



URUGUAY – CAS COMPLETION REPORT REVIEW

OED finds that the Bank assistance over the FY01 to FY05 period helped cushion the impact of Uruguay's financial crisis. The large shocks suffered by Uruguay—a recession in Brazil, the crisis in Argentina, and the re-emergence of hoof-and-mouth disease in the national herd—produced a deep recession and large imbalances which compelled the government to adopt an intensive adjustment program, beginning in 2002. The international community supported this program, which dampened the impact of the shocks and reduced welfare losses. The crisis accelerated Uruguay's fiscal consolidation, reform of the state-owned Banco Hipotecario del Uruguay (BHU), improvements in basic infrastructure services, and greater efficiency in some poverty alleviation programs. However, other objectives of Bank assistance during this period, including improved governance, public enterprise reform, and strengthened management of natural resources, witnessed less progress.

The original CAS objectives were relevant, but the crisis required an adjustment to the assistance program. The Bank responded flexibly and appropriately to the changing situation, tailoring assistance to address the causes and consequences of the 2002 crisis, emphasizing fiscal and financial sector issues, competitiveness, and social protection. The CAS proposed nine loans totaling US\$172 million, but following the crisis, investment projects were replaced by large structural adjustment loans and an emergency loan to combat the outbreak of hoof and mouth disease. In the end, the Bank committed some US\$620 million, about four times more than originally anticipated. OED rates the outcome of Bank assistance for the period 2000-2005 as satisfactory.

Today, Uruguay faces many of the same problems it faced in 2000—a high fiscal deficit, a burdensome public debt, a high cost economy, and a skills base which has not improved as rapidly as required. Some of these issues were raised in OED's 2000 Country Assistance Evaluation, which rated the Bank's assistance during the 1990s as highly satisfactory.

The CASCR covers the main issues well. Its assessment would have been more convincing, however, had the CASCR presented quantitative and/or qualitative indicators in support of its findings. The CASCR's call for an intensified assessment of the risks stemming from potential regional shocks, and for contingency plans to deal with them, is commendable. OED recommends that monitoring and evaluation indicators be quantified in ways that will improve the tracking and evaluation of results of future CASs.

CAS Objectives, Overview of Implementation

1. The CASCR covers the CAS (May 2000), the Progress Report (July 2002), and the Update (August 2002). The CAS centered on three broad themes: (i) pockets of poverty and social exclusion; (ii) environmental/economic/sustainable development; and (iii) curtailing the role of the state via public enterprise reform and improved governance. These themes were supported by 12 strategic objectives. By mid-2002, when the full impact of the crisis in Argentina had unfolded, it was evident that the monitoring and evaluation indicators (M&E) from the FY00 CAS were unlikely to be met (see Annex Table 7): since 2000 real GDP per capita had fallen 15 percent, public debt had risen from 45 to 95 percent of GDP, and poverty had increased from 18 percent to about 24 percent. Government priorities shifted, supported by a de facto shift in Bank strategy towards: supporting fiscal adjustment and financial sector

reforms, increasing competition, and improving social protection. Because there is overlap between both sets of objectives (those of the FY00 CAS and the crisis-related objectives), this Review first assesses progress on fiscal and financial sector reforms (mainly crisis-related but also part of the FY00 CAS) and then discusses progress in the other areas under the original objectives.

2. The proposed lending program is shown in Table 1, with an indication of which project was meant to support each objective. Of the nine projects planned in the 2000 CAS, five were dropped and replaced by four large structural adjustment loans (CAS progress report and update) to provide support during the crisis. Because of the economic crisis, lending levels (US\$621 million) exceeded the original CAS envelope (US\$172 million). Of the projects that closed during the period of this CAS and have been rated by OED, the percent of satisfactory outcomes was above the LAC region and WB averages; the two projects approved and closed during this CAS period have not been yet reviewed by OED.

