.2	Low 5 Avg:*	0.7
														FSU:*	2.3		
Net Primary Enrollment Rate, Total														CAS Code 32P1a			
Kazakhstan	89.4	91.6	92.3	92.6	91.2	.	.	91.4	0.5	Bulgaria:	95.1	2004	

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data		
Kyrgyzstan	86.4	86.5	85.8	90.1	86.8	.	.	87.1	0.5	Romania:	91.9	2004
Tajikistan	96.1	97.2	96.6	96.7	97.4	.	.	96.8	0.2	UMI:*	93.2	LI:* 62.8
														High 5 Avg:*	100.0	Low 5 Avg:* 40.0
														FSU:*	89.0	
Net Primary Enrollment Rate, Female														CAS Code 32P1b		
Kazakhstan	88.9	90.9	91.8	92.0	90.4	.	.	90.8	0.5	Bulgaria:	94.8	2004
Kyrgyzstan	85.5	85.6	85.0	89.8	86.4	.	.	86.5	0.7	Romania:	91.5	2004
Tajikistan	92.1	94.7	94.1	94.5	95.5	.	.	94.2	0.7	UMI:*	92.8	LI:* 60.0
														High 5 Avg:*	100.0	Low 5 Avg:* 35.3
														FSU:*	88.2	
Net Primary Enrollment Rate, Male														CAS Code 32P1c		
Kazakhstan	89.9	92.2	92.9	93.3	91.9	.	.	92.0	0.6	Bulgaria:	94.9	2005
Kyrgyzstan	87.3	87.3	86.5	90.3	87.2	.	.	87.7	0.3	Romania:	92.2	2004
Tajikistan	99.9	99.7	99.0	98.9	99.3	.	.	99.4	-0.2	UMI:*	93.9	LI:* 65.2
														High 5 Avg:*	100.0	Low 5 Avg:* 44.5
														FSU:*	89.2	
Persistence to Grade 5, Total														CAS Code 32P2a		
Kazakhstan	94.8	98.2	99.7	99.5	100.0	.	.	98.4	1.2	Bulgaria:	92.3	2004
Kyrgyzstan	92.1	93.5	95.8	96.9	100.0	.	.	95.7	2.0	Romania:	94.9	2004
Tajikistan	96.5	98.9	99.4	98.0	99.0	.	.	98.4	0.4	UMI:*	91.0	LI:* 69.2
														High 5 Avg:*	99.9	Low 5 Avg:* 48.1
														FSU:*	.	
Persistence to Grade 5, Female														CAS Code 32P2b		
Kazakhstan	.	.	.	99.3	94.8	98.6	99.3	99.6	.	.	.	98.3	0.5	Bulgaria:	93.2	2004
Kyrgyzstan	.	.	.	92.0	92.1	94.9	97.6	97.0	.	.	.	94.7	1.6	Romania:	95.4	2004
Tajikistan	.	.	.	92.9	100.0	97.7	98.7	99.3	.	.	.	97.7	1.2	UMI:*	92.7	LI:* 68.8
														High 5 Avg:*	100.0	Low 5 Avg:* 48.9
														FSU:*	.	
Persistence to Grade 5, Male														CAS Code 32P2c		
Kazakhstan	.	.	.	98.4	94.7	97.8	100.0	99.4	.	.	.	98.1	0.7	Bulgaria:	91.4	2004
Kyrgyzstan	.	.	.	94.0	92.2	92.1	94.2	96.8	.	.	.	93.9	0.8	Romania:	94.5	2004
Tajikistan	.	.	.	97.9	93.4	100.0	100.0	96.7	.	.	.	97.6	0.4	UMI:*	91.3	LI:* 67.9
														High 5 Avg:*	98.9	Low 5 Avg:* 46.3
														FSU:*	.	

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Youth Literacy Rate, Total														CAS Code 32P3a			
Kazakhstan	99.8	99.8	99.8	.	99.8	.	.	.	Bulgaria:	98.2	2006	
Kyrgyzstan	99.7	99.7	.	99.7	.	.	.	Romania:	97.8	2006	
Tajikistan	99.8	99.8	99.8	.	99.8	.	.	.	UMI:*	98.0	LI:*	70.5
														High 5 Avg:*	99.9	Low 5 Avg:*	32.8
														FSU:*	99.8		
Youth Literacy Rate, Male														CAS Code 32P3b			
Kazakhstan	99.8	.	.	.	Bulgaria:	98.3	2006	
Kyrgyzstan	99.7	.	.	.	Romania:	97.7	2006	
Tajikistan	99.8	.	.	.	UMI:*	98.2	LI:*	77.4
														High 5 Avg:*	99.9	Low 5 Avg:*	45.9
														FSU:*	99.8		
Youth Literacy Rate, Female														CAS Code 32P3c			
Kazakhstan	99.9	99.9	.	99.9	.	.	.	Bulgaria:	98.1	2006	
Kyrgyzstan	99.7	99.7	.	99.7	.	.	.	Romania:	97.8	2006	
Tajikistan	99.8	99.8	.	99.8	.	.	.	UMI:*	98.1	LI:*	65.9
														High 5 Avg:*	99.9	Low 5 Avg:*	21.3
														FSU:*	99.8		
Net Secondary School Enrollment Rate														CAS Code 32P4			
Kazakhstan	86.0	86.7	89.9	92.1	91.8	.	.	89.3	1.9	Bulgaria:	88.5	2004	
Kyrgyzstan	82.0	80.5	.	.	.	.	Romania:	80.8	2004	
Tajikistan	73.0	75.9	78.5	79.4	79.6	.	.	77.3	2.2	UMI:*	77.5	LI:*	19.7
														High 5 Avg:*	97.8	Low 5 Avg:*	7.8
														FSU:*	79.6		
Gross Tertiary Enrollment Rate, Total														CAS Code 32P5			
Kazakhstan	34.2	39.4	44.8	48.0	53.0	.	.	43.9	10.7	Bulgaria:	41.4	2004	
Kyrgyzstan	40.2	43.0	40.1	39.7	41.4	.	.	40.9	-0.2	Romania:	40.2	2004	
Tajikistan	13.3	14.0	15.3	16.4	17.3	.	.	15.3	6.8	UMI:*	37.7	LI:*	2.6
														High 5 Avg:*	83.9	Low 5 Avg:*	0.7
														FSU:*	40.6		
Expenditure on Primary Education, % GDP														CAS Code 32S1			
Kazakhstan	2.4	.	.	.	Bulgaria:	.	.	
Kyrgyzstan	3.8	3.8	4.0	.	3.8	.	Romania:	.	.	
Tajikistan	3.2	3.1	0.8	.	3.1	.	UMI:*	.	LI:*	2.0

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
														High 5 Avg:*	6.2	Low 5 Avg:*	0.0
														FSU:*	1.6		
Educational Expenditure per Student, % GDP per capita, Primary														CAS Code 32S2a			
Kazakhstan	12.0	.	9.6	10.0	.	.	.	.	Bulgaria:	19.0	2005	
Kyrgyzstan	5.9	7.6	.	.	7.6	.	.	.	.	Romania:	.	.	
Tajikistan	7.3	6.4	6.7	8.7	.	.	.	.	UMI:*	14.6	LI:*	.
														High 5 Avg:*	24.3	Low 5 Avg:*	5.9
														FSU:*	10.8		
Educational Expenditure per Student, % GDP per capita, Secondary														CAS Code 32S2b			
Kazakhstan	9.9	.	7.5	7.9	.	.	.	.	Bulgaria:	20.9	2005	
Kyrgyzstan	10.7	14.3	.	.	14.3	.	.	.	.	Romania:	.	.	
Tajikistan	8.9	8.3	9.2	11.3	.	.	.	.	UMI:*	18.9	LI:*	.
														High 5 Avg:*	47.8	Low 5 Avg:*	6.1
														FSU:*	14.3		
Educational Expenditure per Student, % GDP per capita, Tertiary														CAS Code 32S2c			
Kazakhstan	11.4	.	6.0	5.7	.	.	.	.	Bulgaria:	28.3	2005	
Kyrgyzstan	14.5	20.8	.	.	20.8	.	.	.	.	Romania:	.	.	
Tajikistan	24.7	12.3	8.8	14.1	.	.	.	.	UMI:*	28.3	LI:*	.
														High 5 Avg:*	470.0	Low 5 Avg:*	11.2
														FSU:*	18.0		
Pupil-teacher Ratio, Primary School														CAS Code 32S3			
Kazakhstan	18.7	18.9	18.5	17.9	17.3	.	.	18.3	-2.1	Bulgaria:	16.7	2004	
Kyrgyzstan	24.4	24.0	24.5	24.2	24.5	.	.	24.3	0.1	Romania:	17.5	2004	
Tajikistan	21.8	21.8	22.4	21.5	21.3	.	.	21.8	-0.5	UMI:*	18.3	LI:*	41.0
														High 5 Avg:*	68.3	Low 5 Avg:*	10.0
														FSU:*	18.4		
Labor Force Participation Rate, Total														CAS Code 33P1			
Kazakhstan	76.1	76.2	76.1	76.5	76.7	.	.	76.3	0.2	Bulgaria:	57.4	2005	
Kyrgyzstan	69.1	68.6	68.9	68.7	68.6	.	.	68.8	-0.1	Romania:	62.4	2005	
Tajikistan	59.5	59.8	60.5	57.8	57.5	.	.	59.0	-1.0	UMI:*	68.7	LI:*	75.9
														High 5 Avg:*	92.3	Low 5 Avg:*	49.7
														FSU:*	71.1		
Rigidity of Employment Index (0 for minimum rigidity to 100 for maximum rigidity)														CAS Code 33P2			
Kazakhstan	20.0	20.0	20.0	20.0	20.0	.	.	Bulgaria:	29.0	2007	

