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ECONOMY

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he world economy continued to recover in 2004 from the slowdown of 2000–01. Gross domestic product (GDP) rose 4.1 percent, more than a full percentage point higher than in 2003 and the fastest rate of growth of global output in 15 years. High-income economies grew at an average annual rate of 3.4 percent, while developing countries averaged a remarkable 7.1 percent, the highest rate of growth since 1970.

The recovery has been widespread throughout the developing world. East Asia and Pacific grew fastest—9 percent over 2003. But all regions grew at nearly 6 percent or higher, except Sub-Saharan Africa, which grew at 4.8 percent. Fourteen countries registered growth rates of 10 percent or higher, and only four countries experienced negative growth (figure 4a). Many of the fastest growing economies are oil and gas producers and exporters, which benefited from the run-up in energy prices. Iraq's GDP increased more than 40 percent after four years of falling output, and Chad's grew by 30 percent.

Factors contributing to growth in 2004

The high growth throughout the developing world in 2004 was due in part to increased prices of primary commodities and supportive monetary conditions. Increases in the prices of oil, metals and minerals, and agricultural commodities boosted growth in a wide range of commodity producers. Oil prices rose 30 percent in 2004 even as production increased. While higher oil revenues were responsible for strong economic performance by oil producers, the impact on oil-importing countries was cushioned by increased volumes and prices of other primary commodities. For example, Brazil, an oil-importing country, achieved a growth rate of 4.9 percent in 2004. Argentina, Brazil, and South Africa saw their barter terms of trade improve by 10–20 percent over 2000 (table 6.2).

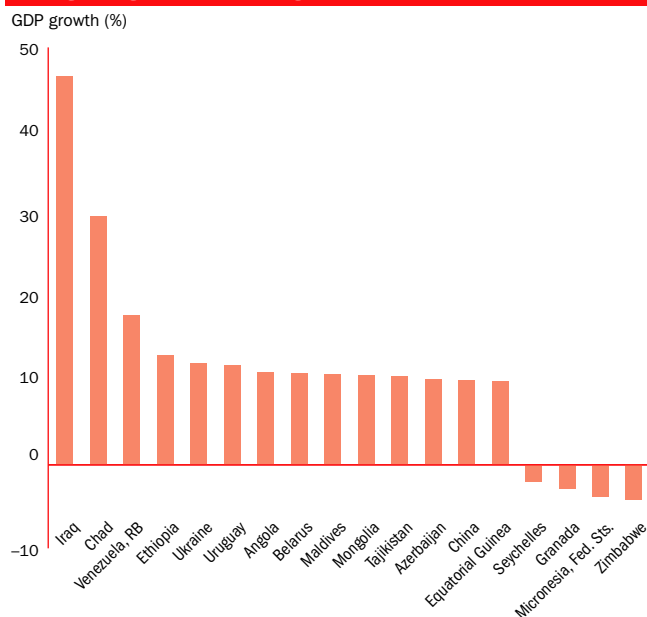
Meanwhile, global short-term interest rates declined sharply as major central banks reduced policy rates to support economic expansion. Inflation rates remained low, however, because of improved fiscal and monetary discipline. The median inflation rate was below 10 percent in all regions, well below the average of about 15 percent or higher in 1990 in three regions (table 4b). The number of countries with double-digit inflation was 38, the same as in 2003 despite the oil price hikes. The combination of reduced global interest rates and stable or falling inflation led to substantial declines in real interest rates (table 4c).

Long-term growth trends

Although growth was higher in most regions in 2000–04 than in the preceding decade, the continuing recovery in Sub-Saharan Africa remains one of the most remarkable stories of the past five years (figure 4d). By 2004 the region had experienced five years of continuous positive growth in per capita incomes, after two decades of decline (except for a slight increase in 1997). Increasing prices of primary commodities, particularly oil, but also important agricultural crops, get much of the credit. Oil and natural gas producers achieved very rapid growth, including Chad and Equatorial Guinea, where GDP rose more than 10 percent, and Nigeria, where GDP increased 6 percent. Countries left out of the commodity boom such

4a

Fast growing—and backsliding—economies in 2004



Source: World Bank data files.

as Central African Republic, Côte d'Ivoire, Eritrea, and Niger have done less well, with growth below 2 percent. Average rates of investment have also risen: from 17 percent of GDP in 2000 to 19 percent in 2004, reversing the falling trend of the 1980s and 1990s.

