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 2008–09 and the medium-term scenario for 2010–13 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 end-March 2008. The figures for 2008 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 January 30 to February 27, 2008. For 2008 and 2009, these assumptions imply average U.S. dollar/SDR conversion rates of 1.504 and 1.510, U.S. dollar/euro conversion rates of 1.47 and 1.48, and yen/U.S. dollar conversion rates of 106.7 and 105.9, respectively.

It is assumed that the *price of oil* will average $95.50 a barrel in 2008 and $94.50 a barrel in 2009.

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 3.1 percent in 2008 and 3.4 percent in 2009, that three-month euro deposits will average 4.0 percent in 2008 and 3.6 percent in 2009, and that six-month Japanese yen deposits will average 1.0 percent in 2008 and 0.8 percent in 2009.

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.

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
	= 239.640	Slovenian tolars[4]
	= 166.386	Spanish pesetas

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

[1]The conversion rate for Cyprus was established prior to inclusion in the euro area on January 1, 2008.
[2]The conversion rate for Greece was established prior to inclusion in the euro area on January 1, 2001.
[3]The conversion rate for Malta was established prior to inclusion in the euro area on January 1, 2008.
[4]The conversion rate for Slovenia was established prior to inclusion in the euro area 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. Adjustments are made to account for differences in macroeconomic projections as well as IMF staff assumptions about (1) additional defense spending based on analysis by the Congressional Budget Office, (2) slower compression in the growth rate of discretionary spending, (3) continued alternative minimum tax relief beyond fiscal year 2009, and (4) an economic stimulus package similar to recent proposals by the president and members of Congress. Projections also assume that proposed Medicare savings are achieved only partially and that personal retirement accounts are not introduced.

Japan. The medium-term fiscal projections assume that expenditure and revenue of the general government (excluding social security) are adjusted in line with the current government target to achieve primary fiscal balance (excluding social security) by fiscal year 2011.

Germany. Projections reflect the measures announced in the Stability Program Update 2007. Projections for 2008 include a loss in revenue owing to corporate tax reform and a cut in social security contribution rates (unemployment insurance). Over the medium term, the path of health expenditures accelerates as a result of aging and cost increases because significant health care reform measures have not been taken.

France. The 2007 fiscal estimates incorporate the end-year corrective budget law. For 2008, the fiscal projections are based on the budget law and assume higher social security spending growth, largely owing to higher-than-targeted increases in health care outlays. Medium-term projections reflect the authorities' official tax revenue forecast but assume different spending (less deceleration) and nontax revenue profiles, consistent with an unchanged policy assumption.

Italy. For 2007, the deficit number reflects the IMF staff's estimated outcome. For 2008, the deficit projection is based on the IMF staff's assessment of this year's budget, adjusted for recent macroeconomic and fiscal developments, specifically lower growth and prior spending commitments that would have to be executed in 2008. For 2009–12, a constant structural primary balance (net of one-off measures) is assumed.

United Kingdom. The projection for 2007–08 assumes that the pattern seen through December will continue in the last quarter of the fiscal year. The medium-term revenue projections are based on economic assumptions, with some modest buoyancy built in, although not as much as assumed by the authorities. The expenditure

[1]The output gap is actual minus 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 minus 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.

projections assume that after some slippage in 2007–08, the planned consolidation, set out in the Pre-Budget Report, will continue in terms of the percent of GDP through 2012–13.

Canada. Projections use the baseline forecast in the 2007 Economic Statement. The IMF staff makes some adjustments to 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 second quarter of 2007.

Australia. The fiscal projections through fiscal year 2010/11 are based on the Mid-Year Economic and Fiscal Outlook published in October 2007. For the remainder of the projection period, the IMF staff assumes unchanged policies.

Austria. Projections for 2007 and beyond are IMF staff projections based on current policies.

Brazil. The fiscal projections for 2008 are based on the 2008 budget guidelines law and recent pronouncements by the authorities regarding their policy intentions. For the outer years, the IMF staff assumes unchanged policies, with a further increase in public investment in line with the authorities' intentions.