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data		
Kyrgyzstan	38.0	38.0	38.0	38.0	38.0	.	.	Romania:	66.0	2007
Tajikistan	51.0	51.0	.	.	UMI:*	32.7	LI:* 38.0
														High 5 Avg:*	72.6	Low 5 Avg:* 0.0
														FSU:*	38.0	
Size of the Labor Force (in millions)														CAS Code 33P3a		
Kazakhstan	7.6	7.7	7.8	8.0	8.1	.	.	7.8	1.6	Bulgaria:	3.1	2005
Kyrgyzstan	2.1	2.1	2.2	2.2	2.3	.	.	2.2	1.9	Romania:	10.3	2005
Tajikistan	2.0	2.1	2.2	2.1	2.1	.	.	2.1	1.1	UMI:*	2.0	LI:* 4.4
														High 5 Avg:*	306.8	Low 5 Avg:* 0.1
														FSU:*	3.2	
Growth of the Labor Force, Labor Force, Annual % Change														CAS Code 33P3b		
Kazakhstan	1.1	1.3	0.8	2.5	2.1	.	.	1.5	20.2	Bulgaria:	-1.4	2005
Kyrgyzstan	1.4	1.2	2.3	1.9	2.1	.	.	1.8	13.4	Romania:	-1.1	2005
Tajikistan	3.5	2.5	3.3	-2.5	1.9	.	.	1.8	.	UMI:*	1.3	LI:* 2.8
														High 5 Avg:*	8.1	Low 5 Avg:* -1.8
														FSU:*	1.4	
Unemployment Rate														CAS Code 33P4		
Kazakhstan	9.3	8.8	8.4	8.1	7.8	.	8.8	.	Bulgaria:	12.1	2004
Kyrgyzstan	8.6	8.9	9.0	9.7	9.3	.	9.1	2.4	Romania:	8.0	2004
Tajikistan	2.7	2.5	2.2	2.1	2.4	.	2.4	-4.2	UMI:*	13.1	LI:* .
														High 5 Avg:*	28.7	Low 5 Avg:* 2.5
														FSU:*	8.9	
Economically Active Children, % Children Ages 7-14														CAS Code 33P5		
Kazakhstan	Bulgaria:	.	.
Kyrgyzstan	.	8.6	.	.	.	.	.	.	.	.	.	.	.	Romania:	1.4	2000
Tajikistan	2.7	.	.	.	.	.	UMI:*	.	LI:* 33.1
														High 5 Avg:*	70.2	Low 5 Avg:* 4.6
														FSU:*	.	
Firing Costs, Weeks of Wages														CAS Code 33S1		
Kazakhstan	9.0	9.0	9.0	9.0	9.0	.	.	Bulgaria:	9.0	2007
Kyrgyzstan	22.0	22.0	17.0	17.0	17.0	.	.	Romania:	8.0	2007
Tajikistan	22.0	22.0	.	.	UMI:*	35.0	LI:* 36.0
														High 5 Avg:*	226.3	Low 5 Avg:* 0.0
														FSU:*	17.0	

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
Agriculture Value Added per Worker														CAS Code 34P1			
Kazakhstan	.	.	.	1,107.2	1,325.2	1,393.1	1,447.4	1,469.1	.	.	.	1,348.4	6.5	Bulgaria:	7556.3	2004	
Kyrgyzstan	.	.	.	844.8	902.9	928.0	955.9	995.2	.	.	.	925.4	3.8	Romania:	4734.7	2004	
Tajikistan	.	.	.	304.0	335.5	383.4	417.7	462.1	.	.	.	380.6	10.6	UMI:*	3858.4	LI:*	288.3
														High 5 Avg:*	39551.3	Low 5 Avg:*	109.7
														FSU:*	1283.1		
Cereal Yield														CAS Code 34P2			
Kazakhstan	1,216.6	1,145.9	1,077.4	885.9	1,019.8	.	.	1,069.1	-6.1	Bulgaria:	3030.3	2005	
Kyrgyzstan	2,866.9	2,665.4	2,774.0	2,876.0	3,303.4	.	.	2,897.1	3.6	Romania:	3176.5	2005	
Tajikistan	1,254.8	1,946.5	2,206.2	2,192.2	2,357.2	.	.	1,991.4	13.8	UMI:*	3030.3	LI:*	1325.9
														High 5 Avg:*	7896.1	Low 5 Avg:*	368.6
														FSU:*	2681.3		
Growth in Agricultural Value-Added														CAS Code 34P3			
Kazakhstan	17.1	3.2	2.2	-0.1	7.3	.	.	5.9	.	Bulgaria:	-8.6	2005	
Kyrgyzstan	7.3	3.0	3.2	4.1	-4.2	.	.	2.7	.	Romania:	3.5	2005	
Tajikistan	11.2	15.1	9.6	11.3	1.6	.	.	9.8	-42.0	UMI:*	2.8	LI:*	2.9
														High 5 Avg:*	17.9	Low 5 Avg:*	-17.1
														FSU:*	5.3		
Agricultural Policy Costs Index (1 for poor to 7 for excellent)														CAS Code 34S1			
Kazakhstan	3.5	3.6	.	.	.	Bulgaria:	2.6	2006	
Kyrgyzstan	2.8	2.5	.	.	.	Romania:	3.2	2006	
Tajikistan	3.0	3.3	.	.	.	UMI:*	3.6	LI:*	3.7
														High 5 Avg:*	5.2	Low 5 Avg:*	2.5
														FSU:*	3.1		
Crop Production Index (-2001 = 100)														CAS Code 34S2			
Kazakhstan	.	.	.	88.3	116.1	113.9	110.3	100.9	.	.	.	105.9	2.2	Bulgaria:	125.4	2004	
Kyrgyzstan	.	.	.	100.1	107.8	94.7	102.3	111.8	.	.	.	103.3	1.7	Romania:	137.9	2004	
Tajikistan	.	.	.	99.6	114.6	114.8	134.5	149.3	.	.	.	122.6	9.7	UMI:*	103.5	LI:*	108.4
														High 5 Avg:*	135.9	Low 5 Avg:*	68.1
														FSU:*	122.8		
Livestock Production Index (1999-2001 = 100)														CAS Code 34S3			
Kazakhstan	.	.	.	98.8	102.0	106.1	111.4	117.4	.	.	.	107.1	4.3	Bulgaria:	97.2	2004	
Kyrgyzstan	.	.	.	100.0	102.2	104.0	102.6	88.6	.	.	.	99.5	-2.4	Romania:	102.2	2004	
Tajikistan	.	.	.	95.7	109.8	123.8	144.5	149.3	.	.	.	124.6	11.6	UMI:*	103.3	LI:*	109.1

Country Data	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Avg.	Growth Trend	Benchmark Data			
														High 5 Avg:*	148.4	Low 5 Avg:*	86.5
														FSU:*	111.1		
Agricultural Export Growth														CAS Code 34S4			
Kazakhstan	.	.	.	36.9	-5.4	.	.	21.1	.	.	.	.	.	Bulgaria:	0.4	2005	
Kyrgyzstan	-9.1	73.1	-10.5	-11.3	-38.5	.	.	0.7	.	Romania:	-4.7	2005	
Tajikistan	UMI:*	13.1	LI:*	3.5
														High 5 Avg:*	8.1	Low 5 Avg:*	-0.6
														FSU:*	15.5		

Technical Notes

The following technical notes identify the source for each indicator, provide a concise definition, indicate the coverage of USAID countries, and comment on data quality where pertinent. For reference purposes, a CAS code is also given for each indicator. In many cases, the descriptive information is taken directly from the original sources, as cited.

STATISTICAL CAPACITY

Statistical Capacity Indicator

Source: World Bank, updated annually, at <http://web.worldbank.org/WBSITE/EXTERNAL/DATASTATISTICS/0,,contentMDK:20541648~pagePK:64133150~piPK:64133175~theSitePK:239419,00.html>

Definition: Provides and evaluation of a country's statistical practice, data collection activities and key indicator availability against a set of criteria consistent with international recommendations. The score ranges from 0 to 100 with a score of 100 indicating that the country meets all the criteria.

Coverage: Data are available for the vast majority of USAID countries.

CAS Code # 01P1

Coverage: Data are available for about 85 USAID countries.

CAS Code #11P3

Growth of Labor Productivity

Source: Best labor market data available for target country, or World Development Indicators. If using WDI, estimated by calculating the annual percentage change of the ratio of GDP (constant 1995 US\$) (NY.GDP.MKTP.KD) to the population age 15–64, which in turn is the product of the total population (SP.POP.TOTL) times the percentage of total population in this age group (SP.POP.1564.IN.ZS).

Definition: Labor productivity is defined here as the ratio of GDP (in constant prices) to the size of the working age population (age 15–64). The more familiar calculation, based on employment, labor force, or work hours, is used where available.

Coverage: Data are available for about 85 USAID countries.

CAS Code # 11S1

GROWTH PERFORMANCE

Per capita GDP, in Purchasing Power Parity Dollars

Source: IMF World Economic Outlook database, updated every six months, at <http://www.imf.org/external/ns/cs.aspx?id=28>

Definition: This indicator adjusts per capita GDP measured in current U.S. dollars for differences in purchasing power, using an estimated exchange rate reflecting the purchasing power of the various local currencies.

Coverage: Data are available for about 85 USAID countries.

CAS Code #11P1

Investment Productivity, Incremental Capital-Output Ratio (ICOR)

Source: International benchmark data computed from World Development Indicators most recent publication year, based on the five-year average of the share of fixed investment (NE.GDI.FTOT.ZS) and the five-year average GDP growth (NY.GDP.MKTP.KD.ZG). Updated figures for the target country are computed from IMF Article IV consultation reports.

Definition: The ICOR shows the amount of capital investment incurred per extra unit of output. A high value represents low investment productivity. The ICOR is calculated here as the ratio of the investment share of GDP to the growth rate of GDP, using five-year averages for both the numerator and denominator.

Coverage: Data are available for about 81 USAID countries.

CAS Code #11S2

Per capita GDP, in current US Dollars

Source: IMF World Economic Outlook database, updated every 6 months, at:

<http://www.imf.org/external/ns/cs.aspx?id=28>

Definition: GDP per capita is gross domestic product divided by midyear population. GDP is the sum of gross value added by all resident producers plus any product taxes, less any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources.

Coverage: Data are available for about 85 USAID countries.

CAS Code #11P2

Gross Fixed Investment, Percentage of GDP

Source: IMF Article IV consultation report for latest country data; international benchmark from the World Development Indicators, most recent publication series NE.GDI.FTOT.ZS.

Definition: Gross fixed investment is spending on replacing or adding to fixed assets (buildings, machinery, equipment and similar goods).

Coverage: Data are available for about 84 USAID countries.

CAS Code # 11S3

Real GDP Growth

Source: IMF World Economic Outlook database, updated every six months; latest country data from IMF Article IV consultation reports:

www.imf.org/external/np/sec/aiv/index.htm

Definition: Annual percentage growth rate of GDP at constant local currency prices

Gross Fixed Private Investment, Percentage of GDP

Source: IMF Article IV consultation report, for latest country data; World Development Indicators, for international comparison data (explanation below). The estimation of this indicator involves taking the difference between gross fixed capital formation (percent of GDP) (NE.GDI.FTOT.ZS) and government capital expenditure (percent of GDP). The latter

term is the product of government capital expenditure (percent of total expenditure) (GB.XPK.TOTL.ZS) and total government expenditure (percent of GDP) (GB.XPD.TOTL.GD.ZS).

Definition: This indicator measures gross fixed capital formation by nongovernment investors, including spending for replacement or net addition to fixed assets (buildings, machinery, equipment, and similar goods).

Coverage: Available from World Development Indicators 2004 for about 38 USAID countries. Starting in 2005, WDI no longer reports government capital expenditure, which is needed to compute this variable. The reason is that the World Bank has adopted a new system for government finance statistics, which switches from reporting budget performance based on cash outlays and receipts, to a modified accrual accounting system in which government capital formation is a balance sheet entry, and only the consumption of fixed capital (that is, a depreciation allowance) is treated as an expense. The template will include this variable when the required data can be obtained from IMF Article IV consultation report or national data sources. Group and regression benchmarks will be computed from WDI 2004 (since group averages tend to be relatively stable).

Data Quality: National statistics offices may have different methodologies for breaking down total government expenditure into current and capital components. In particular, the data on “development expenditure” in many countries include elements of current expenditure.

CAS Code #11S4

POVERTY AND INEQUALITY

Human Poverty Index

Source: UNDP, Human Development Report.