But even at this broad regional level Sub-Saharan Africa's macroeconomic indicators remain weak, with the lowest

4b

Inflation, median annual growth of GDP deflator (%)

Region	1990	1995	2000	2003	2004
East Asia	5.8	7.9	2.5	3.9	5.7
Europe & Central Asia	14.8	46.4	8.5	4.7	6.1
Latin America & Caribbean	21.2	11.0	5.2	6.5	7.6
Middle East & North Africa	17.0	9.4	9.8	5.9	9.6
South Asia	8.5	9.1	4.6	4.5	5.0
Sub-Saharan Africa	9.7	10.7	6.1	6.5	6.0

Source: World Bank data files and table 4.14.

4c

Real interest rates (%)

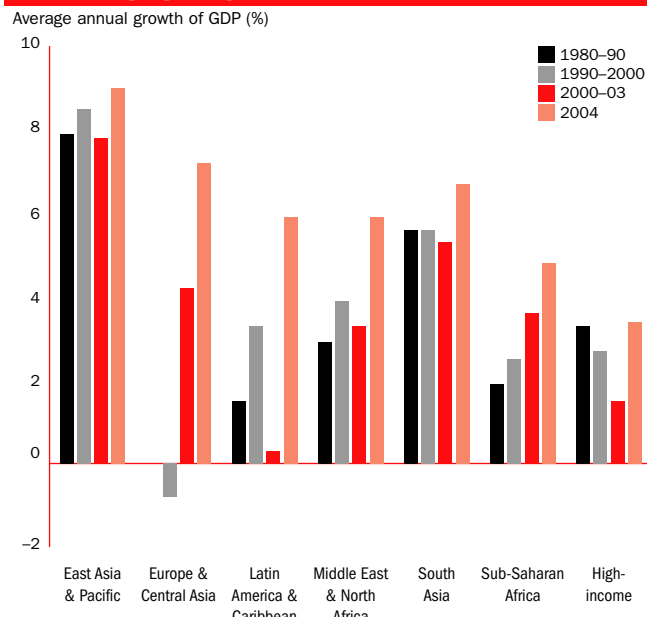
Country	2000	2001	2002	2003	2004
Brazil	44.7	46.7	47.8	45.3	43.2
China	3.7	3.7	4.7	2.6	-1.2
India	8.2	8.4	7.4	8.0	5.4
Japan	3.6	3.3	3.2	3.2	4.0
Mexico	4.3	6.5	1.2	-1.5	1.1
Russian Federation	-9.6	1.2	0.2	-0.9	-5.6
United States	6.9	4.4	3.0	2.2	1.7

Note: Real interest rates are computed as the difference between the prime rate charged by banks and the rate of inflation measured by the growth of the GDP deflator.

Source: World Bank data files and table 4.13.

4d

Accelerating regional growth



Source: World Bank data files.

regional gross savings rates, at 16 percent of GDP, and the highest government consumption rate, at 17 percent. And despite a few years of economic growth, Sub-Saharan Africa still has the highest poverty rate in the world. A large proportion of the population in more than half the countries in Sub-Saharan Africa is still in need of food aid according to the World Food Programme.

Strong growth of 5 percent in Europe and Central Asia in 2000–04 was also assisted by higher oil prices. GDP in the Middle East and North Africa rose 3.8 percent over the period, about the same as in the 1980s and 1990s, again driven by increasing oil prices. But East Asia and Pacific, which has grown at about 8 percent a year during the past 20 years, continues to be the top performer. The region's exceptional performance was due largely to rapid growth in China. Similarly strong performance by India enabled South Asia to grow at nearly 6 percent over the same period. Despite rapid growth in 2004, Latin America and the Caribbean is the only region that failed to improve on growth rates of the 1990s because of low or negative growth in 2001 and 2002.