Belgium. After the June 2007 federal elections, disagreements on reforms of fiscal federalism arrangements have led to more than six months of political division. At the date of submission, the Budget Report for 2008 was not yet available. Projections for 2008 and 2009 are IMF staff estimates adjusted for macroeconomic assumptions and assuming unchanged policies.

China. Projections for 2007 are based on IMF staff estimates and data for the first 11 months, with some adjustment for the IMF staff's definition of overall budget balance. For 2008–13, IMF staff projections assume that spending, especially in social sectors, will increase, with the deficit roughly constant at its projected 2008 level (about 1 percent of GDP).

Denmark. Estimates for 2007 and projections for 2008 are aligned with the latest official budget estimates and the underlying projections, adjusted where appropriate for the IMF staff's macroeconomic assumptions. For 2009–13, the projections incorporate key features of the prior medium-term fiscal plan as embodied in the authorities' November 2007 Convergence Program submitted to the European Union (EU). The projections imply convergence of the budget toward a close-to-balanced 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 2008 budget, the latest Stability Program, and other forecasts provided by the authorities. According to preliminary estimates by the European Commission, the revision of gross national income could lead to a permanent increase of Greece's contribution to the EU budget of less than ¼ percent of GDP, as well as a one-off payment of arrears of such a contribution of about ¾ percent of GDP, which could accrue to the 2007 balance. These possible contributions are not reflected in the IMF staff projections.

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 2011–12 based on the assumptions underlying the IMF staff's medium-term macroeconomic scenario.

India. Estimates for 2007 are based on data on budgetary execution. Projections for 2008 and beyond are based on available information on the authorities' fiscal plans (the 2008–09 budget was expected on February 29, 2008), with some adjustments for the IMF staff's assumptions.

Korea. Projections reflect advance GDP estimates for 2007, as well as the 2008 budget, and the five-year medium-term budget for 2009–13, with some adjustment for the IMF staff's assumptions and macroeconomic projections.

Mexico. Fiscal projections for 2008 build on the authorities' budget. Projections for 2009 and beyond are based on IMF staff calculations in line with the Federal Government Fiscal Responsibility Law, requiring a zero overall balance on the traditional (budget) definition.

Box A1 *(concluded)*

Netherlands. The fiscal projections build on the 2007 budget, the latest Stability Program, and other forecasts provided by the authorities.

New Zealand. The fiscal projections through fiscal year 2010/11 are based on the Half-Year Economic and Fiscal Update released in December 2007. For the remainder of the projection period, the IMF staff assumes unchanged policies. The New Zealand fiscal account switched to new Generally Accepted Accounting Principles beginning in fiscal year 2006/07, with no comparable back data.

Portugal. Fiscal projections through 2010 are based on the IMF staff's assessment of the 2007 budget and the authorities' projections presented in the 2007 Stability Program. In subsequent years, the fiscal projections assume maintaining the primary balance excluding age-related expenditures.

Singapore. For 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. Fiscal projections through 2010 are based on the 2008 budget; policies outlined in the authorities' updated Stability Program 2007–10, adjusted for the IMF staff's macroeconomic assumptions, information from recent statistical releases, and official announcements. In subsequent years, the fiscal projections assume unchanged policies.

Sweden. The fiscal projections are based on information provided in the 2008 Budget Bill (October 2007), with adjustments reflecting incoming fiscal data and the IMF staff's views on the macroeconomic environment.

Switzerland. Projections for 2007–12 are based on IMF staff calculations, which incorporate measures to restore balance in the federal accounts and strengthen social security finances.