<http://hdr.undp.org/statistics/data/indicators.cfm?x=18&y=1&z=1> for most recent edition; updates may be found at http://hdr.undp.org/reports/view_reports.cfm?type=1

Definition: The index measures deprivation in terms of not meeting target levels for specified economic and quality-of-life indicators. Values are based on (1) percentage of people not expected to survive to age 40, (2) percentage of adults who are illiterate, and (3) percentage of people who fail to attain a “decent living standard,” which is subdivided into three (equally weighted) separate items: (a) percentage of people without access to safe water, (b) percentage of people without access to health services, and (c) percentage of underweight children. The HPI ranges in value from 0 (zero deprivation incidence) to 100 (high deprivation incidence).

Coverage: Data are available for about 60 USAID countries.

CAS Code #12P1

Income Share, Poorest 20%

Source: World Development Indicators, most recent publication series SI.DST.FRST.20. These are World Bank staff estimates based on primary household survey data obtained from government statistical agencies and World Bank country departments. Alternative source for target countries: the country’s Poverty Reduction Strategy Paper: <http://www.imf.org/external/np/prsp/prsp.asp>

Definition: Share of total income or consumption accruing to the poorest quintile of the population.

Coverage: Data are available for about 59 USAID countries, if one goes back to 1997; for the period since 2000, data are available for about 35 USAID countries.

CAS Code # 12P2

Percentage of Population Living on Less than \$1 PPP per Day

Source: World Development Indicators, most recent publication series SI.POV.DDAY, original data from national surveys. Alternative source for target countries: the country’s Poverty Reduction Strategy Paper:

<http://www.imf.org/external/np/prsp/prsp.asp>

Definition: The indicator captures the percentage of the population living on less than \$1.08 a day at 1993 international prices.

Coverage: Data are available for about 59 USAID countries going back to 1997; data for 2000 or later are available for about 35 USAID countries.

Data Quality: Poverty data originate from household survey questionnaires that can differ widely; even similar surveys may not be strictly comparable because of difference in quality.

CAS Code #12P3a

Percentage of Population Living on Less than \$2 PPP per Day

Source: World Development Indicators, most recent publication series SI.POV.2DAY, original data from national surveys. Alternative source for target countries: the country’s Poverty Reduction Strategy Paper:

<http://www.imf.org/external/np/prsp/prsp.asp>

Definition: The indicator captures the percentage of the population living on less than \$2.15 a day at 1993 international prices.

Coverage: Data are available for about 59 USAID countries going back to 1997; data for 2000 or later are available for about 35 USAID countries.

Data Quality: Poverty data originate from household survey questionnaires that can differ widely; even similar surveys may not be strictly comparable because of difference in quality.

CAS Code #12P3b

Poverty Headcount, National Poverty Line

Source: World Development Indicators, most recent publication series SI.POV.NAHC. Alternative source: the country’s Poverty Reduction Strategy Paper: <http://www.imf.org/external/np/prsp/prsp.asp>

Definition: The percentage of the population living below the national poverty line. National estimates are based on population-weighted estimates from household surveys

Coverage: Data available for only 19 countries for 2000 or later; data are available for about 49 countries going back to 1997. For most target countries, data can be obtained from the PRSP.

Data Quality: Measuring the percentage of people below the “national poverty line” has the disadvantage of limiting international comparisons because of differences in the definition of the poverty line. Most lower-income countries, however, determine the national poverty line by the level of consumption required to have a minimally sufficient food intake plus other basic necessities.

CAS Code #12P4

PRSP Status

Source: World Bank/IMF. A list of countries with a Poverty Reduction Strategy Paper can be found at <http://www.imf.org/external/np/prsp/prsp.asp>

Definition: Yes or no variable showing whether a country has (or not) completed a PRSP (introduced by the World Bank

and IMF to ensure host-country ownership of poverty reduction programs).

Coverage: All countries having PRSPs are so indicated.

CAS Code #12P5

Percent of Population below Minimum Dietary Energy Consumption

Source: UN Millennium Indicators Database at <http://millenniumindicators.un.org/unsd/mdg/Data.aspx>, based on FAO estimates.

Definition: Proportion of the population in a condition of undernourishment. The FAO defines undernourishment as the condition of people whose dietary energy consumption is continuously below a minimum dietary energy requirement for maintaining a healthy life and carrying out light physical activity.

Coverage: Data are available for about 82 USAID countries.

CAS Code # 12S1

ECONOMIC STRUCTURE

Employment or Labor Force Structure

Source: World Development Indicators, most recent publication series SL.AGR.EMPL.ZS for agriculture, series SL.IND.EMPL.ZS for industry, and series SL.SRV.EMPL.ZS for services. Alternative source: CIA World Fact Book:

<https://www.cia.gov/library/publications/the-world-factbook/index.html>

Definition: Employment in each sector is the proportion of total employment recorded as working in that sector. Employees are people who work for a public or private employer and receive remuneration in wages, salary, commission, tips, piece rates, or pay in kind. Agriculture includes hunting, forestry, and fishing. Industry includes mining and quarrying (including oil production), manufacturing, electricity, gas and water, and construction. Services include wholesale and retail trade and restaurants and hotels; transport, storage, and communications; financing, insurance, real estate, and business services; and community, social, and personal services.

Coverage: Data are available for about 37 USAID countries. For most target countries, data can be obtained from PRSP.

Data Quality: Employment figures originate with International Labor Organization. Some countries report labor force structure instead of employment, thus the data must be checked carefully before comparisons are made.

CAS Code #13P1

Output Structure

Source: World Development Indicators, most recent publication series NV.AGR.TOTL.ZS for value added in agriculture as a percentage of GDP; series NV.IND.TOTL.ZS for the share of industry; and NV.SRV.TETC.ZS for the share of services.

Definition: The output structure is composed of value added by major sector of the economy (agriculture, industry, and services) as percentages of GDP, where value added is the net output of a sector after all outputs are added up and intermediate inputs are subtracted. Value added is calculated without deductions for depreciation of fabricated assets or depletion and degradation of natural resources. Agriculture includes forestry, hunting, and fishing, as well as cultivation of crops and livestock production. Industry includes manufacturing, mining, construction, electricity, water, and gas. Services include wholesale and retail trade (including

hotels and restaurants), transport, and government, financial, professional, and personal services such as education, health care, and real estate services.

Coverage: Data are available for about 86 USAID countries.

Data Quality: A major difficulty in compiling national accounts is the extent of unreported activity in the informal economy. In developing countries a large share of agricultural output is either not exchanged (because it is consumed within the household) or not exchanged for money. This production is estimated indirectly using estimates of inputs, yields, and area under cultivation. This approach can differ from the true values over time and across crops. Ideally, informal activity in industry and services is measured through regular enterprise censuses and surveys. In most developing countries such surveys are infrequent, so prior survey results are extrapolated.

CAS Code #13P2

DEMOGRAPHY AND ENVIRONMENT

Adult Literacy Rate

Source: World Development Indicators, most recent publication series SE.ADT.LITR.ZS, based on UNESCO calculations.

Definition: Percentage of people ages 15 and older who can read and write a short, simple statement about their daily life.

Coverage: Data are available for about 66 USAID countries.

Data Quality: In practice, literacy is difficult to measure. A proper estimate requires census or survey measurements under controlled conditions. Many countries estimate the number of illiterate people from self-reported data, or by taking people with no schooling as illiterate.

CAS Code # 14P1

Youth Dependency Rate

Source: World Development Indicators, most recent publication series.

Definition: Youth dependency rate is calculated as the percentage of the population below age 15 (WDI SP.POP.0014.TO.ZS) divided by the working-age population (those ages 15–64) (WDI SP.POP.1564.TO.ZS)

Coverage: Data are available for about 89 USAID countries.

CAS Code #14P2a

Elderly Dependency Rate

Source: World Development Indicators, most recent publication series.

Definition: This is calculated as percentage of the population over age 65 (WDI SP.POP.65UP.TO.ZS) divided by working-age population (those ages 15–64) (WDI SP.POP.1564.TO.ZS)

Coverage: Data are available for about 89 USAID countries.

CAS Code #14P2b

Environmental Performance Index

Source: Center for International Earth Science Information Network (CIESIN) at Columbia University, and the Center for Environmental Law and Policy at Yale University. <http://www.yale.edu/epi/>.

Definition: The Environmental Performance Index (EPI) is a composite index of national environmental protection, which tracks (1) environmental health, (2) air quality, (3) water resources, (4) biodiversity and habitat, (5) productive natural

resources, and (6) sustainable energy. The index is a weighted average of these six policy categories, with more weight given environmental health, (i.e., $EPI = 0.5 \times \text{environmental health} + 0.1 \times (\text{air quality} + \text{water resources} + \text{productive natural resources} + \text{biodiversity and habitat} + \text{sustainable energy})$). The index values range from 0 (very poor performance) to 100 (very good performance). The 2006 edition is considered a work in progress.

Coverage: Data are available for about 80 USAID countries.
CAS Code #14P3

Population Size and Growth

Source: World Development Indicators, most recent publication series SP.POP.TOTL for total population, and series SP.POP.GROW for the population growth rate.

Definition: Total population counts all residents regardless of legal status or citizenship—except refugees not permanently settled in the country of asylum. Annual population growth rate is based on the de facto definition of population.

Coverage: Data are available for about 88 USAID countries.
CAS Code # 14P4

Percent of Population Living in Urban Areas

Source: World Development Indicators, most recent publication series SP.URB.TOTL.IN.ZS.

Definition: Urban population is the share of the total population living in areas defined as urban in each country. The calculation considers all residents regardless of legal status or citizenship, except refugees.

Coverage: Data are available for about 86 USAID countries.
Data Quality: The estimates are based on national definitions of what constitutes an urban area; since these definitions vary greatly, cross-country comparisons should be made with caution.

CAS Code #14P5

GENDER

Girls' Primary Completion Rate

Source: World Development Indicators, most recent publication series: SE.PRM.CMPT.FE.ZS

Definition: Primary completion rate is the percentage of students completing the last year of primary school. It is calculated by taking the total number of students in the last grade of primary school, minus the number of repeaters in that grade, divided by the total number of children of official graduation age.

Coverage: Data are available for about 80 USAID countries.
Data Quality: Completion rates are based on data collected during annual school surveys, typically conducted at the beginning of the school year. The indicator does not measure the quality of the education.

CAS Code #15P1

Gross Enrollment Rate, All Levels of Education, Male and Female

Source: UNDP Human Development Report <http://hdr.undp.org/hdr2006/statistics/indicators/225.html> and <http://hdr.undp.org/hdr2006/statistics/indicators/224.html>

Definition: The number of students enrolled in primary, secondary, and tertiary levels of education by sex, regardless of age, as a percentage of the population of official school age for the three levels by sex.

Coverage: Data are available for about 80 USAID countries.

Data Quality: Enrollment rates are based on data collected during annual school surveys, typically conducted at the beginning of the school year.

CAS Code #15P2

Life Expectancy, Male and Female

Source: Estimated from UNDP Human Development Indicators:

<http://hdr.undp.org/hdr2006/statistics/indicators/221.html>.

Definition: The number of years a newborn male or female infant would live if prevailing patterns of age and sex-specific mortality rates at the time of birth were to stay the same throughout the child's life.

