STATISTICAL APPENDIX

The Statistical Appendix presents historical data, as well as projections. It comprises five sections: Assumptions, What's New, Data and Conventions, Classification of Countries, and Statistical Tables.

The assumptions underlying the estimates and projections for 2009–10 and the medium-term scenario for 2011–14 are summarized in the first section. The second section presents a brief description of changes to the database and statistical tables. The third section provides a general description of the data and of the conventions used for calculating country group composites. The classification of countries in the various groups presented in the *World Economic Outlook* is summarized in the fourth section.

The last, and main, section comprises the statistical tables. Data in these tables have been compiled on the basis of information available through mid-April 2009. The figures for 2009 and beyond are shown with the same degree of precision as the historical figures solely for convenience; because they are projections, the same degree of accuracy is not to be inferred.

Assumptions

Real effective *exchange rates* for the advanced economies are assumed to remain constant at their average levels during the period February 25–March 25, 2009. For 2009 and 2010, these assumptions imply average U.S. dollar/SDR conversion rates of 1.484 and 1.470, U.S. dollar/euro conversion rates of 1.310 and 1.306, and yen/U.S. dollar conversion rates of 96.3 and 101.5, respectively.

It is assumed that the *price of oil* will average $52.00 a barrel in 2009 and $62.50 a barrel in 2010.

Established *policies* of national authorities are assumed to be maintained. The more specific policy assumptions underlying the projections for selected advanced economies are described in Box A1.

With regard to *interest rates*, it is assumed that the London interbank offered rate (LIBOR) on six-month U.S. dollar deposits will average 1.5 percent in 2009 and 1.4 percent in 2010, that three-month euro deposits will average 1.6 percent in 2009 and 2.0 percent in 2010, and that six-month Japanese yen deposits will average 1.0 percent in 2009 and 0.5 percent in 2010.

With respect to *introduction of the euro*, on December 31, 1998, the Council of the European Union decided that, effective January 1, 1999, the irrevocably fixed conversion rates between the euro and currencies of the member states adopting the euro are as follows.

See Box 5.4 of the October 1998 *World Economic Outlook* for details on how the conversion rates were established.

1 euro	=	13.7603	Austrian schillings
	=	40.3399	Belgian francs
	=	0.585274	Cyprus pound[1]
	=	1.95583	Deutsche mark
	=	5.94573	Finnish markkaa
	=	6.55957	French francs
	=	340.750	Greek drachma[2]
	=	0.787564	Irish pound
	=	1,936.27	Italian lire
	=	40.3399	Luxembourg francs
	=	0.42930	Maltese lira[3]
	=	2.20371	Netherlands guilders
	=	200.482	Portuguese escudos
	=	30.1260	Slovak koruna[4]
	=	239.640	Slovenian tolars[5]
	=	166.386	Spanish pesetas

[1]Established on January 1, 2008.
[2]Established on January 1, 2001.
[3]Established on January 1, 2008.
[4]Established on January 1, 2009.
[5]Established on January 1, 2007.

Box A1. Economic Policy Assumptions Underlying the Projections for Selected Economies

The short-term ***fiscal policy assumptions*** used in the *World Economic Outlook* are based on officially announced budgets, adjusted for differences between the national authorities and the IMF staff regarding macroeconomic assumptions and projected fiscal outturns. The medium-term fiscal projections incorporate policy measures that are judged likely to be implemented. In cases where the IMF staff has insufficient information to assess the authorities' budget intentions and prospects for policy implementation, an unchanged structural primary balance is assumed, unless otherwise indicated. Specific assumptions used in some of the advanced economies follow (see also Tables B5–B7 in the Statistical Appendix for data on fiscal and structural balances).[1]

United States. The fiscal projections are based on the administration's fiscal year 2009 budget, mid-session review, and the baseline budget outlook of the Congressional Budget Office for the years 2009–19. Adjustments are made to account for differences in macroeconomic projections as well as differences in assumptions regarding the costs of financial system stabilization measures.

The structural fiscal balance is calculated by removing the effect of the economic cycle on the fiscal balance, as well as the impact of outlays associated with support to the financial system and other idiosyncratic factors (mostly driven by the temporary changes in the timing of tax receipts, capital gains taxes, receipts from the sale of assets, and the like). Accordingly, the decline in the adjusted structural balance from 2007 to 2008 primarily reflects the 2008 fiscal stimulus. The change from 2008 to 2009 primarily reflects the increase in discretionary spending (mainly defense related). The further decline in the balance in 2010 is largely due to the effects of the projected fiscal stimulus package, as well as continued increases in other discretionary spending. The improvement in 2011 is driven mostly by the withdrawal of the stimulus.

Japan. The fiscal projections assume that fiscal stimulus will be implemented in 2009 and 2010, as announced by the government. The medium-term projections also assume that expenditures by and revenues of the general government (excluding social security) are adjusted in line with the current government commitment (3 percent cut a year in public investment).