Monetary policy assumptions are based on the established policy framework in each country. In most cases, this implies a nonaccommodative stance over the business cycle: official interest rates will therefore 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, that prospective output growth is below its potential rate, and that the margin of slack in the economy is significant. On this basis, the London interbank offered rate (LIBOR) on six-month U.S. dollar deposits is assumed to average 3.1 percent in 2008 and 3.4 percent in 2009 (see Table 1.1). The rate on three-month euro deposits is assumed to average 4.0 percent in 2008 and 3.6 percent in 2009. The interest rate on six-month Japanese yen deposits is assumed to average 1.0 percent in 2008 and 0.8 percent in 2009.

What's New

On January 1, 2008, Cyprus and Malta became members of the euro area, bringing the total number of euro countries to 15; the country composition of the fuel-exporting group has been revised to reflect the periodic update of the classification criteria; and the purchasing-power-parity (PPP) weights have been updated to reflect the most up-to-date PPP conversion factor provided by the International Comparison Program.

Data and Conventions

Data and projections for 183 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 World Economic Outlook 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.[5] The IMF was actively involved in all these projects, particularly the *Balance of Payments, Monetary and Financial 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.[6] Currently, real macroeconomic data for Albania, Australia, Austria, Azerbaijan, Belgium, Canada, Cyprus, the Czech Republic, Denmark, the euro area, Finland, France, Georgia, Germany, Greece, Hong Kong SAR, Iceland, Ireland, Italy, Japan, Kazakhstan, Lithuania, Luxembourg, Malta, the Netherlands, New Zealand, Norway, Poland, Portugal, 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), 1995 (Cyprus), 1995 (Czech Republic), 1995 (euro area), 1996 (Georgia), 1991 (Germany), 2000 (Greece), 1990 (Iceland), 1995 (Ireland), 1994 (Japan), 1994 (Kazakhstan), 1995 (Luxembourg), 2000 (Malta), 1995 (Poland), 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

[5]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).

[6]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).

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.[7] 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 ratios, are weighted by GDP valued at PPPs as a share of total world or group GDP.[8]
- Composites for data relating to the domestic economy for the euro area (15 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).

For central and eastern European countries, external transactions in nonconvertible currencies (through 1990) are converted to U.S. dollars at the implicit U.S. dollar/ruble conversion rates obtained from each country's national currency exchange rate for the U.S. dollar and for the ruble.

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 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.[9] 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

[7]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.

[8]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* (International Monetary Fund, December 1993), pp. 106–23.

[9]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, 2007[1]
(Percent of total for group or world)