Coverage: Data are available for about 85 USAID countries.
CAS Code #15P3

Labor Force Participation Rate, Male and Female

Source: Derived from World Development Indicators, but the precise computation differs depending on the edition of WDI used for the data.

To calculate the female labor force participation rate using WDI 2007: the numerator is the labor force, female (% of total labor force) (SL.TLF.TOTL.FE.ZS) times labor force, total (SL.TLF.TOTL.IN); the denominator is simply population ages 15–64, female (SP.POP.1564.FE.IN). Using WDI 2006, the denominator (female population, ages 15–64), can only be estimated by multiplying the total population (SP.POP.TOTL) times the percentage of the population ages 15–64 (SP.POP.1564.IN.ZS) times the percentage of females in the total population (SP.POP.TOTL.FE.ZS).

To calculate the male labor force participation rate using WDI 2004: the numerator is calculated by subtracting the female labor force, derived above, from the total labor force (SL.TLF.TOTL.IN). The denominator is population ages 15–64, male (SP.POP.1564.MA.IN). Using WDI 2006 and subsequent years, the denominator is an estimate of the male population, ages 15–64, calculated as the total population (SP.POP.TOTL) times the percentage ages 15–64 (SP.POP.1564.IN.ZS) times the percentage of males in the total population, where the final factor is computed as 100 minus the percentage of females in the total population (SP.POP.TOTL.FE.ZS).

Definition: The percentage of the working-age population that is in the labor force. The labor force is made up of people who meet the International Labour Organization definition of the economically active population: all people who supply labor for the production of goods and services during a specified period. It includes both the employed and the unemployed.

Coverage: Data are available for about 88 USAID countries.
CAS Code #15P4

FISCAL AND MONETARY POLICY

In the World Development Indicators for 2005, the World Bank has adopted a new system for government budget statistics, switching from data based on cash outlays and receipts to a system with revenues booked on receipt and expenses booked on accrual, in accordance with the IMF's *Government Financial Statistics Manual, 2001*. On the revenue side, the changes are minor, and comparisons to the old system may still be valid. There is a major change, however, in the reporting of capital outlays, which are now treated as balance sheet entries; only the annual capital consumption allowance (depreciation) is reported as an expense. Hence, the data on total *expense* is not comparable

to the former data on total *expenditure*. In addition, WDI 2005 now provides data on the government's cash surplus/deficit; this differs from the previous concept of the overall budget balance by excluding net lending minus repayments (which are now a financing item under net acquisition of financial assets). Many countries do not use the new GFS system, so country coverage of fiscal data in WDI 2005 is limited. For these reasons, the template will continue to use some data from WDI 2004, along with new data from WDI 2005 and subsequent WDI series, as appropriate.

Government Expenditure, Percentage of GDP

Source: IMF Article IV consultation report for latest country data www.imf.org/external/np/sec/aiv/index.htm; International Financial Statistics database for benchmarking (line item 82 divided by GDP).

Definition: Total expenditure of the central government as a percent of GDP.

Gaps: Data available for about 70% of USAID countries.

CAS Code # 21P1

Government Revenue, excluding grants, Percentage of GDP

Source: IMF Article IV consultation report for latest country data www.imf.org/external/np/sec/aiv/index.htm; World Development Indicators for benchmarking data (GB.RVC.TOTL.GD.ZS). Original data from the IMF, Government Finance Statistics Yearbook and data file, and World Bank estimates.

Definition: Government revenue includes all revenue to the central government from taxes and non-repayable receipts (other than grants), measured as a share of GDP. Grants represent monetary aid going to the central government that has no repayment requirement.

Gaps: Data missing for about 24 USAID countries.

CAS Code # 21P2

Growth in Broad Money Supply

Source: Latest country data are from national data sources or from IMF Article IV consultation report: www.imf.org/external/np/sec/aiv/index.htm. Benchmarking data are from World Development Indicators, most recent publication, series FM.LBL.MQMY.ZG. Original source of WDI data is IMF, International Financial Statistics, and World Bank estimates.

Definition: Average annual growth rate in the broad money supply, M2 (money plus quasi-money) measured as the change in end-of-year totals relative to the preceding year. M2 comprises the sum of currency outside banks, checking account deposits other than those of the central government, and the time, savings, and foreign currency deposits of resident sectors other than the central government. M2 corresponds to the sum of lines 34 and 35 in the IMF's International Financial Statistics.

Coverage: Data are available for about 81 USAID countries.

CAS Code #21P3

Inflation Rate

Source: IMF World Economic Outlook database, updated every six months, at <http://www.imf.org/external/ns/cs.aspx?id=28>

Definition: Inflation as measured by the consumer price index reflects the annual percentage change in the cost to the average consumer of acquiring a basket of goods and services that may be fixed or changed at specific intervals.

Coverage: Data are available for about 85 USAID countries.

Data Quality: For many developing countries, figures for recent years are IMF staff estimates. Additionally, data for some countries are for fiscal years.

CAS Code # 21P4

Overall Budget Balance, Including Grants, Percentage of GDP

Source: For countries using the new GFS system (see explanation at the beginning of this section), benchmarking data on the government's cash surplus/deficit are obtained from World Development Indicators, most recent publication series GC.BAL.CASH.GD.ZS. For countries that are not yet using the new system, benchmarking data on the overall budget balance are obtained from WDI 2004, series GB.BAL.OVRL.GD.ZS. Latest country data are obtained from national data sources or from IMF Article IV consultation reports: www.imf.org/external/np/sec/aiv/index.htm.

Definition: The cash surplus/deficit is revenue (including grants) minus expenses, minus net acquisition of nonfinancial assets. This is close to the previous concept of *overall budget balance*, differing only in that it excludes net lending (which is now treated as a financing item, under net acquisition of financial assets).

For countries that are not using the new GFS system, the template will continue to focus on the *overall budget balance*, using data from the alternative sources indicated above. The overall budget deficit is defined as the difference between total revenue (including grants) and total expenditure.

Both concepts measure the central government's financing requirement, which must be met by domestic or foreign borrowing. As noted above, they differ in that the new cash surplus/deficit variable excludes net lending (which is usually a minor item).

Coverage: Data are available in WDI 2006 for less than half USAID countries.

CAS Code # 21P5

Composition of Government Expenditure

Source: The latest country and benchmark data are taken from national data sources or from IMF Article IV consultation reports: www.imf.org/external/np/sec/aiv/index.htm.

Definition: Central government expenditure, broken down into the following five categories: (1) wages and salaries; (2) goods and services; (3) interest payments; (3) subsidies and other current transfers; (4) capital expenditures; (5) other expenditure.

Coverage: Data are available for the majority of USAID countries. As explained at the beginning of this section, WDI stopped reporting government *expenditures* in 2005. The template will include this variable when the required data can be obtained from IMF Article IV consultation report or national data sources for the target country and the comparison countries. *Data Quality:* Many countries report their revenue in noncomparable categories. Budget data are compiled by fiscal year. If the fiscal year differs from the calendar year, ratios to GDP may be calculated by interpolating budget data from two adjacent fiscal years.

CAS Code # 21S1

Composition of Government Revenue

Source: The latest country and comparison country data are taken from national data sources or from IMF Article IV consultation reports: www.imf.org/external/np/sec/aiv/index.htm. Benchmarking

data are taken directly from WDI 2005 database: (1) taxes on goods and services (% of revenue), series GC.TAX.GSRV.RV.ZS; (2) taxes on income, profits and capital gains (% of revenue), series GC.TAX.YPKG.RV.ZS; (3) taxes on international trade (% of revenue), series GC.TAX.INTT.RV.ZS; (4) other taxes (% of revenue), series GC.TAX.OTHR.RV.ZS; (5) social security contributions (% of revenue), series GC.REV.SOCL.ZS; and (6) grants and other revenue (% of revenue), series GC.REV.GOTR.ZS.

Definition: Breakdown of central government revenue sources by categories outlined above. Each source of revenue is expressed as a percentage of total revenue.

Coverage: Data are available from WDI 2005 for about 46 USAID countries.

Data Quality: Many countries report their revenue in noncomparable categories. If the fiscal year differs from the calendar year, then the ratios to GDP may be calculated by interpolating budget data from two adjacent fiscal years.

CAS Code # 21S2

Composition of Money Supply Growth

Source: Constructed using national data sources or IMF Article IV consultation reports: www.imf.org/external/np/sec/aiv/index.htm.

Definition: Identifies the sources of the year-to-year change in the broad money supply (M2), disaggregated into five categories: (1) net domestic credit to the public sector, (2) net domestic credit to the private sector, and (3) net foreign assets (reserves), (4) net credit to non-financial public enterprises, and (5) other items, net. Each component is expressed as a percentage of the annual change (December to December) in M2.

Coverage: Data are available for about 86 USAID countries.

CAS Code # 21S3

BUSINESS ENVIRONMENT

Control of Corruption Index

Source: World Bank Institute
<http://www.govindicators.org>

Definition: The Control of Corruption index is an aggregation of various indicators that measure the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests. Index ranges from -2.5 (for very poor performance) to +2.5 (for excellent performance).

This is also an MCC indicator, under the criterion of ruling justly. The MCC rescales the values as percentile rankings relative to the set of MCA eligible countries, ranging from a value from 0 (for very poor performance) to 100 (for excellent performance). Some country reports use the MCC scaling.

Coverage: Data are available for nearly all USAID countries.

Data Quality: This indicator uses perception and opinions gathered from local businessmen as well as third-party experts; thus, the indicator is largely subjective. Also standard errors are large. For both reasons, international comparisons are problematic, though widely used.

CAS Code # 22P1

Ease of Doing Business Index

Source: World Bank, Doing Business Indicators
<http://rru.worldbank.org/DoingBusiness/>

Definition: The Ease of Doing Business index ranks economies from 1 to 178. The index is calculated as the ranking on the simple average of country percentile rankings on each of the 10 topics covered in Doing Business in 2007: starting a business, dealing with licenses, hiring and firing, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts, and closing a business.

Coverage: Data are available for nearly all USAID countries.

CAS Code # 22P2

Rule of Law Index

Source: World Bank Institute, <http://www.govindicators.org>

This indicator is based on the perceptions of the legal system, drawn from 12 data sources.

Definition: The Rule of Law index is an aggregation of various indicators that measure the extent to which agents have confidence in and abide by the rules of society. Index ranges from -2.5 (for very poor performance) to +2.5 (for excellent performance).

Coverage: Data are available for nearly all USAID countries.

Data Quality: This index is best used with caution for relative comparisons between countries in a single year, because the standard errors are large. Using the index to track a country's progress over time is also difficult because the index does not compensate for changes in the world average. For instance, if the world average decreases in a given year, a country whose score appears to increase may not actually have tangible improvements in its legal environment.

CAS Code #22P3

Regulatory Quality Index

Source: World Bank Institute;

<http://www.govindicators.org>

Definition: The regulatory quality index measures the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development. It is computed from survey data from multiple sources. The index values range from -2.5 (very poor performance) to +2.5 (excellent performance).

This is also an MCC indicator, under the criterion of encouraging economic freedom. The MCC rescales the values as percentile rankings relative to the set of MCA eligible countries, ranging from a value from 0 (for very poor performance) to 100 (for excellent performance). Some country reports use the MCC scaling.