In achieving consistently high rates of growth over a long period, India and China have become more important in the world economy, as both consumers and producers. Growth has brought increasing demand for energy inputs, and growing imports of fuel have been blamed for rising fuel prices. But too much may be made of this. While China and India are now among the top 10 fuel importers and account for a large share of the increased demand for oil, they remain relatively small consumers compared with the major industrial countries. China and India accounted for only about 11 percent of the global increase in fuel imports between 2000 and 2004,

4e

Raising demand for energy supplies

Economy	Fuel imports (\$ billions)			Fuel imports as share of merchandise imports (%)			Increase in fuel imports (%)	Share of global increase in fuel imports (%)
	1995	2000	2004	1995	2000	2004	2000–04	2000–04
Brazil	7	9	12	12.1	15.1	18.8	40	1
China	5	21	48	3.9	9.2	8.5	131	7
India	8	19	34	23.8	36.7	34.6	78	4
Japan	54	77	99	16.1	20.4	21.7	28	6
United States	63	140	216	8.2	11.1	14.2	55	20
European Union	136	219	347	6.5	8.8	9.4	59	33
World	386	690	1,075	7.4	10.4	11.5	56	100

Source: World Bank data files.

whereas the United States alone accounted for 20 percent (table 4e). And in both China and India the share of fuel in merchandise imports has declined slightly since 2000.

Changes from the last edition

Interest and exchange rate indicators (table 5.7), which used to appear in section 5, *States and markets*, have moved to the *Economy* section, resulting in an additional table on monetary indicators (table 4.14), while the table showing growth in merchandise trade and terms of trade (table 4.4) has moved to section 6, *Global links* (table 6.2). *Economy* now shows the growth of exports and imports of goods and services from the national accounts data. Household final

consumption expenditure in dollar terms has been dropped from table 4.8. However, these data are still available on the *World Development Indicators* CD-ROM and World Development Indicators Online database. In table 4.8 gross savings, which has been changed to conform to the System of National Accounts definition, now includes net income as well as transfers. In table 4.14 the food price index data, which were inconsistent with the consumer price index data from the International Monetary Fund's *International Financial Statistics*, were replaced by wholesale price index data from the *International Financial Statistics*. Total debt service ratios replace public and publicly guaranteed debt service ratios in table 4.17.

4f

China's data revision

Recently, the national accounts of China have been revised by the National Bureau of Statistics (NBS), incorporating new information from the 2005 National Economic Census. The earlier economic census was taken in 1993.

As the information from the 2005 census has been incorporated, the revised national accounts have for the first time been able to capture the growing private sector, including the services industry. The revised accounts show not only that the size of the economy is larger, but also that it is growing at a slightly higher rate than previously shown.

The NBS has not only revised the estimates for 2004, but has also revised time series back to 1993. So far, however, revised data are available only for production. The old data are retained here for the expenditure accounts, and the differences are shown as a statistical discrepancy. As a result of this large statistical discrepancy final household consumption is larger than it will be when the final set of data is released. While the constant price series for the years before 1993 were scaled upward using the previous growth rates to yield a consistent series for calculating long-term growth trends, the current price series contains a break in the series in 1993, as current price data beyond 1993 are unadjusted.

As a result of the revision, Chinese GDP for 2004 is about \$1.93 trillion, some 17 percent higher than earlier published estimates. In real terms the economy grew at 10.1 percent, slightly higher than the previously published growth data. By the revised value-added estimates the service sector accounts for 41 percent of the economy, up from earlier estimates of 37 percent, and the industrial sector has declined from 49 percent to 46 percent, and agriculture from 14 percent to 13 percent. By the old data China's manufacturing sector was the fastest growing sector, contrary to trends in emerging economies like India, where the service sector has been growing faster. Now though still lower, the service sector is growing at almost the same rate as the manufacturing sector, nearly 10 percent in 2004.

China was ranked sixth in the global economy based on gross national income (GNI) in the last two editions of the *World Development Indicators*. The revised GNI estimates move China ahead of France to become the fifth largest economy in 2004 and, according to projections, will move it ahead of the United Kingdom next year to become the fourth largest. While still a lower-middle-income country, China has a more important role in the global economy than many of the largest industrial countries. For example, China is the fourth largest receiver of foreign direct investment, its reserves are second only to those of Japan, and its merchandise exports in dollar terms exceed all countries except Germany and the United States.