Table 1: CAS, CAS Progress Report and CAS PR Update- Proposed and Actual Commitments (US\$ million)

<i>Name</i>	<i>CAS</i>	<i>Proposed FY</i>	<i>Approval FY</i>	<i>Proposed Amount</i>	<i>Actual Amount</i>	<i>Objective</i>
APL OSE Modernization and Systems Rehabilitation	2000	2000	2000	27	27	<i>a/</i>
Financial Sector Reform	2000	2000	2000	80.9	80.9	<i>a/</i>
Public Services and Modernization Technical Assistance	2000	2001	2001	2	6	<i>a/</i>
Third Basic Education Quality Improvement Project	2000	2002	2002	40	42	<i>a/</i>
Maritime Management	2000	2001	Dropped	20		<i>b/</i>
Rural Development	2000	2002	Dropped	30		<i>b/</i>
Community-Based Social	2000	2003	Dropped	20		<i>a/</i>
APL OSE II	2000	2004	Dropped	40		<i>c/</i>
Health II	2000	2005	Dropped	20		<i>a/</i>
Structural Adjustment Loan (SAL I) and Special SAL (SSAL I)	2003 PR&U	2003	2003	252	303	<i>a/, c/</i>
Public Services and Social Sectors (SAL II & SSAL II)	2003 PR&U	2004	2003	150	251.5	<i>a/, c/</i>
Foot and Mouth Disease Emergency Recovery Loan	New <i>d/</i>		2002		18.5	<i>a/</i>
Total				279.9 <i>e/</i>	728.9	

Source: Uruguay CAS 2000 (May 2000), CAS Progress Report (July 2002), Update Progress Report (August 2002) and BW as of April 6, 2005.

Note: *a/*-Pockets of poverty and social exclusion; *b/* environmental/economic/sustainable development; *c/* role of the state, public enterprise reform, and governance; *d/* listed in the CAS progress report as part of the assistance strategy after the loan was granted; *e/* from CAS 2000 PR - Progress report; U - Update progress report; OSE - Obras Sanitarias del Estado.

3. The CAS proposed eight formal pieces of ESW, of which five were concluded. Two non-programmed activities were completed. A study on the sources of growth was completed recently, as well as a set of policy notes to guide the dialogue with the administration that took over in March 2005. The planned financial sector update was not carried out, which is unfortunate since this sector was a main casualty of the shocks. Overall, the AAA supported well the part of the program it covered.

Implementation by Objectives

Objective: Fiscal and financial sector reforms

4. *Fiscal consolidation and adjustment.* As the CASCR notes, the Bank's assistance between 1999 and 2004 supported the government's effort to increase the primary fiscal surplus (which increased from zero in 2002 to an estimated 3.8 percent in 2004) and to protect the budget for social programs. It is also worth noting that expenditure in wages and social security fell by five percentage points of GDP. Little reform took place in tax policy and administration and in special pension funds, however.

5. *Financial sector reforms.* Bank lending (FSAL in FY00—pre-crisis, SSAL in FY04) supported the restructuring of private banks, privatization of intervened banks and the conversion of the national mortgage bank (BHU) to a non-bank mortgage lender. The restructuring of BHU is a major step to improve the financial system, but BHU is still a fiscal risk—the outstanding balance of the government guaranteed debt was US\$508.5 million at the end of 2004. As a result of government's intervention in banks following the crisis, public banks have 59 percent of the banking system's total assets,¹ compared with 40 percent pre-crisis. Progress has been made in strengthening banking supervision and the quality of the banking system's portfolio has improved, with lower non-performing loans. Nevertheless, although private banks that were the source of the contagion were closed, the risk in the private banking sector is as high as in the peak of the crisis, July 2002.²

Objective: Pockets of poverty and social exclusion

6. This objective had several aspects, under both the FY00 CAS and the crisis lending, including access to education and health care and access to infrastructure. These objectives were part of the broader objective of poverty and social exclusion. Given that both poverty and unemployment rose sharply due to the crisis, progress in improving access to services is considered good.