Gaps: Data are available for nearly all USAID countries.

Data Quality: This index is best used with caution for relative comparisons between countries in a single year, because the standard errors are large. It is also difficult to use the index to track a country's progress over time because the index does not compensate for changes in the world average. For instance, if the world average decreases in a given year, a country whose score appears to increase may not actually have tangible improvements in their legal environment.

CAS Code #22P4

Government Effectiveness Index

Source: World Bank Institute, <http://www.govindicators.org>

Definition: This index, based on 17 component sources, measures "the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies." The index values range from

-2.5 (very poor performance) to +2.5 (excellent performance).

Coverage: Data are available for nearly all USAID countries.
CAS Code #22P5

Cost of Starting a Business

Source: World Bank, Doing Business; Starting a Business category: <http://rru.worldbank.org/DoingBusiness/ExploreTopics/StartingBusiness/CompareAll.aspx>

Definition: Legally required cost to starting a simple limited liability company, expressed as percentage of GNI per capita.

Coverage: Data are available for nearly all USAID countries.
CAS Code #22S1

Procedures to Enforce a Contract

Source: World Bank, Doing Business; Enforcing Contracts category: <http://rru.worldbank.org/DoingBusiness/ExploreTopics/EnforcingContracts/CompareAll.aspx>

Definition: The number of procedures required to enforce a valid contract through the court system, with *procedure* defined as any interactive step the company must take with government agencies, lawyers, notaries, etc. to proceed with enforcement action.

Coverage: Data are available for nearly all USAID countries.
CAS Code # 22S2

Procedures to Register Property

Source: World Bank, Doing Business; Registering Property category: <http://rru.worldbank.org/DoingBusiness/ExploreTopics/RegisteringProperty/CompareAll.aspx>

Definition: Number of procedures required to register the transfer of title for business property. A procedure is defined as any step involving interaction between a company or individual and a third party that is necessary to complete the property registration process.

Coverage: Data are available for nearly all USAID countries.
CAS Code #22S3

Procedures to Start a Business

Source: World Bank, Doing Business; Starting a Business category: <http://rru.worldbank.org/DoingBusiness/ExploreTopics/StartingBusiness/CompareAll.aspx>

Definition: The number of procedural steps required to legalize a simple limited liability company. A procedure is an interaction of a company with government agencies, lawyers, auditors, notaries, and the like, including interactions required to obtain necessary permits and licenses and complete all inscriptions, verifications, and notifications to start operations.

Coverage: Data are available for nearly all USAID countries.
CAS Code # 22S4

Time to Enforce a Contract

Source: World Bank, Doing Business; Enforcing Contracts category: <http://rru.worldbank.org/DoingBusiness/ExploreTopics/EnforcingContracts/CompareAll.aspx>

Definition: Minimum number of days required to enforce a contract through the court system.

Coverage: Data are available for nearly all USAID countries.
CAS Code # 22S5

Time to Register Property

Source: World Bank, Doing Business; Registering Property category: <http://rru.worldbank.org/DoingBusiness/ExploreTopics/RegisteringProperty/CompareAll.aspx>

Definition: The time required to accomplish the full sequence of procedures to transfer a property title from the seller to the buyer when a business purchases land and a building in a peri-urban area of the country's most populous city. Every required procedure is included whether it is the responsibility of the seller, the buyer, or where it is required to be completed by a third party on their behalf.

Coverage: Data are available for nearly all USAID countries.
CAS Code #22S6

Time to Start a Business

Source: World Bank, Doing Business; Starting a Business category: <http://rru.worldbank.org/DoingBusiness/ExploreTopics/StartingBusiness/CompareAll.aspx>

Definition: The number of calendar days needed to complete the required procedures for legally operating a business. If a procedure can be speeded up at additional cost, the fastest procedure, independent of cost, is chosen.

Coverage: Data are available for nearly all USAID countries.
CAS Code #22S7

Total Tax Payable by Business

Source: World Bank, Doing Business, Paying Taxes Category: <http://www.doingbusiness.org/ExploreTopics/PayingTaxes/>

Definition: The amount of taxes payable by a medium-sized business in the second year of operation, expressed as share of commercial profits. The total amount of taxes is the sum of all the different taxes payable after accounting for deductions and exemptions. The taxes withheld but not paid by the company are excluded. The taxes included can be divided into five categories: profit or corporate income tax, social security contributions and other labor taxes paid by the employer, property taxes, turnover taxes and other small taxes (such as municipal fees and vehicle and fuel taxes). Commercial profits are defined as sales minus cost of goods sold, minus gross salaries, minus administrative expenses, minus other deductible expenses, minus deductible provisions, plus capital gains (from the property sale) minus interest expense, plus interest income and minus commercial depreciation.

Coverage: Data are available for nearly all USAID countries
CAS Code #22S8

Business Costs of Crime, Violence and Terrorism Index

Source: Global Competitiveness Report 2006-2007, World Economic Forum. The indicators can be found in the Data Tables, Section VI.

Definitions: The index measures executives' perceptions of the business costs of terrorism in their respective country. Executives grade, on a scale from 1 to 7, whether crime, violence and terrorism impose (1) significant costs on business, or (7) do not impose significant costs on business.

Coverage: Data are available for about 52 USAID countries.

Data Quality: Comparisons between countries are difficult, because the data are based on executive perceptions.

CAS Code #22S9

Senior Manager Time Spent Dealing with Government Regulations

Source: World Bank Enterprise Surveys, Bureaucracy section, www.enterprisesurveys.org.

Definitions: Average percentage of senior managers' time that is spent in a typical week dealing with requirements imposed by government regulations such as taxes, customs, labor regulations, licensing and registration, and dealings with officials, and completing forms.

Coverage: Data available for about 80 USAID countries.

Data Quality: Same-timeframe comparisons between countries may be difficult; 15-20 enterprise surveys are conducted per year, with country updates expected approximately every three to five years. Surveys are taken of hundreds of entrepreneurs per country who describe the impact of their country's investment climate on their firm.

CAS Code #22S10

FINANCIAL SECTOR

Domestic Credit to Private Sector, Percentage of GDP

Source: IMF Article IV consultation reports or national data sources for latest country data; World Development Indicators, most recent publication series FS.AST.PRVT.GD.ZS for benchmarking data. The WDI data originate with the IMF, International Financial Statistics and data files, and World Bank estimates.

Definition: Domestic credit to private sector refers to financial resources provided to the private sector, such as through loans, purchases of non-equity securities, and trade credits and other accounts receivable, that establish a claim for repayment. For some countries, these claims include credit to public enterprises.

Coverage: Data are available for about 82 USAID countries.

CAS Code # 23P1

Interest Rate Spread

Source: World Development Indicators, most recent publication series FR.INR.LNDP. Original data from IMF, International Financial Statistics and data files.

Definition: The difference between the average lending and borrowing interest rates charged by commercial or similar banks on domestic currency deposits.

Coverage: Data are available for about 66 USAID countries.

CAS Code # 23P2

Money Supply, Percentage of GDP

Source: Latest country data obtained from national data sources or IMF Article IV consultation reports: www.imf.org/external/np/sec/aiv/index.htm. Benchmarking data from World Development Indicators, most recent publication series FM.LBL.MQMY.GD.ZS. WDI data originate from IMF, International Financial Statistics and data files, and World Bank and OECD GDP estimates.

Definition: Money supply (M2), also called broad money, is defined as nonbank private sector's holdings of notes, coins, and demand deposits, plus savings deposits and foreign currency deposits. Ratio of M2 to GDP is calculated to assess the degree of monetization of an economy.

Coverage: Data are available for about 81 USAID countries.

Data Quality: In some countries M2 includes certificates of deposits, money market instruments, and treasury bills.

CAS Code # 23P3

Stock Market Capitalization Rate, Percentage of GDP

Source: World Development Indicators, most recent publication, series CM.MKT.LCAP.GD.ZS.

Definition: This variable is defined as the market capitalization, also known as market value (the share price times the number of shares outstanding), of all the domestic shares listed on the country's stock exchange as a percentage of GDP.

Coverage: Data are available for about 54 USAID countries.

CAS Code # 23P4

Credit Information Index

Source: World Bank, Doing Business; Getting Credit
Category: <http://www.doingbusiness.org/ExploreTopics/GettingCredit/Default.aspx?direction=asc&sort=2>

Definition: The credit information index measures rules affecting the scope, accessibility and quality of credit information available through either public or private credit registries. The index ranges from 0 to 6, with higher values indicating the availability of more credit information, from either a public registry or a private bureau, to facilitate lending decisions.

Coverage: Data are available for nearly all USAID countries.

Data Quality: The indicator is subjective, as it is based on an opinion poll.

CAS Code # 23P5

Legal Rights of Borrowers and Lenders Index

Source: World Bank Doing Business; Getting Credit category: <http://ru.worldbank.org/DoingBusiness/ExploreTopics/GettingCredit/CompareAll.aspx>. The index is based on data collected through research of collateral and insolvency laws supported by survey data on secured transactions laws.

Definition: The index measures the degree to which collateral and bankruptcy laws facilitate lending. It ranges in value from 0 (very poor performance) to 10 (excellent performance). It includes three aspects related to legal rights in bankruptcy, and seven aspects found in collateral law.

Coverage: Data are available for nearly all USAID countries.

CAS Code # 23S1

Real Interest Rate

Source: World Development Indicators, most recent publication series FR.INR.RINR.

Definition: Real interest rate is the lending interest rate adjusted for inflation, as measured by the GDP deflator.

Coverage: Data are available for about 68 USAID countries.

CAS Code # 23S2

Number of Active Microfinance Borrowers

Source: The Mix Market.

<http://www.mixmarket.org/en/demand/demand.quick.search.asp>.

Definition: An aggregate of the number of current borrowers from microfinance institutions as reported by microfinance institutions to The Mix Market.

Coverage: Data are available for about 68 USAID countries.

Data Quality: Data are only available for those microfinance institutions that report to the Mix Market and data are not always updated in a timely fashion.

CAS Code # 23S3

EXTERNAL SECTOR

Aid, Percentage of GNI

Source: Latest country data obtained from national data sources or IMF Article IV consultation reports: www.imf.org/external/np/sec/aiv/index.htm. Benchmarking data from World Development Indicators, most recent publication series DT.ODA.ALLD.GN.ZS.

Definition: The indicator measures official development assistance from OECD countries and official aid from non-OECD countries, as a percentage of the recipient's gross national income.

Coverage: Data are available for about 84 USAID countries.

Data Quality: Data do not include aid given by recipient countries to other recipient countries, and may not be consistent with the country's balance sheets, because data are collected from donors.

CAS Code #24P1

Current Account Balance, Percentage of GDP

Source: Latest country data from national data sources or IMF Article IV consultation reports: www.imf.org/external/np/sec/aiv/index.htm. Benchmarking data from World Development Indicators, most recent publication series BN.CAB.XOKA.GD.ZS, based on IMF, Balance of Payments Statistics Yearbook and data files, World Bank staff estimates, and World Bank and OECD GDP estimates.

Definition: Current account balance is the sum of net exports of goods, services, net income, and net current transfers. It is presented here as a percentage of a country's gross domestic product.