	Number of Countries	GDP		Exports of Goods and Services		Population	
		Advanced economies	World	Advanced economies	World	Advanced economies	World
Advanced economies	**31**	**100.0**	**56.4**	**100.0**	**66.4**	**100.0**	**15.3**
United States		37.9	21.4	14.4	9.6	30.7	4.7
Euro area	15	28.6	16.1	44.4	29.5	32.3	4.9
Germany		7.7	4.3	13.8	9.2	8.4	1.3
France		5.6	3.2	6.0	4.0	6.3	1.0
Italy		4.9	2.8	5.6	3.7	6.0	0.9
Spain		3.7	2.1	3.4	2.2	4.6	0.7
Japan		11.7	6.6	7.2	4.7	13.0	2.0
United Kingdom		5.9	3.3	6.4	4.2	6.2	0.9
Canada		3.5	2.0	4.4	2.9	3.3	0.5
Other advanced economies	12	12.5	7.0	23.3	15.4	14.5	2.2
Memorandum							
Major advanced economies	7	77.2	43.5	57.8	38.4	73.8	11.3
Newly industrialized Asian economies	4	6.6	3.7	13.5	8.9	8.4	1.3
		Emerging and developing economies	World	Emerging and developing economies	World	Emerging and developing economies	World
Emerging and developing economies	**141**	**100.0**	**43.6**	**100.0**	**33.6**	**100.0**	**84.7**
Regional groups							
Africa	47	6.9	3.0	7.4	2.5	15.1	12.8
Sub-Sahara	44	5.3	2.3	5.5	1.9	13.7	11.6
Excluding Nigeria and South Africa	42	2.8	1.2	2.8	1.0	10.2	8.6
Central and eastern Europe	13	9.3	4.1	13.8	4.6	3.3	2.8
Commonwealth of Independent States[2]	13	10.2	4.5	10.2	3.4	5.1	4.3
Russia		7.3	3.2	6.8	2.3	2.6	2.2
Developing Asia	23	46.0	20.1	39.3	13.2	62.0	52.6
China		24.8	10.8	23.3	7.8	24.2	20.5
India		10.5	4.6	4.0	1.3	20.6	17.5
Excluding China and India	21	10.6	4.6	12.1	4.1	17.2	14.6
Middle East	13	8.7	3.8	14.0	4.7	4.4	3.7
Western Hemisphere	32	19.0	8.3	15.2	5.1	10.1	8.6
Brazil		6.4	2.8	3.2	1.1	3.5	2.9
Mexico		4.8	2.1	5.1	1.7	1.9	1.6
Analytical groups							
By source of export earnings							
Fuel	24	19.4	8.4	26.5	8.9	11.1	9.4
Nonfuel	117	80.6	35.2	73.5	24.7	88.9	75.3
of which, primary products	20	1.7	0.7	2.2	0.7	4.0	3.4
By external financing source							
Net debtor countries	116	55.0	24.0	47.5	16.0	64.5	54.6
of which, official financing	30	3.4	1.5	2.4	0.8	10.6	9.0
Net debtor countries by debt-servicing experience							
Countries with arrears and/or rescheduling during 2002–06	49	9.6	4.2	6.9	2.3	17.2	14.5
Other net debtor countries	67	45.4	19.8	40.5	13.6	47.3	40.1
Other groups							
Heavily indebted poor countries	31	1.8	0.8	1.3	0.4	8.5	7.2
Middle East and North Africa	19	10.6	4.6	16.1	5.4	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.

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	Denmark	Norway
Japan	Cyprus	Malta	Singapore	Germany	Hong Kong SAR[1]	Singapore
	Finland	Netherlands	Taiwan Province of China	Italy	Iceland	Sweden
	France	Portugal		Japan	Israel	Switzerland
	Germany	Slovenia		United Kingdom	Korea	Taiwan Province of China
	Greece	Spain		United States		
	Ireland					

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

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 2007 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, the Republic of Montenegro, Serbia, Somalia, 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, Federated States of Micronesia, and Palau, among the developing economies, are examples of countries for which databases have not been completed.

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

Advanced Economies

The 31 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 15 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.

In 1991 and subsequent years, data for *Germany* refer to west Germany *and* the eastern Länder (that is, the former German Democratic Republic). Before 1991, economic data were not available on a unified basis or in a consistent manner. Hence, in tables featuring data expressed as annual percent change, these apply to west Germany in years up to and including 1991, but to unified Germany from 1992 onward. In general, data on national accounts and domestic economic and financial activity through 1990 cover west Germany only, whereas data for the central government and balance of payments apply to west Germany

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	

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	

through June 1990 and to unified Germany thereafter.

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

Emerging and Developing Economies

The group of emerging and developing economies (141 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 the Socialist People's Libyan Arab Jamahiriya 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).

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

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

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

Note: 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.

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*

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		*	*
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		*	
Czech Republic		*	
Estonia		*	
Hungary		*	
Latvia		*	
Lithuania		*	
Macedonia, FYR		*	
Poland		*	
Romania		*	
Slovak Republic		*	
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		•	

Table F *(concluded)*

	Net External Position		Heavily Indebted
	Net creditor	Net debtor[1]	Poor Countries
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		*	
Brazil		*	
Bolivia		•	*
Chile		*	
Colombia		*	
Ecuador		*	
Paraguay		*	

	Net External Position		Heavily Indebted
	Net creditor	Net debtor[1]	Poor Countries
Peru		*	
Uruguay		•	
Venezuela, Rep. Boliv. de	*		
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.

financing and by *experience with debt servicing.*[10] 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.[11]

[10]During 2002–06, 49 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 2002–06.*

[11]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).