7. *Social Protection- Access to Education and Health Care.* Three Basic Education Projects, one Health Development project, and a special structural adjustment loan (SSAL II) supported this objective, but the planned Health II and Community-Based Social projects were dropped. Basic social indicators have improved, despite the crisis, and Bank assistance supported that positive outcome. School enrollment (pre-school, primary and secondary) increased by six percent, and infant mortality per 1000 births declined from 14.1 to 13.9 between 1999 and 2004. The Bank's assistance also brought other benefits: a health project helped to transfer greater autonomy to public hospitals, and 10 hospitals that signed performance agreements saved US\$4 million. Finally, beneficiaries of family allowances increased from about 370,000 in 2001 to about 500,000 in 2004.

8. *Social Protection- Access to Infrastructure (water, sanitation, and energy).* The Bank supported this objective with AAA on the rural sector, the on-going infrastructure projects, a water APL and a SAL II; the proposed rural poverty project was dropped. For practical purposes,

¹ The 59 percent includes the assets of Nuevo Banco Comercial, a fully-owned state bank.

² According to the Economist Intelligence Unit (EIU) the risk is rated D (A is lowest risk and E the highest). The rating assesses the risk for the country's private banking institutions, and is derived from political, economic policy, economic structure and liquidity risk factors. See EIU, Country Risk Services, January (2005) handbook, p. 9.

all Uruguayans have access to public services—the highest rate in Latin America—but the services are expensive to users by international standards and their quality needs improvements. Some progress is clear, however: in electricity, the cost to users has declined by 30 percent as well as the hours of service interruption, by about 10 percent in Montevideo and 20 percent elsewhere; in water supply and sewerage the quality of service has gone from “poor” in Montevideo, Rivera and Tacuarembó to “acceptable” in Montevideo and “good” in the other two.

Objective: Environmental/Economic/Sustainable Development

9. The FY00 CAS stated as strategic objectives for this broad category: (i) strengthening sustainable land use practices; and (ii) strengthening sustainable use of water and fishery, and protecting scenic coastal areas. Following the crisis, the Bank dropped two loans that had been planned for the rural sector.

10. *Strengthen sustainable land use practices.* The Bank supported this objective with a report on The Rural Sector and Natural Resources, and two projects, a Natural Resources Management and Irrigation Development project, and a Forest Products Transport project. The AAA provides sound advice on natural resource management, irrigation water in particular, but the impact of its recommendations—if implemented—will be felt later. One project helped to expand the irrigated area, but an OED review found that its net economic benefits are questionable. The Forest Transport project has experienced delays, but has helped to bring some private sector participation in ports for transport of forest products; it is too early to assess the benefits of the private sector’s involvement.

11. *Strengthen sustainable use of water and fishery and protect scenic coastal areas.* The Bank supported better use of water with two projects, a Water Sector APL and Public Services and Modernization Technical Assistance Project, both on-going; the Maritime Management Project, to protect fisheries, was dropped. Of the two GEF grants envisioned, the Energy Efficiency is not yet effective. The Landfill Methane Recovery Demonstration grant financed the construction of an experimental plant, but results are not yet available. In addition, in the absence of information on performance indicators such as water and air quality, levels of known potable/usable water reserves, it is difficult to assess progress on achieving these objectives.

Objective Role of the state, public enterprise reform, competitiveness, and governance

12. The 2000 CAS stated as strategic objectives for this broad category the conversion of public enterprises into more commercially based ones, and improving procurement and budgeting processes. In addition, one of the main objectives of both the FY00 CAS and the crisis assistance was to foster greater competitiveness of the economy.

13. *Convert public enterprises into more commercially based enterprises.* The Bank supported this objective with the loans in infrastructure and SAL II for the utilities sector. The proposed FSAL II—a high case scenario product—was dropped, but the adjustment loans supported reforms in the financial sector (see para. 5). AAA on decentralization was not delivered. Nevertheless, there have been changes in public enterprises supported by the Bank that could lead to efficiency gains. In 2001, an autonomous government body took the concession to manage about 15 percent of the roads network and 17 percent of the bridges; the concession, based on the principle of cost sharing, is financed through toll revenues and subsidies. As noted in para. 10, the private sector is now participating in the shipping of forest products. In the water sector, Obras Sanitarias del Estado has improved its financial situation.