Germany. Projections for 2009 are based on the 2009 budget and fiscal stimulus measures announced since the budget was passed. This amounts to a fiscal stimulus of 1.5 percent of GDP in 2009 and an additional fiscal stimulus of 0.5 percent of GDP in 2010. Over the medium term, health expenditures accelerate as a result of aging and cost increases, because significant health care reform measures have not been taken.

France. New stimulus measures estimated at about 0.7 percent of GDP in 2009, comprising (1) temporary suspension of personal income tax in 2009 for €1.1 billion; (2) investment expenditures for 2009 for €5.2 billion; (3) various expenditure or revenue measures for €6.3 billion. The fiscal projection reflects the impact of new stimulus measures totaling 0.7 percent of GDP in 2009.

[1]The output gap is actual less potential output, as a percent of potential output. Structural balances are expressed as a percent of potential output. The structural budget balance is the budgetary position that would be observed if the level of actual output coincided with potential output. Changes in the structural budget balance consequently include effects of temporary fiscal measures, the impact of fluctuations in interest rates and debt-service costs, and other noncyclical fluctuations in the budget balance. The computations of structural budget balances are based on IMF staff estimates of potential GDP and revenue and expenditure elasticities (see the October 1993 *World Economic Outlook*, Annex I). Net debt is defined as gross debt less financial assets of the general government, which include assets held by the social security insurance system. Estimates of the output gap and of the structural balance are subject to significant margins of uncertainty.

Italy. For 2009, fiscal projections incorporate the effects of the 2009 budget, as presented in the Italy's Stability Program of 2008 Update, submitted in February, including the fiscal stimulus package announced in late November 2008, with further adjustments for the IMF staff's macroeconomic projections. For outer years, a broadly constant structural primary balance is assumed.

United Kingdom. The projections incorporate a fiscal stimulus of about 1.4 percent of GDP in 2009 (1 percent represented by revenue measures, and 0.2 percent by expenditure measures).

Canada. Projections use the baseline forecasts in the 2009 Budget Statement. The IMF staff adjusts this forecast for differences in macroeconomic projections. The IMF staff forecast also incorporates the most recent data releases from Statistics Canada, including provincial and territorial budgetary outturns through the end of 2008.

Australia. The fiscal projections are based on the Updated Economic and Fiscal Outlook published in February 2009 and on IMF staff projections.

Austria. Projections for 2009 and 2010 incorporate two separate fiscal stimulus packages, a tax reform, and other decisions taken in parliament. These measures are estimated to amount to 1.5 percent of GDP in 2009 and 1.7 percent of GDP in 2010.

Belgium. Projections for 2009 are IMF staff estimates based on the 2009 budgets voted by the federal, community, and regional parliaments and adjusted for macroeconomic assumptions. Projections for the outer years are IMF staff estimates, assuming unchanged policies.

Brazil. The 2009 forecasts are based on the budget law and IMF staff assumptions. For the outer years, the IMF staff assumes unchanged policies, with a further increase in public investment in line with the authorities' intentions.

China. For 2009-10, the government has announced a large fiscal stimulus (although there is a lack of clarity on the precise size, which complicates analysis). IMF staff assumes a total fiscal stimulus of 2 percent of GDP on budget in 2009 (of which 0.5 percent is revenue, 0.5 percent is automatic stabilizers, and 1 percent is spending), as well as 1 percent in support for state-owned enterprises in 2009. For 2010, the assumption is that the stimulus is not withdrawn.

Denmark. Projections for 2009 and 2010 are aligned with the latest official budget estimates and the underlying projections, adjusted where appropriate for the IMF staff's macroeconomic assumptions. For 2011–14, the projections incorporate key features of the medium-term fiscal plan as embodied in the authorities' November 2007 Convergence Program submitted to the European Union (EU) and obtained during the 2008 Article IV discussions with authorities. The projections imply convergence of the budget toward a close-to-balance position from an initial surplus position. This is consistent with the authorities' projection of a closure of the output gap over the medium term, as well as being in line with their objectives for long-term fiscal sustainability and debt reduction.

Greece. Projections are based on the 2009 budget, the latest Stability Program, and other forecasts and data provided by the authorities.

Hong Kong SAR. Fiscal projections for 2007–10 are consistent with the authorities' medium-term strategy as outlined in the fiscal year 2007/08 budget, with projections for 2011–13 based on the assumptions underlying the IMF staff's medium-term macroeconomic scenario.

India. Estimates for 2007 are based on budgetary execution data. Projections for 2008 and beyond are based on available information on the authorities' fiscal plans, with some adjustments for the IMF staff's assumptions. For 2008/09, the fiscal projections incorporate the estimated provisions under the 2008/09 budget, as well as the cost of fiscal stimulus measures in relation to the crisis (about 0.6 percent of GDP). Beyond 2008/09, the IMF staff projects that the government will not return to its fiscal rules target of 3 percent deficit in 2009/10 or

Box A1 *(continued)*

in 2010/11, in order to provide some countercyclical stimulus to sagging economic activity. However, the central government will remain relatively prudent in its fiscal management and will not utilize the entire fiscal room created by falling commodity prices, taking into account the slower growth in revenues and worsening subnational fiscal situation. This fiscal stance would result in a gradual reduction in the overall fiscal deficit and a sustainable medium-term debt path.