Coverage: Data are available for about 79 USAID countries.

CAS Code # 24P2

Debt Service ratio

Source: Latest country data obtained from national data sources or IMF Article IV consultation reports:

www.imf.org/external/np/sec/aiv/index.htm. Benchmarking data from World Development Indicators, most recent publication, series DT.TDS.DECT.EX.ZS, based on World Bank, Global Development Finance data.

Definition: Total debt service is the sum of principal repayments and interest actually paid in foreign currency, goods, or services on long-term debt, interest paid on short-term debt and repayments (repurchases and charges) to the IMF. Debt is considered as a percent of exports of goods and services, which includes income and workers' remittances.

Coverage: Data are available for about 77 USAID countries.

Data Quality: See data quality comments to the Present value of debt, percent of GNI regarding quality of debt data reported.

CAS Code # 24P3

Exports Growth, Goods and Services

Source: Latest country data obtained from national data sources or IMF Article IV consultation reports:

www.imf.org/external/np/sec/aiv/index.htm. Benchmarking data from World Development Indicators, most recent publication, series NE.EXP.GNFS.KD.ZG, based on World Bank national accounts data, and OECD National Accounts data files.

Definitions: Annual growth rate of exports of goods and services based on constant local currency units. Exports include the value of merchandise, freight, insurance,

transport, travel, royalties, license fees, and other services, such as communication, construction, financial, information, business, personal, and government services. They exclude labor and property income (formerly called factor services), as well as transfer payments.

Coverage: Data are available for about 81 USAID countries.

CAS Code # 24P4

Foreign Direct Investment, Percentage of GDP

Source: Latest country data obtained from national data sources or IMF Article IV consultation reports: www.imf.org/external/np/sec/aiv/index.htm. Benchmarking data from World Development Indicators, most recent publication, series BX.KLT.DINV.DT.GD.ZS, based on IMF, International Financial Statistics and Balance of Payments databases, World Bank, Global Development Finance, and World Bank and OECD GDP estimates.

Definition: Foreign direct investment is the net inflow of investment to acquire a lasting management interest (10 percent or more of voting stock) in an enterprise operating in an economy other than that of the investor. It is the sum of equity capital, reinvestment of earnings, other long-term capital, and short-term capital as shown in the balance of payments. This series shows net inflows in the reporting economy.

Coverage: Data are available for about 82 USAID countries.

CAS Code #24P5

Gross International Reserves, Months of Imports

Source: Latest country data obtained from national data sources or IMF Article IV consultation reports:

www.imf.org/external/np/sec/aiv/index.htm. Benchmarking data from World Development Indicators, most recent publication, series FI.RES.TOTL.MO.

Definition: Gross international reserves comprise holdings of monetary gold, special drawing rights (SDRs), the reserve position of members in the IMF, and holdings of foreign exchange under the control of monetary authorities expressed in terms of the number of months of imports of goods and services.

Coverage: Data are available for about 77 USAID countries.

CAS Code # 24P6

Gross Private Capital Inflows, Percentage of GDP

Source: Latest country data obtained from national data sources or IMF Article IV consultation reports: www.imf.org/external/np/sec/aiv/index.htm. Benchmarking data derived from the International Financial Statistics (sum of lines 78BED and 78BGD, divided by GDP).

Definition: Net private capital inflows are the sum of the direct and portfolio investment inflows recorded in the balance-of-payments financial account. The indicator is calculated as a ratio to GDP in U.S. dollars.

Coverage: Information on coverage is not easily accessible.

Data Quality: Capital flows are converted to U.S. dollars at the IMF's average official exchange rate for the year shown.

CAS Code #24P7

Present Value of Debt, Percentage of GNI

Source: World Development Indicators, most recent publication series DT.DOD.PVLX.GN.ZS, based on Global Development Finance data.

Definition: Present value of debt is the sum of short-term external debt plus the discounted sum of total debt service

payments due on public, publicly guaranteed, and private non-guaranteed long-term external debt over the life of existing loans. The indicator measures the value of debt relative to the GNI.

Coverage: Data are available for about 80 USAID countries.

Data Quality: The coverage and quality of debt data vary widely across countries because of the wide spectrum of debt instruments, the unwillingness of governments to provide information, and a lack of capacity in reporting. Discrepancies are significant when exchange rate fluctuations, debt cancellations, and rescheduling occur.

CAS Code # 24P8

Remittances Receipts, Percentage of Exports

Source: Latest country data obtained from national data sources or IMF Article IV consultation reports: www.imf.org/external/np/sec/aiv/index.htm. Benchmarking data are obtained from World Development Indicators, most recent publication. The figure is constructed by dividing workers' remittances (receipts), series BX.TRF.PWKR.CD, by exports of goods and services, series BX.GSR.GNFS.CD.

Definition: Workers' remittances are current transfers by migrants who are employed or intend to remain employed for more than a year in another economy in which they are considered residents. The indicator is the ratio of remittances to exports.

Coverage: Data are available for about 74 USAID countries.

CAS Code # 24P9

Trade, Percentage of GDP

Source: Latest country data obtained from national data sources or IMF Article IV consultation reports: www.imf.org/external/np/sec/aiv/index.htm. Benchmarking data from World Development Indicators, most recent publication, series NE.TRD.GNFS.ZS.

Definition: The sum of exports and imports of goods and services divided by the value of GDP, all expressed in current U.S. dollars.

Coverage: Data available for about 84 USAID countries.

CAS Code # 24P10

Trade in Services, Percentage of GDP

Source: Latest country data obtained from national data sources or IMF Article IV consultation reports: www.imf.org/external/np/sec/aiv/index.htm. Benchmarking data from the World Development Indicators, most recent publication, series BG.GSR.NFSV.GD.ZS.

Definition: Trade in services is the sum of service exports and imports divided by the value of GDP, all in current U.S. dollars.

Coverage: Data available for about 80 USAID countries.

CAS Code # 24P11

Concentration of Exports

Source: Constructed with ITC COMTRADE data by aggregating the value for the top three export product groups (SITC Rev.3) and dividing by total exports. Raw data: <http://www.intracen.org/tradstat/site3-3d/indexre.htm>

Definition: The percentage of a country's total merchandise exports consisting of the top three products, disaggregated at the SITC (Rev. 3) 3-digit level.

Coverage: Available for about 74 USAID countries.

Data Quality: Smuggling is a serious problem in some countries. For countries that do not report trade data to the

United Nations, ITC uses partner country data. There are a number of shortcomings with this approach: ITC does not cover trade with other nonreporting countries; transshipments may hide the actual source of supply; and reporting standards include transport cost and insurance in measuring exports but exclude these items when measuring imports.

CAS Code # 24S1

Inward FDI Potential Index

Source: UNCTAD. Indicator is available at <http://www.unctad.org/Templates/WebFlyer.asp?intItemID=2472&lang=1>.

Definition: Inward FDI Potential Index measures an economy's attractiveness to foreign investors, capturing factors (apart from market size) that are expected to have an impact. The index ranges in value from 0 (for very poor performance) to 1 (for excellent performance). It is an unweighted average of the scores of 12 normalized economic and social variables.

Coverage: Data are available for about 77 USAID countries.

CAS Code # 24S2

Net Barter Terms of Trade

Source: World Development Indicators, most recent publication, series TT.PRI.MRCH.XD.WD

Definition: Net barter terms of trade are calculated as the ratio of the export price index to the corresponding import price index measured relative to the base year 2000.

Coverage: Data are available for about 51 USAID countries.

CAS Code # 24S3

Real Effective Exchange Rate (REER)

Source: IMF Article IV consultation reports: www.imf.org/external/np/sec/aiv/index.htm;

Definition: The REER is an index number with base 2000=100, which measures the value of a currency against a weighted average of foreign currencies. It is calculated as the nominal effective exchange rate divided by a price deflator or index of costs. The IMF defines the REER so that an increase in the value represents a real appreciation of the home currency, and a decrease represents a real depreciation.

Coverage: Information on coverage is not easily accessible.

Data Quality: Changes in real effective exchange rates should be interpreted with caution. For many countries the weights from 1990 onward take into account trade in 1988-90, and an index of relative changes in consumer prices is used as the deflator.

CAS Code # 24S4

Structure of Merchandise Exports

Source: World Development Indicators, most recent publication. Exports from five categories are used: Food exports series TX.VAL.FOOD.ZS.UN; Agricultural raw materials exports series TX.VAL.AGRI.ZS.UN; Manufactures exports series TX.VAL.MANF.ZS.UN; Ores and metals exports series TX.VAL.MMTL.ZS.UN; and Fuel exports series TX.VAL.FUEL.ZS.UN.

Definition: This indicator reflects the composition of merchandise exports by major commodity groups—food, agricultural raw materials, fuels, ores and metals, and manufactures.

Coverage: Data are available for about 78 USAID countries.

Data Quality: The classification of commodity groups follows the Standard International Trade Classification

(SITC) revision 1, but most countries report using later revisions of the SITC. Tables are used to convert data reported in one system to another and this may introduce errors of classification. Shares may not sum to 100 percent because of unclassified trade.

CAS Code # 24S5

Trade Policy Index

Source: Index of Economic Freedom, Heritage Foundation: <http://www.heritage.org/research/features/index/downloads.cfm>. The Trade Policy Score (index) is one component of the Index of Economic Freedom.

Definition: The index measures the degree to which government hinders the free flow of foreign commerce, based on a country's weighted average tariff rate (weighted by imports from the country's trading partners), with adjustments for non-tariff barriers and corruption in the customs service. The countries are ranked on a 0-to-100 scale, with a higher score representing greater freedom (low barriers to trade)—a switch from the 5-1 ranking of previous Indexes (in which lower numbers denoted greater freedom).

Coverage: Data are available for about 83 USAID countries.

Data Quality: The index is subjective and at times inconsistent in its treatment of tariffs.

CAS Code # 24S6

Ease of Trading Across Borders Ranking

Source: World Bank, Doing Business, Trading Across Borders category: <http://www.doingbusiness.org/ExploreTopics/TradingAcrossBorders/>

Definitions: The 178 economies covered by the Doing Business report are ranked on the ease with which one may import into and export out of the economy. The ranking is based on a simple average of the economy's ranking on each of the composite indicators for Trading Across Borders: number of documents to import and export, cost to import and export, and time to import and export.

Coverage: Data are available for nearly all USAID countries.

CAS Code # 24S7

ECONOMIC INFRASTRUCTURE

Internet Users per 1,000 people

Source: World Development Indicators, most recent publication series IT.NET.USER.P3, derived from the International Telecommunication Union database.

Definition: Indicator quantifies the number of Internet users, defined as those with access to the worldwide network, per 1,000 people.

Coverage: Data are available for about 88 USAID countries.

CAS Code # 25P1

Overall Infrastructure Quality Index

Source: Global Competitiveness Report 2006–2007, World Economic Forum. The indicator can be found in the Data Tables, Section V. General Infrastructure; 5.01.

Definition: The index measures executives' perceptions of general infrastructure in their respective country. Executives grade, on a scale from 1 to 7, whether general infrastructure in their country is poorly developed (1) or among the best in the world (7).

Coverage: Data are available for about 52 USAID countries.