14. *Improve Procurement and Budget Processes.* The Bank supported this objective with an unplanned CFAA, a CPAR and an IDF grant, but little has changed. An IDF grant financed the preparation of a draft law for public procurement, but the law has not been enacted.
15. *Competitiveness and governance.* Floating the peso in 2002 produced an immediate gain in competitiveness that has stimulated a large expansion in traditional and non-traditional exports. After reaching a trough of \$1.9 billion in 2002, total merchandise exports increased to almost \$3 billion in 2004, with non-traditional exports increasing their share to 30 percent of the total. Bank assistance, however, aimed at a structural increase in competitiveness from cost reductions through key reforms in public utilities and strengthening the regulatory framework. On-going loans in water, power, transport, and natural resource management, AAA in agriculture and a technical assistance in regulation of public services supported this objective, and SAL II and a foot and mouth disease project complemented it. The CASCR notes that the TA loan brought significant improvements in efficiency of state-owned infrastructure and public services. In spite of the increase in exports, the improved efficiency of public utilities, and improved regulations, improvements to competitiveness are not reflected in available indicators. For example, the World Economic Forum finds that Uruguay's competitiveness fell between 2002 and 2004. Furthermore, the Bank's governance indicators for Uruguay also show deterioration in government effectiveness, regulatory quality, rule of law, and corruption over this period.

Overall OED Assessment

16. Progress was good on the objectives of fiscal consolidation, financial sector reform, access to basic services and access to education and health care. The external shocks helped to catalyze efforts to accelerate fiscal consolidation, reform the BHU, enhance the efficiency of some poverty alleviation programs, and increase competitiveness through exchange rate adjustments. Barring new and large external shocks, if the changes are maintained and the fiscal adjustment is continued, Uruguay can perform as well as it did in the 1990s. On the other hand, progress is more mixed or information on progress is not available on the objectives of strengthening the sustainable use of natural resources, promoting competitiveness, and improving governance; the country was not yet ready to change a system that has delivered reasonable benefits and some growth.
17. The objective on fiscal consolidation and financial sector reforms was mostly achieved; while the objective on pockets of poverty and social exclusion was fully achieved. There is too little information available to assess whether the objective of environmental/ economic/ sustainable development was achieved to any significant degree. The objective for role of the state, public enterprise reform, and governance was partially achieved. The outcome for the overall program is rated *satisfactory*.

Assessment of Completion Report

18. The CASCR reviews the main developments of program implementation reasonably well, but its assessment would have been more convincing had it presented quantitative and/or qualitative indicators in support of its findings. The CASCR faults the 2000 CAS for lacking results indicators, but this is only partially correct: the CAS did have quantifiable outcome and monitoring indicators for the development process (page 32), but not for its specific objectives. OED agrees with the CASCR that the crisis forced a change in priorities and instruments, and that the Bank provided a rapid and effective response. Despite the increase in poverty and in

external debt, OED agrees with the assessment that the overall objectives of the assistance were met, and that the Bank's and other IFIs' assistance softened the impact of the shocks.

Findings

19. Although Uruguay managed to contain the crisis, recover growth relatively quickly, and protect access to services, it has almost the same challenges today it had in 2000, pre-crisis: a large fiscal deficit, a large(r) public debt, a high-cost economy, and human capital below its potential. While some progress has taken place in structural reforms, many risks remain (for example, in the financial sector), suggesting a future role for Bank assistance in addressing them.

20. The review agrees with the lessons of the CASCR on the need to assess the probability that the risks identified will materialize and that when there is a clear and present danger of a catastrophic risk, the CAS should propose contingency plans for dealing with it. The review also recommends that the Bank develop monitoring and evaluation indicators to assess progress during the CAS period.