Indonesia: The 2009 fiscal projections—in particular, the overall balance, total revenue, and expenditure—are based on the authorities' estimates of the available adjustment to the original 2009 budget. IMF staff projections are adjusted for changes in the authorities' macroeconomic assumptions as well as introduction of additional fiscal stimulus measures. Because the authorities were still in the process of finalizing the budget adjustment at the time of the WEO data submission, the following elements of the additional fiscal stimulus were identified and reflected in the 2009 projections: (1) the original 2009 budget included Rp 12.5 trillion in tax subsidies (import duties and value-added taxes paid by the government for selected industries), and (2) additional stimulus of Rp 15 trillion (Rp 10.2 trillion yet to be allocated, Rp 1.4 trillion for lower electricity tariffs for industry, Rp 2.8 trillion for lower domestic fuel prices, and Rp 0.6 trillion for a carry over of poverty reducing programs from 2008 budget). The financing of the budget was based on an assumption of splitting the additional financing costs between further drawdown of government deposits and additional bond issuance.

Ireland: The fiscal projections are based on the budget of October 2008, but partly adjusted in light of the most recent stability program update, in which the authorities announce their intention to take measures to bring the deficit down to 2.6 percent of GDP by 2013, although they have yet to determine those measures.

Korea. The fiscal projections assume that fiscal stimulus will be implemented in 2009 and 2010, as announced by the government. The discretionary stimulus measures announced amount to 3.9 percent of GDP in 2009 and 1.2 percent of GDP in 2010. They also reflect a supplementary stimulus package for 2009 recently proposed by the government. Expenditure numbers for 2009 correspond to the budget numbers, and it is assumed that about two-thirds of the supplementary budget will be executed this year. Revenue projections reflect the IMF staff's macroeconomic assumptions, adjusted for the estimated costs of tax measures included in the original stimulus package. The medium-term projections assume that the government will resume its consolidation plans and balance the budget by the end of the forecast horizon.

Mexico. Fiscal projections for 2009 are based on budgeted discretionary spending, and revenues and nondiscretionary spending are driven by IMF staff macroeconomic projections. Projections for 2010 and beyond are based on: (1) IMF staff macroeconomic projections, (2) modified balanced budget rule under the Fiscal Responsibility Legislation, and (3) authorities' projections of the spending pressures in pensions and healthcare and of the wage bill restraint. A fiscal stimulus package of about 1 percent of GDP was introduced in the context of the 2009 budget (hence effective early 2009). The main elements were (1) an increase in infrastructure spending (0.4 percent of GDP), (2) an increase in net lending by development banks (0.2 percent of GDP), and (3) an increase in current spending on public security,

Netherlands. Fiscal projections for the period 2009/11 are based on the authorities' multiannual budget projections, after adjusting for differences in macroeconomic assumptions. For the remainder of the projection period, the IMF staff assumes unchanged policies.

New Zealand. The fiscal projections are based on the authorities' December 2008 update and IMF staff estimates. The New Zealand fiscal account switched to new Generally Accepted Accounting Principles beginning in fiscal year 2006/07, with no comparable back data.

Portugal. For the period 2008–10, the fiscal projections take into account the impact of discretionary measures taken so far in response to the downturn. In addition, automatic stabilizers are assumed to be allowed to play out fully. For 2011–14, the deficits are projected to decline gradually, assuming that the government will contain further current spending to achieve structural adjustment of at least 0.5 percent of GDP a year in compliance with the EU's Stability and Growth Pact (SGP) rule.

Russia. The deficit projection for 2009 is based on the draft supplementary budget currently under consideration by the government. The projection takes into account expected expenditure underexecution, based on historical trends. Consolidated regional budgets are expected to be broadly balanced, reflecting strict deficit and debt limits at the local government level. In the medium term, fiscal projections assume unchanged policies, implying a broadly stable nonoil deficit in percent of GDP. Over the course of the past few months, the authorities have announced a number of fiscal stimulus measures amounting to over 3 percent of GDP to be included in the supplementary budget. Half of the measures are on the revenue side, primarily focused on permanently reducing profit taxation. The remainder includes temporary expenditure measures, including support to strategic sectors (defense, airlines, automakers, agriculture, construction) and social and labor market measures.

Saudi Arabia: The authorities systematically underestimate revenues and expenditures in the budget compared with actual outturns. The WEO baseline oil prices are discounted by 5 percent reflecting the higher sulfur context in Saudi crude. Regarding nonoil revenues, customs receipts are assumed to grow in line with imports, investment income in line with London interbank offered rate (LIBOR), and fees and charges grow as a function of nonoil GDP. On the expenditure side, wages are assumed to rise above the natural rate of increase reflecting a salary increase of 15 percent distributed over 2008–10, and goods and services are projected to grow in line with inflation over the medium term. Interest payments are projected to decline in line with the authorities' policy of repaying public debt. Capital spending in 2009 is projected to be higher than in the budget by 40 percent and in line with the authorities' announcements to maintain spending. The pace of spending is projected to slow over the medium term.