Data Quality: Comparisons between countries are difficult because the data are based on executives' perceptions.

CAS Code # 25P2

Telephone Density, Fixed Line and Mobile

Source: World Development Indicators, most recent publication series IT.TEL.TOTL.P3, derived from the International Telecommunication Union database..

Definition: The indicator is the sum of subscribers to telephone mainlines and mobile phones per 1,000 people. Fixed lines represent telephone mainlines connected to the public switched telephone network. Mobile phone subscribers refer to users of cellular-based technology with access to the public switched telephone network.

Coverage: Data are available for about 88 USAID countries.

CAS Code #25P3

Quality of infrastructure—Railroads, Ports, Air Transport and Electricity

Source: Global Competitiveness Report 2006-2007, World Economic Forum. The indicators can be found in the Data Tables, Section V. General Infrastructure; 5.02, 5.03, 5.04, and 5.05 for Railroad, Port; Air Transport, and Electricity, respectively.

Definitions: The index measures executives' perceptions of general infrastructure in their respective country. Executives grade, on a scale from 1 to 7, whether railroads, ports, air transport, and electricity are poorly developed (1) or among the best in the world (7).

Coverage: Data are available for about 52 USAID countries.

Data Quality: Comparisons between countries are difficult because the data are based on executive perceptions.

CAS Code #25S1

Roads, paved (% total)

Source: World Development Indicators, most recent publication series IS.ROD.PAVE.ZS

Definitions: Paved roads are roads surfaced with crushed stone (macadam) and hydrocarbon binder or bituminized agents, with concrete, or with cobblestones.

Coverage: Data are available for nearly all USAID countries.

CAS Code #25S2

SCIENCE AND TECHNOLOGY

Expenditure in Research and Development, Percentage of GDP

Source: World Development Indicators, most recent publication, series GB.XPD.RSDV.GD.ZS, based on data from the UNESCO Institute of Statistics.

Definition: Expenditures for research and development are current and capital expenditures (both public and private) on creative, systematic activity that increases the stock of knowledge. Included are fundamental and applied research and experimental development work leading to new devices, products, or processes.

Coverage: Data are available for about 26 USAID countries.

CAS Code #26P1

FDI Technology Transfer Index

Source: Global Competitiveness Report 2006-2007, World Economic Forum. The indicator can be found in the Data

Tables, Section III. Technology: Innovation and Diffusion; 3.04.

Definition: The index measures executives' perceptions of FDI as a source of new technology for the country. Executives grade, on a scale from 1 to 7, whether foreign direct investment in their country brings little new technology (1), or is an important source of new technology (7).

Coverage: Data are available for about 52 USAID countries.

Data Quality: Comparisons between countries are difficult because the data are based on executive perceptions.

CAS Code # 26P2

Availability of Scientists and Engineers Index

Source: Global Competitiveness Report 2006-2007, World Economic Forum. The indicators can be found in the Data Tables, Section IX. Innovation; 9.05.

Definitions: The index measures executives' perceptions of the availability of scientists and engineers in their respective country. Executives grade, on a scale from 1 to 7, whether scientists and engineers in their country are nonexistent (1) or rare, or widely available (7).

Coverage: Data are available for about 52 USAID countries.

Data Quality: Comparisons between countries are difficult because the data are based on executive perceptions.

CAS Code #26P3

Science and Technology Journal Articles, per Million People

Source: World Development Indicators, most recent publication, series IP.JRN.ARTC.SC

Definitions: The indicator refers to published scientific and engineering articles in physics, biology, chemistry, mathematics, clinical medicine, biomedical research, engineering and technology, and earth and space sciences per one million population.

Coverage: Data are available for about 82 USAID countries.

CAS Code #26P4

IPR Protection Index

Source: Global Competitiveness Report 2006-2007, World Economic Forum. The indicators can be found in the Data Tables, Section IV. Innovation; 9.07.

Definitions: The index measures executives' perceptions of the availability of the quality of intellectual property rights protection in their respective country. The scale ranges from 1 (for poorly enforced) to 7 (among the best in the world).

Coverage: Data are available for about 52 USAID countries.

Data Quality: Comparisons between countries are difficult because the data are based on executive perceptions.

CAS Code #26P5

HEALTH

HIV Prevalence

Source: UNAIDS for most recent country data: http://data.unaids.org/pub/GlobalReport/2006/2006_GR_AN_N2_en.pdf. World Development Indicators, most recent publication for benchmark data, series SH.DYN.AIDS.ZS.

Definition: Percentage of people ages 15–49 who are infected with HIV.

Coverage: Data are available for about 79 USAID countries.

Data Quality: UNAIDS/WHO estimates are based on all available data, including surveys of pregnant women, population-based surveys, household surveys conducted by Kenya, Mali, Zambia, and Zimbabwe, and other surveillance information.

CAS Code # 31P1

Life Expectancy at Birth

Source: World Development Indicators, most recent publication, (SP.DYN.LE00.IN)

Definition: Life expectancy at birth indicates the number of years a newborn infant would live on average if prevailing patterns of mortality at the time of his or her birth were to stay the same throughout his or her life.

Coverage: Data are available for about 88 USAID countries.

Data Quality: Life expectancy at birth is estimated on the basis of vital registration or the most recent census/survey. Extrapolations may not be reliable for monitoring changes in health status or for comparative analytical work.

CAS Code # 31P2

Maternal Mortality Rate

Source: UN Millennium Indicators Database, <http://millenniumindicators.un.org/unsd/mdg/Data.aspx> based on WHO, UNICEF and UNFPA data.

Definition: The indicator is the number of women who die during pregnancy and childbirth, per 100,000 live births.

Coverage: Data are available for about 87 USAID countries.

Data Quality: Household surveys attempt to measure maternal mortality by asking respondents about survival of sisters. The estimates pertain to 12 years or so before the survey, making them unsuitable for monitoring recent changes.

CAS Code # 31P3

Access to Improved Sanitation

Source: World Development Indicators, most recent publication, series SH.STA.ACSN.

Definition: The indicator is the percentage of population with at least adequate excreta disposal facilities (private or shared, but not public) that can effectively prevent human, animal, and insect contact with excreta.

Coverage: Data are available for about 82 USAID countries.

CAS Code #31S1

Access to Improved Water Source

Source: World Development Indicators, most recent publication series SH.H2O.SAFE.ZS

Definition: The indicator is the percentage of the population with reasonable access to an adequate amount of water from an improved source, such as a household connection, public standpipe, borehole, protected well or spring, or rain water collection.

Coverage: Data are available for about 83 USAID countries.

Data Quality: Access to drinking water from an improved source does not ensure that the water is adequate or safe.

CAS Code # 31S2

Births Attended by Skilled Health Personnel

Source: World Development Indicators, most recent publication, series SH.STA.BRTC.ZS.

Definition: The indicator is the percentage of deliveries attended by personnel trained to give the necessary supervision, care, and advice to women during pregnancy, labor, and the postpartum period, to conduct interviews on their own, and to care for newborns.

Coverage: Data are available for about 62 USAID countries.

Data Quality: Data may not reflect improvements in maternal health; maternal deaths are underreported; and rates of maternal mortality are difficult to measure.

CAS Code # 31S3

Child Immunization Rate

Source: World Development Indicators, most recent publication, estimated by averaging two series: Immunization, DPT (% of children ages 12–23 months) (SH.IMM.IDPT) and Immunization, measles (% of children ages 12–23 months) (SH.IMM.MEAS).

Definition: Percentage of children under one year of age receiving vaccination coverage for four diseases: measles and diphtheria, pertussis (whooping cough), and tetanus (DDPT).

Coverage: Data are available for about 88 USAID countries.

CAS Code #31S4

Prevalence of Child Malnutrition—Weight for Age

Source: World Development Indicators, most recent publication, series SH.STA.MALN.ZS.

Definition: The indicator is based on the percentage of children under age five whose weight for age is more than minus two standard deviations below the median for the international reference population ages 0–59 months.

Coverage: Data are available for about 55 USAID countries.

CAS Code # 31S5

Public Health Expenditure, Percentage of GDP

Source: Latest data for host country is obtained from the MCC: <http://www.mcc.gov/selection/scorecards/2007/index.php>.

International benchmarking data from World Development Indicators, most recent publication (SH.XPD.PUBL.ZS), based on World Health Organization, World Health Report, and updates and from the OECD, supplemented by World Bank poverty assessments and country and sector studies.

Definition: Public health expenditure consists of recurrent and capital spending from government (central and local) budgets, external borrowings and grants (including donations from international agencies and nongovernmental organizations), and social (or compulsory) health insurance funds.

Coverage: Data are available for about 88 USAID countries.

CAS Code #31S6

EDUCATION

Net Primary Enrollment Rate—Female, Male and Total

Source: UNESCO Institute for Statistics, <http://stats.uis.unesco.org/ReportFolders/reportfolders.aspx>

Definition: The indicator measures the proportion of the population of the official age for primary, secondary, or tertiary education according to national regulations who are enrolled in primary schools. Primary education provides children with basic reading, writing, and mathematics skills along with an elementary understanding of such subjects as

history, geography, natural science, social science, art, and music.

Coverage: Data are available for about 80 USAID countries.

Data Quality: Enrollment rates are based on data collected during annual school surveys, which are typically conducted at the beginning of the school year, and do not reflect actual rates of attendance during the school year. In addition, school administrators may report exaggerated enrollments because teachers often are paid proportionally to the number of pupils enrolled. The indicator does not measure the quality of the education provided.

CAS Code # 32P1

Persistence to Grade 5—Female, Male, and Total

Source: World Development Indicators, most recent publication series SE.PRM.PRS5.FE.ZS (female); SE.PRM.PRS5.MA.ZS (male); and SE.PRM.PRS5.ZS (total).

Definition: The indicator is an estimate of the proportion of the population entering primary school who reach grade 5, for female, male, and total students.

Coverage: Data are available for about 48 USAID countries.

CAS Code # 32P2

Youth Literacy Rate—Female, Male, and Total

Source: World Development Indicators, most recent publication, series SE.ADT.1524.LT.ZS.

Definition: The indicator is an estimate of the percent of people ages 15–24 who can, with understanding, read and write a short, simple statement on their everyday life.

Coverage: Data are available for about 67 USAID countries.

Data Quality: Statistics are out of date by two to three years.

CAS Code #32P3

Net Secondary Enrollment Rate, Total

Source: World Development Indicators, most recent publication, series SE.SEC.NENR. Based on data from the United Nations Educational, Scientific, and Cultural Organization (UNESCO) Institute for Statistics.

Definitions: Net enrollment ratio is the ratio of children of official school age based on the International Standard Classification of Education 1997 who are enrolled in school to the population of the corresponding official school age. Secondary education completes the provision of basic education that began at the primary level and aims at laying the foundations for lifelong learning and human development by offering more subject- or skill-oriented instruction using more specialized teachers.

Coverage: Not available for draft.

Data Quality: Break in series between 1997 and 1998 due to change from International Standard Classification of Education (ISCED) 76 to ISCED97. Recent data are provisional.

CAS Code #32P4

Gross Tertiary Enrollment Rate, Total

Source: World Development Indicators, most recent publication, series SE.TER.ENRR. Based on data from the UNESCO Institute for Statistics.