21. One finding for evaluation: in the event of a crisis in a client country, rapid changes in the focus and even the volume of Bank assistance are necessary if the Bank is to respond effectively to the country's needs. Such changes usually occur in the absence of a new CAS, which is likely to be impractical under crisis conditions. In the absence of a new CAS, the ex-post evaluation of the CAS period has to take into account the de facto shift in strategy and evaluate against both the original and the (informally) revised objectives.

Annex Table 1: Macroeconomic and Social Indicators, 2000-2005

Series Name	Uruguay					Average 2000- 2003			Costa Rica
	2000	2001	2002	2003	Uruguay	Argentina	Chile		
GDP growth (annual %)	(1.4)	(3.4)	(11.0)	2.5	(3.3)	(1.8)	3.2	2.9	
GNI per capita, Atlas method (current US\$)	6,090	5,590	4,350	3,790	4,955	5,693	4,538	4,038	
GNI per capita, PPP (current international \$)	8,740	8,590	7,690	7,980	8,250	11,220	9,343	8,528	
GDP per capita growth (annual %)	(2.2)	(4.1)	(11.6)	1.9	(4.0)	(3.8)	1.9	1.1	
Agriculture, value added (% of GDP)	6.2	6.4	9.4	9.5	7.9	8.0	8.7	8.7	
Industry, value added (% of GDP)	27.2	26.6	26.8	27.0	26.9	30.6	34.4	30.0	
Services, etc., value added (% of GDP)	66.6	67.0	63.8	63.5	65.2	61.5	56.9	61.3	
Exports of goods and services (% of GDP)	20.0	18.7	21.7	26.9	21.8	18.8	33.3	44.6	
Imports of goods and services (% of GDP)	21.0	20.0	19.6	23.4	21.0	12.2	30.8	46.4	
Current account balance (% of GDP)	(2.8)	(2.6)	2.1	3.2	(0.0)	1.6	(1.2)	(4.8)	
Total debt service (% of exports of goods and services)	29.6	36.1	40.0	..	35.2	51.8	28.5	8.9	
External debt (% of GNI)	41.4	53.4	88.3	..	61.0	81.2	58.4	29.9	
Total reserves in months of imports	6.6	8.1	3.1	8.2	6.5	5.6	7.0	2.1	
Expenditure, total (% of GDP)	31.5	31.3	..	..	31.4	17.0	22.5	22.9
Overall budget balance, excluding capital grants (% of GDP)	(3.4)	(4.7)	..	..	(4.0)	(2.8)	(0.1)	(1.3)
Gross domestic savings (% of GDP)	13.0	12.3	14.4	14.9	13.6	20.9	24.3	17.5	
Inflation, consumer prices (annual %)	4.8	4.4	14.0	19.4	10.6	9.3	3.2	10.2	
Immunization, DPT (% of children ages 12-23 months)	90.0	94.0	93.0	..	92.3	78.7	96.7	91.0	
Improved sanitation facilities (% of population with access)	94.0	..	..	..	94.0	..	96.0	93.0
Improved water source (% of population with access)	98.0	..	..	..	98.0	..	93.0	95.0
Life expectancy at birth, total (years)	74.4	..	74.6	..	74.5	74.1	76.1	77.6	
Mortality rate, infant (per 1,000 live births)	15.0	..	14.0	..	14.5	17.0	10.0	9.5	
School enrollment, preprimary (% gross)	62.5	62.7	..	..	62.6	60.5	77.5	103.1
School enrollment, primary (% gross)	109.4	108.3	..	..	108.8	119.9	102.7	108.2
School enrollment, secondary (% gross)	98.0	101.4	..	..	99.7	98.1	85.5	63.7
Population, total	3.3	3.3	3.4	3.4	3.4	36.7	15.5	3.9	
Population growth (annual %)	0.6	0.6	0.6	0.6	0.6	0.9	1.2	1.8	
Urban population (% of total)	91.9	92.1	92.3	92.5	92.2	89.8	86.5	59.8	

Source: SIMA as of March 21, 2005.

