



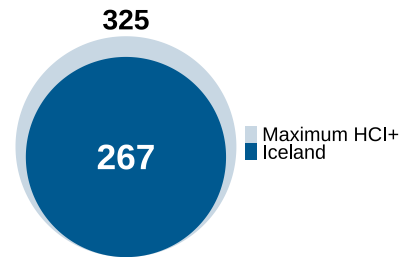
ICELAND

Region: Europe & Central Asia
Income Category: High Income

Human capital - people’s knowledge, skills, and health - drives productivity and growth. The Human Capital Index Plus (HCI+) measures the human capital a child born today can expect to accumulate over their working life, extending the original HCI by incorporating tertiary education and work experience. This brief summarizes **Iceland’s** HCI+ score and its performance in building human capital.

What is Iceland’s HCI+ and what does it mean?

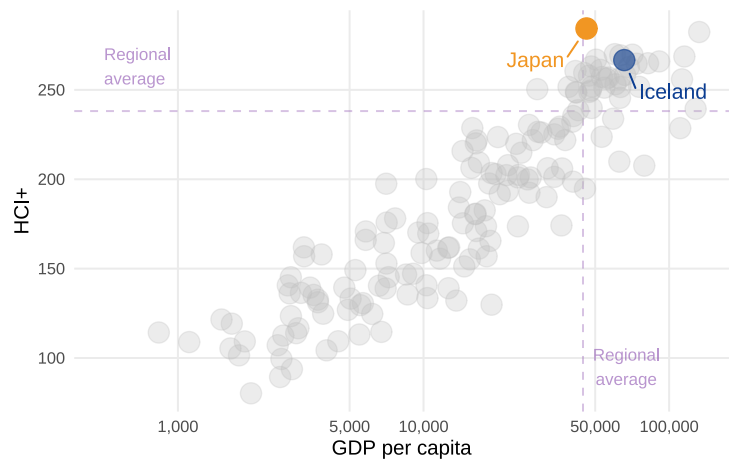
Iceland’s HCI+ score is **267** (out of a maximum of **325**), reflecting its investments in **health, education, and employment**. A 10-point increase in the index would translate into approximately 10 percent higher future income. Closing the current gaps in these areas relative to high-performing countries with similar GDP per capita would boost future income by 20%.



How does Iceland’s HCI+ compare to other countries?

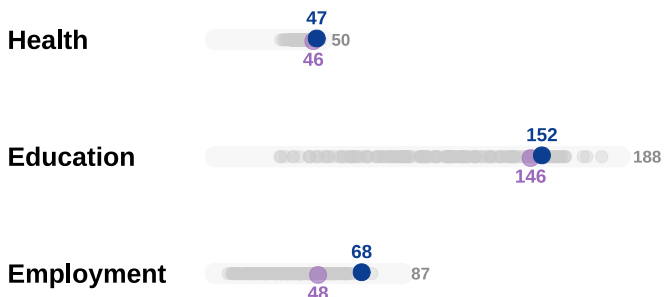
Iceland’s HCI+ is higher than the average for the **Europe & Central Asia region (240)** and higher than the average for **high-income countries (254)**.

Iceland’s HCI+ score is also **17 points lower than Japan’s**.



What explains Iceland’s HCI+?

The HCI+ has three components corresponding to health, education, and employment.



The HCI+ score for the **Health pillar is 47**, slightly higher than the **regional average of 46**.