Singapore. For the fiscal year 2007/08, expenditure projections are based on budget numbers, whereas revenue projections reflect the IMF staff's estimates of the impact of new policy measures, including an increase in the goods and services tax. Medium-term revenue projections assume that capital gains on fiscal reserves will be included in investment income.

Spain. For the period 2008–10, the fiscal projections take into account the impact of discretionary measures taken so far in response to the downturn. In addition, automatic stabilizers are assumed to be allowed to play out fully. For 2011–14, the deficits are projected to decline gradually to 3 percent of GDP as spending declines (the stimulus has sunset clauses) and the government contains further current spending to bring the deficit back into compliance with the SGP limit of 3 percent.

Sweden. Fiscal projections are based on information provided in the 2009 Budget Bill (November 2008), with adjustments reflecting incoming fiscal data and the IMF staff's views on the macroeconomic environment.

Switzerland. Projections for 2008–13 are based on IMF staff calculations, which incorporate measures to restore balance in the federal accounts and strengthen social security finances.

Turkey: Fiscal projections are mostly based on the 2009 budget and assume unchanged policies, with revenues driven by the IMF staff's macroeconomic projections. Projections for local governments, social security institutions, and extrabudgetary funds are adjusted for the IMF staff's macroeconomic assumptions. Projec-

Box A1 *(concluded)*

tions for the outer years are IMF staff estimates, with some additional adjustment assumed in 2010–11 to ensure favorable debt dynamics in the medium-term.

Monetary policy assumptions are based on the established policy framework in each country. In most cases, this implies a non-accommodative stance over the business cycle: official interest rates will increase when economic indicators suggest that inflation will rise above its acceptable rate or range, and they will decrease when indicators suggest that prospective inflation will not exceed the acceptable rate or range, prospective output growth is below its potential rate, and the margin of slack in the economy is significant. On this basis, the LIBOR on six-month U.S. dollar deposits is assumed to average 1.5 percent in 2009 and 1.4 percent in 2010 (see Table 1.1). The rate on three-month euro deposits is assumed to average 1.6 percent in 2009 and 2.0 percent in 2010. The interest rate on six-month Japanese yen deposits is assumed to average 1.0 percent in 2009 and 0.5 percent in 2010.

What's New

On January 1, 2009, the Slovak Republic became the 16th country to join the euro area; tables presenting projections for the euro area countries have been revised to display each country according to its weight within the group; the Czech Republic is now included in the advanced economy group; Iraq projections are now presented in the real GDP, consumer prices, and current account tables; the country composition of the fuel-exporting group and the analytical composition of the net external position group have been revised to reflect the periodic update of the classification criteria; and country weights calculated as nominal GDP valued at purchasing-power-parity (PPP) exchange rates as a share of world total have been updated to reflect revisions to countries' historical GDP data and projections.

Data and Conventions

Data and projections for 182 countries form the statistical basis for the *World Economic Outlook* (the World Economic Outlook database). The data are maintained jointly by the IMF's Research Department and area departments, with the latter regularly updating country projections based on consistent global assumptions.

Although national statistical agencies are the ultimate providers of historical data and definitions, international organizations are also involved in statistical issues, with the objective of harmonizing methodologies for the national compilation of statistics, including the analytical frameworks, concepts, definitions, classifications, and valuation procedures used in the production of economic statistics. The WEO database reflects information from both national source agencies and international organizations.

The comprehensive revision of the standardized *System of National Accounts 1993 (SNA),* the IMF's *Balance of Payments Manual, Fifth Edition (BPM5),* the *Monetary and Financial Statistics Manual (MFSM),* and the *Government Finance Statistics Manual 2001 (GFSM 2001)* represented significant improvements in the standards of economic statistics and analysis.[1] The IMF was actively involved in all these projects, particularly the *Balance of Payments, Monetary and Financial*

[1]Commission of the European Communities, International Monetary Fund, Organization for Economic Cooperation and Development, United Nations, and World Bank, *System of National Accounts 1993* (Brussels/Luxembourg, New York, Paris, and Washington, 1993); International Monetary Fund, *Balance of Payments Manual, Fifth Edition* (Washington, 1993); International Monetary Fund, *Monetary and Financial Statistics Manual* (Washington, 2000); and *International Monetary Fund, Government Finance Statistics Manual* (Washington, 2001).

Statistics, and *Government Finance Statistics* manuals, which reflects the IMF's special interest in countries' external positions, financial sector stability, and public sector fiscal positions. The process of adapting country data to the new definitions began in earnest when the manuals were released. However, full concordance with the manuals is ultimately dependent on the provision by national statistical compilers of revised country data, and hence the *World Economic Outlook* estimates are still only partially adapted to these manuals.