Annex Table 2: OED Project Ratings for Uruguay

<i>Project ID</i>	<i>Approval FY</i>	<i>Exit FY</i>	<i>OED Outcome</i>	<i>OED Sustainability</i>	<i>OED ID Impact</i>
HEALTH SECTOR DEVELOPMENT	1995	2002	Satisfactory	Likely	Modest
BASIC ED. QUALITY IMPROVEMENT	1994	2001	Satisfactory	Likely	Substantial
IRRIGATION NATURAL RESOURCE MANAGEMENT	1994	2002	Moderately Satisfactory	Unlikely	Modest
REDUCTION OF OZONE	1995	2002	Satisfactory	Highly Likely	Substantial
BASIC EDUCATION II	1999	2004	Satisfactory	Likely	Substantial
TRANSPORT II	1999	2003	Satisfactory	Likely	Substantial

<i>Project ID</i>	<i>Total Evaluated (No)</i>	<i>Outcome % Sat (No)</i>	<i>Inst Dev Impact % Subst (No)</i>	<i>Sustainability % Likely (No)</i>
Uruguay	7	85.7	71.4	85.7
LCR	285	79.4	56.0	77.3
Overall Result	1,366	76.4	50.0	74.1

Source: Business Warehouse Table 4.a.5 OED Aggregate Ratings as of May 6, 2005.

Annex Table 3: Analytical and Advisory Work on Uruguay, 2000-2005

<i>Document Title</i>	<i>Date</i>	<i>Report</i>	<i>Document Type</i>
<u>Country Assistance Strategy Document</u>			
Uruguay - Country assistance strategy progress report (Vol 1) (English)	07/25/2002	24410	CAS Progress Report
Uruguay - Country Assistance Strategy (Vol.1) (English)	05/05/2000	20355	Country Assistance Strategy Document
<u>ESMAP Paper</u>			
Regional electricity markets interconnections - Phase 1 identification of issues for the development of regional power markets in South America (Vol.1) (English)	12/31/2001	23875	ESMAP Paper
<u>Economic Report</u>			
Uruguay - Poverty Update 2003 (English)	06/01/2004	26223	Economic Report
Uruguay : maintaining social equity in a changing economy (Spanish)	07/17/2001	21262	Economic Report
Uruguay : maintaining social equity in a changing economy (Vol.1) (English)	07/17/2001	21262	Economic Report
<u>Sector Report</u>			
Uruguay - The rural sector and natural resources (Vol.1) (English)	06/19/2002	24409	Sector Report
Uruguay - The rural sector and natural resources (Vol.2) (English)	06/19/2002	24409	Sector Report
Uruguay - Financial sector review (Vol.1) (English)	11/15/2000	20199	Sector Report

Source: Imagebank World Bank as of March 21st, 2005.

Annex Table 4: Portfolio Status Indicators by Year, 2000-2004 (in USD millions)

<i>Country</i>	<i>Fiscal year</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>
Uruguay	# Proj	8	8	8	11	10
	# Proj At Risk	0	0	0	1	0
	% At Risk	0.0	0.0	0.0	9.1	0.0
	Net Comm Amt	403.6	378.1	382.0	873.1	845.1
	Comm At Risk	0.0	0.0	0.0	27.0	0.0
	% Commit at Risk	0.0	0.0	0.0	3.1	0.0
Argentina	# Proj	37	38	35	30	31
	# Proj At Risk	5	6	24	25	12
	% At Risk	13.5	15.8	68.6	83.3	38.7
	Net Comm Amt	6,389.9	6,590.2	6,234.5	3,854.7	5,169.3
	Comm At Risk	616.0	643.4	3,121.3	3,386.0	1,600.3
	% Commit at Risk	9.6	9.8	50.1	87.8	31.0
Chile	# Proj	6	4	5	5	6
	# Proj At Risk	0	1	0	0	0
	% At Risk	0.0	25.0	0.0	0.0	0.0
	Net Comm Amt	318.7	280.6	374.5	303.0	313.5
	Comm At Risk	0.0	10.1	0.0	0.0	0.0
	% Commit at Risk	0.0	3.6	0.0	0.0	0.0
Costa Rica	# Proj	5	3	4	3	2
	# Proj At Risk	0	0	0	0	0
	% At Risk	0.0	0.0	0.0	0.0	0.0
	Net Comm Amt	141.6	70.6	87.6	65.6	49.6
	Comm At Risk	0.0	0.0	0.0	0.0	0.0
	% Commit at Risk	0.0	0.0	0.0	0.0	0.0