Definitions: Gross enrollment ratio is the ratio of total enrollment, regardless of age, to the population of the age group that officially corresponds to the level of education shown. Tertiary education, whether or not to an advanced research qualification, normally requires, as a minimum

condition of admission, the successful completion of education at the secondary level.

Coverage: Not available for draft.

Data Quality: Break in series between 1997 and 1998 due to change from International Standard Classification of Education (ISCED) 76 to ISCED97. Recent data are provisional.

CAS Code #32P5

Expenditure on Primary Education, Percentage of GDP

Source: Millennium Challenge Corporation:

<http://www.mcc.gov/selection/scorecards/2007/index.php>.

Definition: The indicator is the total expenditures on education by all levels of government, as a percent of GDP.

Coverage: Data are available for about 58 USAID countries.

Data Quality: The MCC obtains the data from national sources through U.S. embassies.

CAS Code #32S1

Educational Expenditure per Student, Percentage of GDP per capita—Primary, Secondary and Tertiary

Source: World Development Indicators, most recent publication series SE.XPD.PRIM.PC.ZS (primary); SE.XPD.SECO.PC.ZS (secondary); and SE.XPD.TERT.PC.ZS (tertiary).

Definition: Public expenditure per student (primary, secondary or tertiary) is defined as the public current expenditure on education divided by the total number of students, by level, as a percentage of GDP per capita.

Coverage: Data are available for about 50, 47, and 45 USAID countries (for primary, secondary, and tertiary expenditure, respectively).

Data Quality: Education statistics should be interpreted with caution because the data are out of date by 2 or 3 years; also, the statistics reflects solely public spending, generally excluding spending by religious schools, which play a significant role in many developing countries. Data for some countries and for some years refer to spending by the ministry of education only.

CAS Code # 32S2

Pupil-teacher Ratio, Primary School

Source: World Development Indicators, most recent publication series SE.PRM.ENRL.TC.ZS.

Definition: Primary school pupil-teacher ratio is the number of pupils enrolled in primary school divided by the number of primary school teachers (regardless of their teaching assignment).

Coverage: Data are available for about 76 USAID countries.

Data Quality: The indicator does not take into account differences in teachers' academic qualifications, pedagogical training, professional experience and status, teaching methods, teaching materials and variations in classroom conditions – all factors that could also affect the quality of teaching/learning and pupil performance.

CAS Code # 32S3

EMPLOYMENT AND WORKFORCE

Labor Force Participation Rate

Source: Derived from World Development Indicators, but the precise computation differs depending on whether a

particular country study uses the 2004 or 2005 and years subsequent WDI.

To calculate the *total* labor force participation rate using WDI 2004: the numerator is Labor force, total (SL.TLF.TOTL.IN), and the denominator is Population ages 15-64, total (SP.POP.1564.TO). Using WDI 2005 and subsequent years, the denominator is calculated as the total population (SP.POP.TOTL) times the percentage of the population in the age group 15-64 (SP.POP.1564.IN.ZS).

Definition: The percentage of the working age population that is in the labor force. The labor force comprises people who meet the International Labor Organization definition of the economically active population: all people who supply labor for the production of goods and services during a specified period. It includes both the employed and the unemployed.

Coverage: Data are available for about 88 USAID countries.

CAS Code #33P1

Rigidity of Employment Index

Source: World Bank, Doing Business in 2007, Employing workers category:

<http://www.doingbusiness.org/ExploreTopics/EmployingWorkers/>

Definition: Rigidity of employment index is a measure of labor market rigidity constructed as the average of the Difficulty of Hiring index, Rigidity of Hours index and Difficulty of Firing index. Index ranges in value from 0 (minimum rigidity) to 100 (maximum rigidity).

Coverage: Data are available for nearly all USAID countries.

Data Quality: Subindices are compiled by the World Bank from survey responses to in-country specialists.

CAS Code # 33P2

Size and Growth of the Labor Force

Source: Size of labor force from World Development Indicators (SL.TLF.TOTL.IN); annual percentage change calculated from size data.

Definition: The indicator measures the size of the labor supply, and its annual percent change. Labor force is made up of people who meet the International Labor Organization definition of the economically active population: all people who are able to supply labor for the production of goods and services during a specified period, including both the employed and the unemployed. Although national practices vary in the treatment of groups such as the armed forces and seasonal or part-time workers, in general, the labor force includes the armed forces, the unemployed, and first-time job-seekers, but excludes homemakers and other unpaid caregivers and workers in the informal sector.

Coverage: Data are available for about 88 USAID countries.

CAS Code #33P3

Unemployment Rate

Source: World Development Indicators, most recent publication series SL.UEM.TOTL.ZS.

Definition: The unemployment rate refers to the share of the labor force that is without work but available for and seeking employment. For this purpose, informal sector workers and own-account workers (including subsistence farmers) are counted as employed.

Coverage: Data are available for about 50 USAID countries.

Data Quality: Definitions of labor force and unemployment differ by country, making international comparisons inaccurate.

CAS Code # 33P4

Economically Active Children, Percentage Children Ages 7-14

Source: World Development Indicators, most recent publication series SL.TLF.0714.ZS. Derived from the Understanding Children's Work project based on data from ILO, UNICEF, and the World Bank.

Definitions: Economically active children refer to children involved in economic activity for at least one hour in the reference week of the survey.

CAS Code # 33P5

Firing Costs, Weeks of Wages

Source: World Bank, Doing Business, Employing Workers

Category: <http://www.doingbusiness.org/MethodologySurveys/EmployingWorkers.aspx>.

Definitions: The firing cost indicator measures the cost of advance notice requirements, severance payments, and penalties due when terminating a redundant worker, expressed in weekly wages. One month is recorded as 4 and 1/3 weeks.

Coverage: Data available for nearly all USAID countries.

CAS Code # 33S1

AGRICULTURE

Agriculture Value Added per Worker

Source: World Development Indicators, most recent publication series EA.PRD.AGRI.KD, derived from World Bank national accounts files and Food and Agriculture Organization, Production Yearbook and data files.

Definition: Agriculture value added per worker is a basic measure of labor productivity in agriculture. Value added in agriculture measures the output of the agricultural sector (ISIC divisions 1–5)—forestry, hunting, fishing, cultivation of crops, and livestock production—less the value of intermediate inputs. Data are in constant 2000 U.S. dollars.

Coverage: Data are available for about 80 USAID countries.

CAS Code # 34P1

Cereal Yield

Source: World Development Indicators, most recent publication series AG.YLD.CREL.KG based on Food and Agriculture Organization Production Yearbook and data files.

Definition: Cereal yield, measured as kilograms per hectare of harvested land, includes wheat, rice, maize, barley, oats, rye, millet, sorghum, buckwheat, and mixed grains. Production data on cereals relate to crops harvested for dry grain only.

Coverage: Data are available for about 84 USAID countries.

Data Quality: Data on cereal yield may be affected by a variety of reporting and timing differences. The FAO allocates production data to the calendar year in which the bulk of the harvest took place. But most of a crop harvested near the end of a year will be used in the following year. Cereal crops harvested for hay or harvested green for food, feed, or silage, and those used for grazing, are generally excluded. But millet and sorghum, which are grown as feed for livestock and poultry in Europe and North America, are used as food in Africa, Asia, and countries of the former Soviet Union. So some cereal crops are excluded from the data for some countries and included elsewhere, depending on their use.

CAS Code # 34P2

Growth in Agricultural Value-Added

Source: The latest country data are taken from national data sources or from IMF Article IV consultation reports:

www.imf.org/external/np/sec/aiv/index.htm. The benchmarking data are from World Development Indicators, most recent publication series NV.AGR.TOTL.KD.ZG

Definition: The indicator measures the annual growth rate for agricultural value added, in constant local currency. Regional group aggregates are based on constant 2000 U.S. dollars. Agriculture corresponds to ISIC divisions 1–5 and includes forestry, hunting, and fishing, as well as cultivation of crops and livestock production. Value added is the net output of a sector after all outputs are added up and intermediate inputs are subtracted. It is calculated without deductions for depreciation of fabricated assets or depletion and degradation of natural resources.

Coverage: Data are available for about 84 USAID countries.

CAS Code # 34P3

Agricultural Policy Costs Index

Source: Global Competitiveness Report 2006-2007, World Economic Forum. The indicator can be found in the Data Tables, Section II. Macroeconomic Environment; 2.20.

Definition: The index measures executives' perceptions of agricultural policy costs in their respective country. Executives grade, on a scale from 1 to 7, whether the cost of agricultural policy in a given country is excessively burdensome (1), or balances all economic agents' interests (7).

Coverage: Data are available for about 52 USAID countries.

Data Quality: Comparisons between countries are difficult because the data are based on executives' perceptions.

CAS Code # 34S1

Crop Production Index

Source: World Development Indicators, most recent publication series AG.PRD.CROP.XD, based on FAO statistics.

Definition: Crop production index shows agricultural production for each year relative to the period 1999–2001 = 100. The index includes production of all crops except fodder crops. Regional and income group aggregates for the FAO's production indices are calculated from the underlying values in international dollars, normalized to the base period.

Coverage: Data are available for about 85 USAID countries.

Data Quality: Regional and income group aggregates for the FAO's production indices are calculated from the underlying values in international dollars, normalized to the base period 1999–2001. The FAO obtains data from official and semiofficial reports of crop yields, area under production, and livestock numbers. If data are not available, the FAO makes estimates. To ease cross-country comparisons, the FAO uses international commodity prices to value production expressed in international dollars (equivalent in purchasing power to the U.S. dollar). This method assigns a single price to each commodity so that, for example, one metric ton of wheat has the same price regardless of where it was produced. The use of international prices eliminates fluctuations in the value of output due to transitory movements of nominal exchange rates unrelated to the purchasing power of the domestic currency.

Coverage: Data are available for about 85 USAID countries.

CAS Code # 34S2

Livestock Production Index

Source: World Development Indicators, most recent publication series AG.PRD.LVSK.XD, based on FAO.

Definition: Livestock production index shows livestock production for each year relative to the base period 1999–2001=100. The index includes meat and milk from all sources, dairy products such as cheese, and eggs, honey, raw silk, wool, and hides and skins.

Coverage: Data are available for about 85 USAID countries.

Data Quality: See comments on the Crop Production Index.

CAS Code # 3453

Agriculture Export Growth

Source: World Development Indicators, most recent publication series TX.VAL.AGRI.ZS.UNs, Agricultural raw materials exports (% of merchandise exports), based on World Bank staff estimates from the COMTRADE database maintained by the United Nations Statistics Division; and series TX.VAL.MRCH.CD.WT, Merchandise exports (current US\$), based on data from the World Trade Organization.

Definitions: Agricultural raw materials comprise SITC section 2 (crude materials except fuels), excluding divisions 22, 27 (crude fertilizers and minerals excluding coal, petroleum, and precious stones), and 28 (metalliferous ores and scrap). Merchandise exports show the f.o.b. value of goods provided to the rest of the world valued in U.S. dollars. Data are in current U.S. dollars. The indicator is calculated by multiplying agricultural raw materials by merchandise exports. The annual growth rate is then calculated from the resulting series.

Coverage: Not available for draft.

CAS Code # 3454