In line with recent improvements in standards for reporting economic statistics, several countries have phased out their traditional *fixed-base-year* method of calculating real macroeconomic variables levels and growth by switching to a *chain-weighted* method of computing aggregate growth. Recent dramatic changes in the structure of these economies have caused these countries to revise the way in which they measure real GDP levels and growth. Switching to the chain-weighted method of computing aggregate growth, which uses current price information, allows countries to measure GDP growth more accurately by eliminating upward biases in new data.[2] Currently, real macroeconomic data for Albania, Australia, Austria, Azerbaijan, Belgium, Bulgaria, Canada, Cyprus, the Czech Republic, Denmark, Estonia, the euro area, Finland, France, Georgia, Germany, Greece, Guatemala, Hong Kong SAR, Iceland, Ireland, Israel, Italy, Japan, Kazakhstan, Lithuania, Luxembourg, Malta, the Netherlands, New Zealand, Norway, Poland, Portugal, Republic of Korea, Romania, Russia, Slovenia, Spain, Sweden, Switzerland, the United Kingdom, and the United States are based on chain-weighted methodology. However, data before 1996 (Albania), 1994 (Azerbaijan), 1995 (Belgium), 2000 (Bulgaria), 1995 (Cyprus), 1995 (Czech Republic), 1995 (Estonia), 1995 (euro area), 1996 (Georgia), 2000 (Greece), 1990 (Iceland), 1995 (Ireland), 1994 (Japan), 1994 (Kazakhstan), 1995 (Luxembourg), 2000 (Malta), 1995 (Poland), 2000 (Republic of Korea), 1995 (Russia), 1995 (Slovenia), and 1995 (Spain) are based on unrevised national accounts and subject to revision in the future.

The members of the European Union have adopted a harmonized system for the compilation of national accounts, referred to as ESA 1995. All national accounts data from 1995 onward are presented on the basis of the new system. Revision by national authorities of data prior to 1995 to conform to the new system has progressed but, in some cases, has not been completed. In such cases, historical *World Economic Outlook* data have been carefully adjusted to avoid breaks in the series. Users of EU national accounts data prior to 1995 should nevertheless exercise caution until such time as the revision of historical data by national statistical agencies has been fully completed. See Box 1.2 of the May 2000 *World Economic Outlook.*

Composite data for country groups in the *World Economic Outlook* are either sums or weighted averages of data for individual countries. Unless otherwise indicated, multiyear averages of growth rates are expressed as compound annual rates of change.[3] Arithmetically weighted averages are used for all data except inflation and money growth for the emerging and developing economies group, for which geometric averages are used. The following conventions apply.

- Country group composites for exchange rates, interest rates, and the growth rates of monetary aggregates are weighted by GDP converted to U.S. dollars at market exchange rates (averaged over the preceding three years) as a share of group GDP.
- Composites for other data relating to the domestic economy, whether growth rates or

[2]Charles Steindel, 1995, "Chain-Weighting: The New Approach to Measuring GDP," *Current Issues in Economics and Finance* (Federal Reserve Bank of New York), Vol. 1 (December).

[3]Averages for real GDP and its components, employment, per capita GDP, inflation, factor productivity, trade, and commodity prices are calculated based on the compound annual rate of change, except for the unemployment rate, which is based on the simple arithmetic average.

ratios, are weighted by GDP valued at PPPs as a share of total world or group GDP.[4]

- Composites for data relating to the domestic economy for the euro area (16 member countries throughout the entire period unless otherwise noted) are aggregates of national source data using GDP weights. Annual data are not adjusted for calendar day effects. For data prior to 1999, data aggregations apply 1995 European currency unit exchange rates.
- Composite unemployment rates and employment growth are weighted by labor force as a share of group labor force.
- Composites relating to the external economy are sums of individual country data after conversion to U.S. dollars at the average market exchange rates in the years indicated for balance of payments data and at end-of-year market exchange rates for debt denominated in currencies other than U.S. dollars. Composites of changes in foreign trade volumes and prices, however, are arithmetic averages of percent changes for individual countries weighted by the U.S. dollar value of exports or imports as a share of total world or group exports or imports (in the preceding year).

All data refer to calendar years, except for the following countries, which refer to fiscal years: Australia (July/June), Egypt (July/June), Haiti (October/September), Islamic Republic of Afghanistan (April/March), Islamic Republic of Iran (April/March), Mauritius (July/June), Myanmar (April/March), Nepal (July/June), New Zealand (July/June), Pakistan (July/June), Samoa (July/June), and Tonga (July/June).

Classification of Countries

Summary of the Country Classification

The country classification in the *World Economic Outlook* divides the world into two major groups: advanced economies and emerging and developing economies.[5] Rather than being based on strict criteria, economic or otherwise, this classification has evolved over time with the objective of facilitating analysis by providing a reasonably meaningful organization of data. Table A provides an overview of these standard groups in the *World Economic Outlook*, showing the number of countries in each group and the average 2008 shares of groups in aggregate PPP-valued GDP, total exports of goods and services, and population.

