Human capital – knowledge, skills, and good health – empowers people to achieve their potential and drives economic growth. This brief tracks progress by Islamic Republic of Iran in building and using human capital. This page presents the Human Capital Index (HCI), its components, and relevant benchmarks. The HCI quantifies how underinvestment in education and health for today’s children reduces future incomes. Data are the most recently available as of 2020. The back page presents a set of Human Capital Complementary Indicators (HCCI) that shows progress at each stage of the lifecycle.

THE HUMAN CAPITAL INDEX

A child born in Islamic Republic of Iran will be 59% as productive when she grows up as she could be if she enjoyed complete education and full health.

This is higher than the average for the Middle East & North Africa region (57%) and Lower Middle Income countries (48%).

THE HUMAN CAPITAL INDEX COMPONENTS

- **Probability of Survival to Age 5.** Of every 100 children born in Islamic Republic of Iran, 99 survive to age 5.
- **Expected Years of School.** In Islamic Republic of Iran, a child who starts school at age 4 can expect to complete 11.8 years of school by her 18th birthday.
- **Learning-Adjusted Years of School.** Factoring in what children actually learn, expected years of school is 8.2 years.
- **Average Harmonized Test Scores.** Students in Islamic Republic of Iran score 432 on a scale where 625 represents advanced attainment and 300 represents minimum attainment.
- **Adult Survival Rate.** Across Islamic Republic of Iran, 93% of 15-year-olds survive until age 60.
- **Fraction of Children Under 5 Not Stunted.** Approximately 93 out of 100 children are not stunted. This means that 7 out of 100 children are at risk of cognitive and physical limitations that can last a lifetime.

UTILIZATION-ADJUSTED HUMAN CAPITAL INDEX

The Utilization-adjusted Human Capital Index (U-HCI) scales down the HCI by taking into account how many adults are not employed. The U-HCI for Islamic Republic of Iran is 0.25. Thus, children born today will be 25% as productive in adulthood as they could have been if they had access to full health and education, and they became fully employed adults. The U-HCI for girls is even lower at 0.09.

<table>
<thead>
<tr>
<th>Gender differences in Human Capital and Utilization</th>
<th>Boys</th>
<th>Girls</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Capital Index</td>
<td>0.58</td>
<td>0.61</td>
<td>0.59</td>
</tr>
<tr>
<td>Utilization-Adjusted HCI</td>
<td>0.39</td>
<td>0.09</td>
<td>0.25</td>
</tr>
</tbody>
</table>

Note: - represents no internationally comparable data available.

Note: Missing symbols indicate internationally comparable data are not available to generate the corresponding statistic.
The Human Capital Complementary Indicators (HCCIs) offer a snapshot of human capital investments at four stages of the lifecycle. The figures show the latest available data, benchmarked against regional averages. The figures also report progress over the previous 5 years.

EARLY CHILDHOOD

- **Neonatal mortality rate.** The neonatal mortality rate is 8 per 1,000 live births (2021), compared to 10 in 2016. The indicator is lower than the regional average.

- **Pre-primary school gross enrollment ratio.** The pre-primary school gross enrollment ratio at the age group that officially correspond to that level of education is 72% (2020), compared to 53% in 2015. The indicator is above the regional average.

- **DTP vaccination rate, third dose.** In 2022, 99% of infants received the third dose of the diphtheria, tetanus and pertussis vaccine. This remains unchanged since 2017. The indicator is higher than the regional average.

SCHOOLAGE

- **Child mortality rate.** The mortality rate for children ages 5-14 is 3 per 1,000 children aged 5 (2021), compared to 4 in 2016. The indicator is similar to the regional average.

- **Primary school completion rate.** The primary school completion rate at the official entrance age of the last grade of that level is 101% (2020), compared to 98% in 2015. The indicator is above the regional average.

- **Net school enrollment rate, lower secondary.** The percentage of lower secondary school-aged children enrolled at that level is 98% (2020), compared to 95% in 2016. The indicator is higher than the regional average.

YOUTH

- **Adolescent fertility rate.** The number of births for every 1,000 women ages 15-19 is 30 (2021), compared to 37 in 2016. The indicator is higher than the regional average.

- **Youth literacy rate.** The share of youth (ages 15-24) who are literate is 99% (2021), compared to 98% in 2016. The indicator is above the regional average.

- **Gross school enrollment rate, tertiary.** Tertiary school enrollment as a percentage of people ages 18-24 is 58% (2020), compared to 73% in 2015. The indicator is higher than the regional average.

ADULTS & ELDERLY

- **Life expectancy at birth.** Life expectancy at birth is 74 years (2021), compared to 76 in 2016. The indicator is similar to the regional average.

- **Probability of dying from NCDs.** The probability of dying from non-communicable diseases between the ages of 30 to 70 is 81% (2019), compared to 79% in 2015. The indicator is above the regional average.

- **Health care facilities with basic sanitation services.** The share of health care facilities with sanitation facilities is 22% (2021). This remains unchanged since 2017. The indicator is lower than the regional average.

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