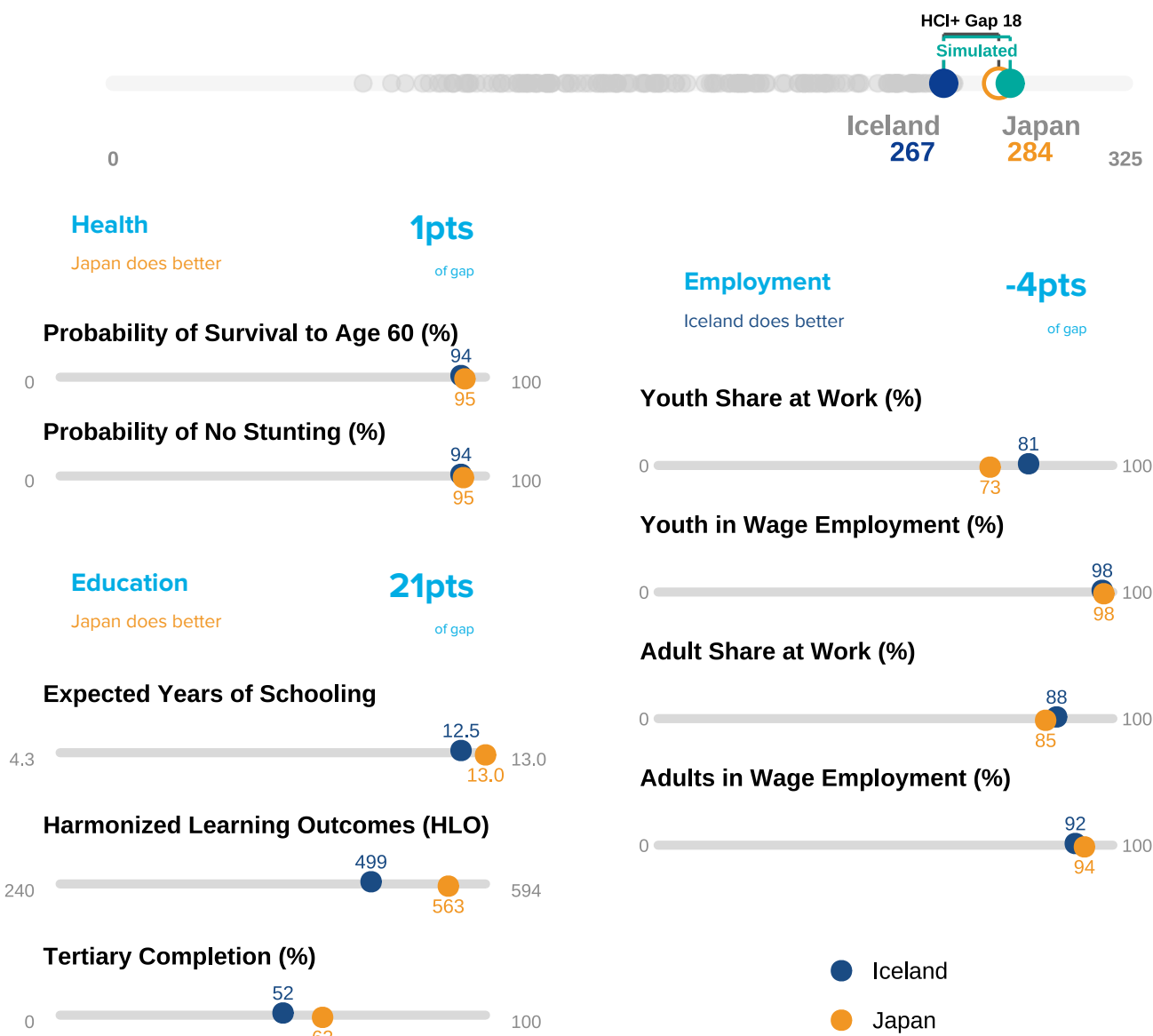
The HCI+ score for the **Education pillar is 152**, higher than the **regional average of 146**.

The HCI+ score for the **Employment pillar is 68**, higher than the **regional average of 48**.



What indicators are responsible for Iceland's HCI+ gap with Japan?

Iceland's HCI+ score (267) is lower than Japan's (284). The indicators that account for the largest share of the HCI+ gap between Iceland and Japan are **Harmonized Learning Outcomes (HLO), expected years of schooling, and probability of survival to age 60**. Raising these indicators to Japan's levels would increase Iceland's score to **288**, boosting future income by approximately 21.3%.



What is Iceland's HCI+ gender gap?

The HCI+ score for **women in Iceland is 268** compared to **259 for men**. The 9-point gap indicates that women's earning potential will be 9% higher than men's due to differences in the human capital acquired by men and women in Iceland.



Note: All values are derived from internationally comparable public datasets.