A few countries are currently not included in these groups, either because they are not IMF members and their economies are not monitored by the IMF or because databases have not yet been fully developed. Because of data limitations, group composites do not reflect the following countries: the Islamic Republic of Afghanistan, Bosnia and Herzegovina, Brunei Darussalam, Eritrea, Iraq, Liberia, Montenegro, Serbia, Timor-Leste, and Zimbabwe. Cuba and the Democratic People's Republic of Korea are examples of countries that are not IMF members, whereas San Marino, among the advanced economies, and Aruba, Marshall Islands, the Federated States of Micronesia, and Palau, among the developing economies, are examples of countries for which databases have not been completed.

[4]See Box A2 of the April 2004 *World Economic Outlook* for a summary of the revised PPP-based weights and Annex IV of the May 1993 *World Economic Outlook*. See also Anne-Marie Gulde and Marianne Schulze-Ghattas, "Purchasing Power Parity Based Weights for the World Economic Outlook," in *Staff Studies for the World Economic Outlook* (Washington: International Monetary Fund, December 1993), pp. 106–23.

[5]As used here, the term "country" does not in all cases refer to a territorial entity that is a state as understood by international law and practice. It also covers some territorial entities that are not states, but for which statistical data are maintained on a separate and independent basis.

Table A. Classification by *World Economic Outlook* Groups and Their Shares in Aggregate GDP, Exports of Goods and Services, and Population, 2008[1]

(Percent of total for group or world)

	Number of Economies	GDP		Exports of Goods and Services		Population	
		Advanced economies	World	Advanced economies	World	Advanced economies	World
Advanced economies	**33**	**100.0**	**55.3**	**100.0**	**65.1**	**100.0**	**15.3**
United States		37.4	20.7	14.3	9.3	30.3	4.6
Euro area	16	28.5	15.7	43.9	28.6	32.4	5.0
Germany		7.6	4.2	13.4	8.7	8.2	1.2
France		5.6	3.1	5.9	3.8	6.2	0.9
Italy		4.8	2.6	5.3	3.4	5.9	0.9
Spain		3.7	2.0	3.4	2.2	4.5	0.7
Japan		11.5	6.4	7.0	4.5	12.7	1.9
United Kingdom		5.8	3.2	6.0	3.9	6.1	0.9
Canada		3.4	1.9	4.1	2.7	3.3	0.5
Other advanced economies	13	13.3	7.4	24.6	16.0	15.3	2.3
Memorandum							
Major advanced economies	7	76.2	42.1	56.1	36.5	72.6	11.1
Newly industrialized Asian economies	4	6.7	3.7	13.1	8.5	8.3	1.3
		Emerging and developing economies	World	Emerging and developing economies	World	Emerging and developing economies	World
Emerging and developing economies	**139**	**100.0**	**44.7**	**100.0**	**34.9**	**100.0**	**84.7**
Regional groups							
Africa	47	6.9	3.1	7.8	2.7	15.2	12.9
Sub-Sahara	44	5.5	2.4	5.7	2.0	13.8	11.7
Excluding Nigeria and South Africa	42	2.8	1.3	3.1	1.1	10.3	8.7
Central and eastern Europe	11	7.8	3.5	10.3	3.6	2.9	2.5
Commonwealth of Independent States[2]	13	10.3	4.6	11.5	4.0	5.0	4.3
Russia		7.4	3.3	7.6	2.7	2.6	2.2
Developing Asia	23	46.9	21.0	39.5	13.8	62.4	52.9
China		25.5	11.4	24.1	8.4	23.8	20.2
India		10.7	4.8	3.9	1.4	21.4	18.1
Excluding China and India	21	10.8	4.8	11.5	4.0	17.2	14.5
Middle East	13	8.7	3.9	16.2	5.6	4.4	3.7
Western Hemisphere	32	19.3	8.6	14.7	5.1	10.0	8.5
Brazil		6.4	2.9	3.3	1.2	3.4	2.9
Mexico		5.0	2.2	4.5	1.6	1.9	1.6
Analytical groups							
By source of export earnings							
Fuel	24	19.3	8.6	30.0	10.5	10.9	9.3
Nonfuel	115	80.7	36.1	70.0	24.4	89.1	75.5
of which, primary products	19	1.6	0.7	1.9	0.7	4.0	3.4
By external financing source							
Net debtor countries	113	51.1	22.9	40.9	14.3	61.1	51.7
of which, official financing	30	3.4	1.5	2.5	0.9	12.2	10.3
Net debtor countries by debt-servicing experience							
Countries with arrears and/or rescheduling during 2003–07	44	6.5	2.9	4.7	1.6	12.2	10.3
Other net debtor countries	69	44.6	19.9	36.2	12.6	48.8	41.4
Other groups							
Heavily indebted poor countries	32	1.9	0.8	1.3	0.5	8.7	7.3
Middle East and North Africa	19	10.5	4.7	18.4	6.4	6.5	5.5

[1]The GDP shares are based on the purchasing-power-parity (PPP) valuation of country GDPs. The number of countries comprising each group reflects those for which data are included in the group aggregates.