4.a

Recent economic performance

	Gross domestic product		Exports of goods and services		Imports of goods and services		GDP deflator		Current account balance		Total reserves ^a	
	average annual % growth		average annual % growth		average annual % growth		% growth		% of GDP		\$ millions	months of import coverage
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005		
Algeria	5.2	5.3	3.4	6.0	13.3	17.8	10.2	14.9	..	18.3	56,461	24.9
Argentina	9.0	7.5	8.2	15.1	39.8	18.6	9.2	8.2	2.2	-0.1	..	..
Armenia	7.0	13.9	14.8	22.0	8.5	17.2	0.6	3.1	-5.3	-3.6	755	4.2
Azerbaijan	10.2	24.3	10.7	76.1	23.3	18.2	6.4	12.0	-30.4	-5.2	1,178	3.3
Bangladesh	6.3	5.4	12.5	11.9	10.6	10.7	4.2	5.0	-0.5	-0.5	2,944	2.5
Bolivia	3.6	3.9	16.1	5.5	5.4	12.5	8.5	5.3	3.3	2.0	1,798	6.8
Bosnia and Herzegovina	6.2	5.3	8.9	11.5	2.8	5.2	2.9	2.5	-22.5	-23.9	2,668	4.0
Botswana	4.9	3.8	-0.3	19.5	2.7	12.0	4.8	9.3	..	8.9	5,865	19.3
Brazil	4.9	2.5	18.0	21.5	14.3	11.2	8.2	6.0	1.9	2.0	62,779	6.0
Bulgaria	5.6	5.6	13.1	4.7	14.1	11.4	4.2	3.6	-8.5	-14.9	8,701	4.6
Cameroon	4.3	3.9	1.7	3.1	4.1	4.8	0.4	-0.6	..	-2.4	124	0.3
Chile	6.1	5.2	22.0	5.1	-2.3	5.1	6.6	2.4	1.5	0.5	15,047	5.5
China	10.1	9.9	28.4	24.4	22.5	17.7	6.9	5.9	3.6	5.6	818,900	13.0
Colombia	4.1	4.0	10.2	15.5	16.7	16.7	7.1	5.1	-1.0	-1.1	14,956	6.7
Congo, Dem. Rep.	6.3	7.0	..	..	..	..	5.9	22.1	..	-4.2	360	1.2
Congo, Rep.	3.6	9.2	8.1	14.9	62.1	16.4	6.9	7.2	..	4.9	75	0.2
Costa Rica	4.2	3.5	7.1	6.8	7.8	13.1	11.6	10.8	-4.5	-4.7	2,080	2.2
Côte d'Ivoire	1.6	-0.3	15.7	-1.5	12.6	4.4	0.8	3.9	2.0	3.0	330	3.4
Croatia	3.8	3.7	5.4	6.1	3.5	3.5	3.3	3.4	-4.8	-3.8	9,082	5.1
Ecuador	7.0	3.3	15.1	4.2	9.8	5.3	4.1	2.8	-0.5	0.3	2,147	2.9
Egypt, Arab Rep.	4.2	4.9	27.6	25.6	22.0	30.7	11.5	5.4	5.0	3.3	19,302	8.0
El Salvador	1.5	2.5	6.6	3.3	3.4	3.3	4.3	4.0	-3.9	-3.6	2,139	3.1
Estonia	7.8	5.6	16.0	5.7	14.6	2.0	3.1	-1.5	-12.7	-6.5	1,780	2.4
Gabon	1.4	2.2	3.3	-5.8	3.8	1.8	7.0	8.9	..	7.0	..	..
Ghana	5.8	5.8	3.5	4.0	4.5	7.3	14.1	14.8	-2.7	-1.3	1,747	3.9
Guatemala	2.7	3.2	12.4	5.8	15.8	5.3	8.2	6.0	-4.3	-4.1	3,375	4.0
India	6.9	8.5	7.9	26.6	47.1	34.6	5.3	4.2	..	-3.7	142,489	7.2
Indonesia	5.1	5.9	8.5	14.5	25.0	15.2	7.1	7.5	1.2	1.0	47,088	5.1
Iran, Islamic Rep.	5.6	5.9	12.2	27.5	5.0	12.8	16.6	17.6	..	6.4	47,410	9.4
Jamaica	0.9	1.8	..	..	..	..	12.6	16.0	-5.7	-7.8	1,975	5.8
Jordan	7.7	7.5	13.0	8.7	27.4	8.1	5.2	4.0	-0.2	-10.4	5,396	5.8
Kazakhstan	9.4	9.4	10.5	11.5	14.5	13.9	9.9	16.1	1.3	5.3	7,070	3.4
Kenya	4.3	5.0	19.8	22.2	15.3	40.6	6.9	5.7	-2.4	-9.3	2,327	2.3
Latvia	8.3	6.0	9.3	7.5	15.6	4.5	7.2	0.3	-13.0	-8.5	..	..
Lebanon	6.3	1.0	23.4	-4.0	7.1	0.0	2.9	1.0	..	-18.1	10,556	12.3
Lesotho	2.3	0.0	0.7	5.5	1.5	3.7	1.7	2.1	-5.8	-5.5	447	3.8