Annex Table 5: IBRD/IDA Net Disbursements and Charges Summary Report for Uruguay
FY00-05 (in US\$ million)

<i>Fiscal Year</i>	<i>Gross Disb</i>	<i>Repay</i>	<i>Net Disb</i>	<i>Interest</i>	<i>Fees</i>	<i>Net Transfer</i>
2000	141	61	80	36	1	43
2001	58	65	-8	42	1	-50
2002	49	74	-25	29	1	-54
2003	303	77	226	26	7	194
2004	37	79	-42	22	2	-66
2005	134	77	57	22	2	33
TOTAL (2000-2005)	722	433	289	176	13	100

Source: Controller's Website Net Disbursement and Charges Summary, as of May 6, 2005.

Annex Table 6: Uruguay-Millennium Development Goals

	1990	1995	2001	2002
1. Eradicate extreme poverty and hunger	2015 target = halve 1990 \$1 a day poverty and malnutrition rates			
Population below \$1 a day (%)	..	..	2	..
Poverty gap at \$1 a day (%)	..	..	0.5	..
Percentage share of income or consumption held by poorest 20%	..	..	4.8	..
Prevalence of child malnutrition (% of children under 5)	6.2	4.4	..	..
Population below minimum level of dietary energy consumption (%)	6	4	3	..
2. Achieve universal primary education	2015 target = net enrollment to 100			
Net primary enrollment ratio (% of relevant age group)	91	92.5	89.5	..
Percentage of cohort reaching grade 5 (%)	94.5	97.8	88.5	..
Youth literacy rate (% ages 15-24)	98.7	98.9	99.1	99.1
3. Promote gender equality	2005 target = education ratio to 100			
Ratio of girls to boys in primary and secondary education (%)	..	107.5	105.1	..
Ratio of young literate females to males (% ages 15-24)	100.8	100.7	100.6	100.6
Share of women employed in the nonagricultural sector (%)	41.9	43.4	46.5	..
Proportion of seats held by women in national parliament (%)	..	7	..	..
4. Reduce child mortality	2015 target = reduce 1990 under 5 mortality by two-thirds			
Under 5 mortality rate (per 1,000)	24	23	17	15
Infant mortality rate (per 1,000 live births)	20	20	15	14
Immunization, measles (% of children under 12 months)	97	90	94	92
5. Improve maternal health	2015 target = reduce 1990 maternal mortality by three-fourths			
Maternal mortality ratio (modeled estimate, per 100,000 live births)	..	..	27	..
Births attended by skilled health staff (% of total)	..	..	99.6	..
6. Combat HIV/AIDS, malaria and other diseases	2015 target = halt, and begin to reverse, AIDS, etc.			
Prevalence of HIV, female (% ages 15-24)	..	..	0.2	..
Contraceptive prevalence rate (% of women ages 15-49)	..	..	..	..
Number of children orphaned by HIV/AIDS	..	..	3,100.00	..
Incidence of tuberculosis (per 100,000 people)	..	..	29	29
Tuberculosis cases detected under DOTS (%)	..	74	78	69.7
7. Ensure environmental sustainability	2015 target = various (see notes)			
Forest area (% of total land area)	4.5	..	7.4	..
Nationally protected areas (% of total land area)	..	0.3	0.3	0.3
GDP per unit of energy use (PPP \$ per kg oil equivalent)	8	9.5	10.8	..
CO2 emissions (metric tons per capita)	1.3	1.4	1.6	..
Access to an improved water source (% of population)	..	..	98	..
Access to improved sanitation (% of population)	..	..	94	..
Access to secure tenure (% of population)	..	..	..	..
8. Develop a Global Partnership for Development	2015 target = various (see notes)			
Youth unemployment rate (% of total labor force ages 15-24)	24.9	24.6	34.2	..
Fixed line and mobile telephones (per 1,000 people)	134.3	207.5	437.6	472.2
Personal computers (per 1,000 people)	..	21.9	110.1	..
General indicators				
Population	3.1 million	3.2 million	3.3 million	3.4 million
Gross national income (\$)	8.9 billion	17.8 billion	18.9 billion	14.6 billion
GNI per capita (\$)	2,870.00	5,540.00	5,650.00	4,340.00
Adult literacy rate (% of people ages 15 and over)	96.5	97.1	97.6	97.7
Total fertility rate (births per woman)	2.5	2.6	2.2	2.2
Life expectancy at birth (years)	72.6	73.4	74.4	74.6
Aid (% of GNI)	0.6	0.4	0.1	0.1
External debt (% of GNI)	49.3	28	52.9	89.9
Investment (% of GDP)	12.2	15.4	13.4	12.2
Trade (% of GDP)	41.6	38.1	38.5	41.1