[2]Mongolia, which is not a member of the Commonwealth of Independent States, is included in this group for reasons of geography and similarities in economic structure.

General Features and Composition of Groups in the World Economic Outlook Classification

Advanced Economies

The 33 advanced economies are listed in Table B. The seven largest in terms of GDP—the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada—constitute the subgroup of *major advanced economies,* often referred to as the Group of Seven (G7). The 16 members of the *euro area* and the four *newly industrialized Asian economies* are also distinguished as subgroups. Composite data shown in the tables for the euro area cover the current members for all years, even though the membership has increased over time.

Table C lists the member countries of the European Union, not all of which are classified as advanced economies in the *World Economic Outlook*.

Table C. European Union

Austria	Finland	Latvia	Romania
Belgium	France	Lithuania	Slovak Republic
Bulgaria	Germany	Luxembourg	Slovenia
Cyprus	Greece	Malta	Spain
Czech Republic	Hungary	Netherlands	Sweden
Denmark	Ireland	Poland	United Kingdom
Estonia	Italy	Portugal	

Emerging and Developing Economies

The group of emerging and developing economies (139 countries) includes all countries that are not classified as advanced economies.

The *regional breakdowns* of emerging and developing economies—*Africa, central and eastern Europe, Commonwealth of Independent States, developing Asia, Middle East, and Western Hemisphere*—largely conform to the regional breakdowns in the IMF's *International Financial Statistics*. In both classifications, Egypt and Libya are included in the *Middle East* region rather than in Africa. In addition, the *World Economic Outlook* sometimes refers to the regional group of Middle East and North African countries, also referred to as the MENA countries, whose composition straddles the Africa and Middle East regions. This group is defined as the Arab League countries plus the Islamic Republic of Iran (see Table D).

Table D. Middle East and North African Countries

Algeria	Jordan	Morocco	Syrian Arab Republic
Bahrain	Kuwait	Oman	Tunisia
Djibouti	Lebanon	Qatar	United Arab Emirates
Egypt	Libya	Saudi Arabia	Yemen, Rep. of
Iran, I.R. of	Mauritania	Sudan	

Emerging and developing economies are also classified according to *analytical criteria*. The analytical criteria reflect countries' composition of export earnings and other income from abroad; exchange rate arrangements; a distinction between net creditor and net debtor countries; and, for the net debtor countries, financial criteria based on external financing sources and experience with external debt servicing. The

Table B. Advanced Economies by Subgroup

	Other Subgroups					
Major Currency Areas	Euro area		Newly industrialized Asian economies	Major advanced economies	Other advanced economies	
United States	Austria	Italy	Hong Kong SAR[1]	Canada	Australia	New Zealand
Euro area	Belgium	Luxembourg	Korea	France	Czech Republic	Norway
Japan	Cyprus	Malta	Singapore	Germany	Denmark	Singapore
	Finland	Netherlands	Taiwan Province of China	Italy	Hong Kong SAR[1]	Sweden
	France	Portugal		Japan	Iceland	Switzerland
	Germany	Slovak Rep.		United Kingdom	Israel	Taiwan Province of China
	Greece	Slovenia		United States	Korea	
	Ireland	Spain				

[1]On July 1, 1997, Hong Kong was returned to the People's Republic of China and became a Special Administrative Region of China.

detailed composition of emerging and developing economies in the regional and analytical groups is shown in Tables E and F.

The analytical criterion, by *source of export earnings*, distinguishes between categories *fuel* (Standard International Trade Classification—SITC 3) and *nonfuel* and then focuses on *nonfuel primary products* (SITCs 0, 1, 2, 4, and 68).

The financial criteria focus on *net creditor countries, net debtor countries,* and *heavily indebted poor countries (HIPCs)*. Net debtor countries are further differentiated on the basis of two additional financial criteria: by *official external financing* and by *experience with debt servicing*.[6] The HIPC group comprises the countries considered by the IMF and the World Bank for their debt initiative, known as the HIPC Initiative, with the aim of reducing the external debt burdens of all the eligible HIPCs to a sustainable level in a reasonably short period of time.[7]

[6]During 2003–07, 44 countries incurred external payments arrears or entered into official or commercial bank debt-rescheduling agreements. This group of countries is referred to as *countries with arrears and/or rescheduling during 2003–07*.

[7]See David Andrews, Anthony R. Boote, Syed S. Rizavi, and Sukwinder Singh, *Debt Relief for Low-Income Countries: The Enhanced HIPC Initiative*, IMF Pamphlet Series, No. 51 (Washington: International Monetary Fund, November 1999).