	Gross domestic product		Exports of goods and services		Imports of goods and services		GDP deflator		Current account balance		Total reserves ^a	
	average annual % growth		average annual % growth		average annual % growth		% growth		% of GDP		\$ millions	months of import coverage
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005		
Lithuania	6.7	6.0	11.7	8.6	12.1	7.7	3.3	-0.7	-7.8	-4.4	3,041	2.6
Macedonia, FYR	2.9	3.6	11.7	11.0	10.6	-0.8	1.5	3.4	-7.8	-0.9	1,328	4.3
Malawi	6.7	2.6	-4.6	8.9	-5.3	12.7	11.6	15.3	..	-14.3	159	1.8
Malaysia	7.1	5.0	16.3	8.1	20.7	6.4	6.2	1.5	..	13.8	80,739	7.1
Mauritius	4.2	4.0	-1.7	1.7	2.0	0.0	6.0	5.4	-1.8	-0.4	1,485	4.7
Mexico	4.4	3.0	11.5	9.1	10.2	7.3	6.1	5.4	-1.1	-1.1	70,158	3.3
Moldova	7.3	7.0	8.3	15.3	0.4	27.0	8.0	7.0	-2.7	-5.5	597	2.7
Morocco	4.2	1.5	4.7	3.4	8.8	6.0	1.5	2.0	1.9	0.1	18,671	9.2
Nicaragua	5.2	4.0	15.8	9.9	9.4	12.1	10.2	12.0	-17.0	-18.0	782	2.7
Nigeria	6.0	4.0	3.1	-3.7	2.3	26.1	19.9	26.6	17.0	9.8	26,400	8.4
Pakistan	6.4	7.8	-1.5	16.9	-8.6	38.5	7.8	9.3	-0.8	-3.2	10,143	3.0
Panama	6.2	6.0	6.7	18.1	8.1	15.5	0.5	1.8	-8.2	-7.9	677	0.7
Paraguay	4.0	3.2	4.1	0.1	5.5	6.0	9.2	10.0	0.3	-0.3	981	3.9
Peru	4.8	6.7	14.7	14.2	10.4	9.9	5.7	3.5	0.0	1.3	14,097	14.0
Philippines	6.1	5.1	14.1	2.3	5.9	1.8	6.1	6.0	2.5	1.6	18,400	3.8
Poland	5.4	3.2	10.2	11.3	8.7	5.3	2.9	1.7	-4.3	-1.6	42,571	5.2
Romania	8.3	4.5	15.9	5.4	18.3	15.7	15.8	12.1	-7.6	-8.9	21,395	5.7
Russian Federation	7.1	6.4	12.3	2.5	23.5	19.2	18.1	19.7	10.3	11.3	182,200	17.5
Senegal	6.2	5.7	4.8	5.8	6.0	5.2	1.9	2.5	..	-7.6	1,092	3.5
Serbia and Montenegro	8.2	4.8	38.2	22.0	38.1	4.0	8.9	17.3	..	-9.0	5,900	6.2
Slovak Republic	5.5	6.0	11.5	9.0	12.7	8.7	4.6	1.6	..	-6.3	15,400	5.3
South Africa	3.7	5.0	2.9	11.3	12.9	9.5	5.9	4.3	-3.3	-4.2	658	3.5
Sri Lanka	5.4	5.3	7.8	7.5	9.3	8.7	9.4	9.7	-3.2	-5.6	2,571	2.9
Swaziland	2.1	1.8	1.1	-3.4	1.4	1.7	5.3	4.5	4.8	-1.6	230	1.1
Syrian Arab Republic	2.0	3.8	13.3	-9.2	27.0	6.7	10.5	9.6	0.9	1.2	4,790	5.8
Thailand	6.2	4.5	9.6	4.6	13.5	8.5	3.3	7.5	4.1	-2.1	52,066	5.3
Trinidad and Tobago	6.2	6.7	14.3	9.1	25.4	17.2	12.5	122.4	..	18.8	3,893	7.0
Tunisia	5.8	5.0	5.2	3.4	3.7	4.7	3.0	2.5	-2.0	-2.6	..	..
Turkey	8.9	6.0	12.5	5.0	24.7	10.6	9.9	7.7	-5.1	-6.2	52,433	5.4
Uganda	5.7	5.6	6.2	5.7	3.7	9.5	6.0	9.0	-2.9	-1.2	1,326	6.0
Ukraine	12.1	2.4	13.8	4.0	8.6	-9.0	15.1	15.0	10.5	2.7	19,395	5.5
Uruguay	11.9	6.0	22.9	16.2	29.7	21.0	7.4	5.0	-0.8	-0.8	2,837	6.8
Uzbekistan	7.7	7.0	21.8	11.5	19.3	7.3	15.1	15.9	..	9.5	2,889	7.9
Venezuela, RB	17.9	9.0	11.8	9.0	60.0	18.3	31.2	16.2	12.6	18.1	35,667	12.3
Zambia	4.7	5.1	12.6	16.3	10.3	18.1	20.2	18.9	..	-11.9	303	1.4