Source: World Development Indicators database, April 2004.

Note: In some cases the data are for earlier or later years than those stated.

Goal 1 targets: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day. Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

Goal 2 target: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

Goal 3 target: Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015.

Goal 4 target: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.

Goal 5 target: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.

Goal 6 targets: Have halted by 2015, and begun to reverse, the spread of HIV/AIDS. Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases.

Goal 7 targets: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources. Halve, by 2015, the proportion of people without sustainable access to safe drinking water. By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers.

Goal 8 targets: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system. Address the Special Needs of the Least Developed Countries. Address the Special Needs of landlocked countries and small island developing states. Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term. In cooperation with developing countries, develop and implement strategies for decent and productive work for youth. In cooperation with pharmaceutical companies, provide access to affordable, essential drugs in developing countries. In cooperation with the private sector, make available the benefits of new technologies, especially information and communications.

Annex Table 7: Outcomes and Monitoring and Evaluation Indicators of CAS 2000

	<i>Actual 1999 Values included in 2000 CAS</i>	<i>Target Values in 2000 CAS</i>	<i>2000-2001 Outcomes</i>	<i>2004 Estimate</i>
(I) Economic and Financial Variables				
(a) GDP growth	-3.4% (1999)	Average 3%	-3.4% (2001)	12.3%
(b) Current Account Deficit	2.8% of GDP	<2% of GDP	2.7% (2001)	0.8%
(c) External Debt/Exports of Goods & Services	215%	<200%	274% (2001)	289%
(d) Credit ratings	BBB/for S&P/DCR; Baa3 for Moody's	Improve by two grades	Loss of investment grade	Improved by 4 grades since SD
(II) Social Indicators				
(a) Unemployment Rate	11.4%	<10%	15.3% (2001)	13.1 %
(b) Poverty Rate	22% (Poverty Assessment '00)	<=18%	18.8% (INE)	32.1% (subject to verification)
(c) Gini coefficient	0.43	0.43	0.44	0.43 (2003)
(d) Rate of Secondary Education Completion ¹	40%	50%	42%	n.a.
(e) Infant mortality Rate	16 per 1,000	<=16 per 1,000	14 per 1,000	13.9 per 1000

Source: Uruguay CAS Progress Report 2002.

¹ Defined as the percentage of the population over 19 years of age that has completed all six years of secondary school and/or technical school, teachers training or university.