Table E. Emerging and Developing Economies by Region and Main Source of Export Earnings

	Fuel	Nonfuel Primary Products
Africa	Algeria Angola Chad Congo, Rep. of Equatorial Guinea Gabon Nigeria Sudan	Burkina Faso Burundi Congo, Dem. Rep. of Guinea Guinea-Bissau Malawi Mali Mauritania Mozambique, Rep. of Namibia Sierra Leone Zambia
Commonwealth of Independent States[1]	Azerbaijan Kazakhstan Russia Turkmenistan	Mongolia Uzbekistan
Developing Asia		Papua New Guinea Solomon Islands
Middle East	Bahrain Iran, I.R. of Kuwait Libya Oman Qatar Saudi Arabia United Arab Emirates Yemen, Rep. of	
Western Hemisphere	Ecuador Trinidad and Tobago Venezuela	Chile Guyana Suriname

[1]Mongolia, which is not a member of the Commonwealth of Independent States, is included in this group for reasons of geography and similarities in economic structure.

Table F. Emerging and Developing Economies by Region, Net External Position, and Status as Heavily Indebted Poor Countries

	Net External Position		Heavily Indebted Poor Countries
	Net creditor	Net debtor[1]	
Africa			
Maghreb			
Algeria	*		
Morocco		*	
Tunisia		*	
Sub-Sahara			
South Africa		*	
Horn of Africa			
Djibouti		*	
Ethiopia		•	*
Sudan		*	
Great Lakes			
Burundi		•	*
Congo, Dem. Rep. of		•	*
Kenya		*	
Rwanda		•	*
Tanzania		•	*
Uganda		*	*
Southern Africa			
Angola	*		
Botswana	*		
Comoros		•	
Lesotho		*	
Madagascar		•	*
Malawi		•	*
Mauritius		*	
Mozambique, Rep. of		•	*
Namibia	*		
Seychelles		*	
Swaziland		*	
Zambia		*	*
West and Central Africa			
Cape Verde		*	
Gambia, The		*	*
Ghana		•	*
Guinea		•	*
Mauritania		*	*
Nigeria	*		
São Tomé and Príncipe		*	*
Sierra Leone		•	*
CFA franc zone			
Benin		*	*
Burkina Faso		•	*
Cameroon		*	*
Central African Republic		•	*
Chad		*	*
Congo, Rep. of		•	*
Côte d'Ivoire		*	
Equatorial Guinea		*	
Gabon	*		
Guinea-Bissau		*	*
Mali		*	*
Niger		•	*
Senegal		*	*
Togo		•	*
Central and eastern Europe			
Albania		*	
Bulgaria		*	
Croatia		*	
Estonia		*	
Hungary		*	
Latvia		*	
Lithuania		*	
Macedonia, FYR		*	
Poland		*	
Romania		*	
Turkey		*	
Commonwealth of Independent States[2]			
Armenia		•	
Azerbaijan	*		
Belarus		*	
Georgia		*	
Kazakhstan		*	
Kyrgyz Republic		*	
Moldova		*	
Mongolia		•	
Russia	*		
Tajikistan		*	
Turkmenistan	*		
Ukraine	*		
Uzbekistan	*		
Developing Asia			
Bhutan		•	
Cambodia		•	
China	*		
Fiji		*	
Indonesia	*		
Kiribati	*		
Lao PDR		*	
Malaysia	*		
Myanmar		*	
Papua New Guinea	*		
Philippines		*	
Samoa		*	
Solomon Islands		•	
Thailand		*	
Tonga		•	
Vanuatu		*	
Vietnam		•	
South Asia			
Bangladesh		•	
India		*	
Maldives		*	
Nepal		•	
Pakistan		*	
Sri Lanka		*	

	Net External Position		Heavily Indebted Poor Countries
	Net creditor	Net debtor[1]	
Middle East			
Bahrain	*		
Iran, I.R. of	*		
Kuwait	*		
Libya	*		
Oman	*		
Qatar	*		
Saudi Arabia	*		
United Arab Emirates	*		
Yemen, Rep. of		*	
Mashreq			
Egypt		*	
Jordan		*	
Lebanon		*	
Syrian Arab Republic		•	
Western Hemisphere			
Mexico		*	
South America			
Argentina		*	
Bolivia		•	*
Brazil		*	
Chile		*	
Colombia		*	
Ecuador		*	
Paraguay		*	
Peru		*	
Uruguay		*	
Venezuela	*		
Central America			
Costa Rica		*	
El Salvador		•	
Guatemala		*	
Honduras		*	*
Nicaragua		*	*
Panama		*	
Caribbean			
Antigua and Barbuda		*	
Bahamas, The		*	
Barbados		*	
Belize		*	
Dominica		*	
Dominican Republic		*	
Grenada		*	
Guyana		*	*
Haiti		•	*
Jamaica		*	
St. Kitts and Nevis		*	
St. Lucia		*	
St. Vincent and the Grenadines		*	
Suriname		*	
Trinidad and Tobago	*		

[1]Dot instead of star indicates that the net debtor's main external finance source is official financing.
[2]Mongolia, which is not a member of the Commonwealth of Independent States, is included in this group for reasons of geography and similarities in economic structure.

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