Note: Data for 2005 are the latest preliminary estimates and may differ from those in earlier World Bank publications.

a. International reserves including gold valued at London gold price.

Source: World Bank staff estimates.



4.1

Growth of output

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04
Afghanistan ^a	..	16.8	..	..	..	..	..	..	..	..
Albania	3.5	5.4	4.3	5.1	-0.5	4.8	..	..	7.0	7.7
Algeria	1.9	4.8	3.6	7.5	1.8	3.7	-2.1	-0.2	1.9	5.5
Angola ^a	1.6	8.1	-1.4	13.7	4.4	8.6	-0.3	11.3	-2.3	4.3
Argentina	4.3	-0.1	3.5	1.2	3.8	1.3	2.7	1.7	4.5	-1.2
Armenia	-1.9	11.3	0.4	5.0	-7.9	12.6	-4.3	8.4	-5.8	15.8
Australia	3.9	3.5	3.6	-2.8	2.9	3.7	2.2	2.4	4.3	3.7
Austria	2.4	1.2	1.6	0.6	2.7	1.8	2.7	0.8	2.3	0.9
Azerbaijan	-6.3	10.6	-2.1	6.7	-0.8	12.8	-12.0	9.5	-2.3	8.2
Bangladesh ^a	4.8	5.2	2.9	2.4	7.3	7.1	7.2	6.4	4.5	5.5
Belarus	-1.7	6.8	-4.0	6.1	-1.8	9.7	-0.7	10.2	-0.4	4.7
Belgium	2.1	1.4	2.8	1.3	1.7	0.3	2.8	0.3	1.9	1.8
Benin ^a	4.8	4.5	5.8	5.7	4.1	6.5	5.8	5.9	4.2	2.7
Bolivia ^a	4.0	2.6	2.9	3.3	4.1	2.3	3.8	2.8	4.3	2.2
Bosnia and Herzegovina	..	4.9	..	0.0	..	3.2	..	4.1	..	5.0
Botswana	4.9	5.5	-1.2	1.5	3.6	5.2	4.3	1.6	7.8	4.5
Brazil	2.9	2.0	3.3	5.4	2.6	2.1	1.5	3.1	3.0	-1.1
Bulgaria	-1.8	4.8	3.0	1.8	-5.0	5.3	..	8.2	-5.2	4.9
Burkina Faso	4.0	5.2	4.2	5.1	2.3	2.7	1.6	2.2	4.5	11.9
Burundi	-2.6	2.7	-1.6	1.9	-5.6	..	-8.0	..	-2.0	..
Cambodia ^a	7.1	6.3	3.9	2.8	14.3	14.2	18.6	14.6	7.1	3.9
Cameroon	1.7	4.5	5.5	6.0	-0.9	6.9	1.2	8.6	0.2	2.3
Canada	3.1	2.6	1.1	-1.5	3.2	0.5	4.5	-0.6	3.0	3.5
Central African Republic	2.0	-2.0	3.8	3.0	0.7	4.6	-0.2	4.0	-0.3	-16.0
Chad	1.9	14.1	4.4	..	2.2	..	..	..	1.0	6.2
Chile ^a	6.6	3.7	-2.7	-0.5	7.1	7.6	6.7	2.8	6.8	1.7
China ^{a, b}	10.6	9.4	4.1	3.4	13.7	10.6	..	..	10.2	9.8
Hong Kong, China	4.1	3.2	..	-1.0	..	-3.6	..	-6.9	..	4.3
Colombia ^a	2.8	2.9	-2.6	1.2	1.5	3.9	-2.5	2.7	4.5	2.7
Congo, Dem. Rep.	-4.9	3.6	1.2	..	-9.0	..	-13.4	..	-11.5	..
Congo, Rep. ^a	1.2	3.1	1.0	5.5	3.2	1.4	-3.0	12.7	-0.6	4.2
Costa Rica	5.3	3.9	4.1	1.6	6.2	2.7	6.7	2.1	4.6	5.1
Côte d'Ivoire ^a	3.3	-0.7	3.3	0.5	5.7	-3.5	4.9	-4.0	2.4	-0.2
Croatia	0.6	4.5	-3.0	0.2	-2.5	5.5	-3.3	3.5	2.2	5.2
Cuba ^a	4.2	..	5.2	..	6.6	..	6.3	..	2.5	..
Czech Republic	1.1	2.8	2.4	1.2	-0.2	4.1	3.8	6.0	1.7	2.0
Denmark	2.5	1.1	2.9	0.2	2.4	-0.8	2.1	0.1	2.5	1.7
Dominican Republic ^a	6.1	2.4	3.8	6.9	7.1	-1.1	4.9	0.0	6.0	2.5
Ecuador ^a	1.9	4.2	-1.7	2.9	2.7	5.5	1.5	2.2	2.4	3.6
Egypt, Arab Rep.	4.7	3.4	3.1	3.7	5.1	2.3	6.4	2.9	4.1	4.1
El Salvador ^a	4.8	1.9	1.2	0.2	5.2	2.5	5.2	2.5	4.0	1.9
Eritrea	5.7	3.3	1.5	-0.5	15.0	4.1	10.6	6.6	5.7	2.0
Estonia	0.2	7.0	-3.4	-2.0	-3.3	10.5	5.9	11.6	3.1	5.9
Ethiopia	4.2	3.6	1.9	0.9	3.7	4.4	3.7	2.5	6.5	4.3
Finland	2.6	2.3	1.8	-0.6	3.9	1.8	5.8	0.9	2.2	2.5
France	2.0	1.5	2.0	-0.6	1.0	1.0	..	..	2.4	1.6
Gabon ^a	2.8	1.6	-1.4	5.1	2.5	2.7	0.6	..	3.9	-0.1
Gambia, The	3.0	3.8	3.3	-0.2	1.0	7.3	0.9	4.2	3.7	5.9
Georgia	-7.2	7.2	-11.0	2.6	-8.1	10.5	-7.0	5.9	-0.3	8.2
Germany	1.8	0.6	-0.2	-0.1	-0.1	-0.1	-0.1	-0.4	2.9	1.3
Ghana ^a	4.3	4.9	3.4	5.0	2.6	4.1	-3.2	2.0	5.7	5.0
Greece	2.2	4.2	0.5	-0.3	1.0	4.0	2.0	2.7	2.6	4.9
Guatemala ^a	4.2	2.3	2.8	2.1	4.3	1.4	2.8	1.1	4.7	2.7
Guinea	4.4	2.9	4.6	4.5	4.7	3.2	4.1	2.0	3.6	1.8
Guinea-Bissau	1.2	-1.2	3.9	3.3	-3.1	14.1	-2.0	14.6	-0.6	4.9
Haiti ^a	-1.5	-0.4	-7.4	-1.2	3.2	0.5	-8.4	-2.2	-1.2	-0.3

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1990–2000	2000–04	1990–2000	2000–04	1990–2000	2000–04	1990–2000	2000–04	1990–2000	2000–04
Honduras	3.2	3.3	2.2	4.4	3.6	2.2	4.0	3.8	3.8	3.6
Hungary	1.6	4.0	-2.4	5.5	3.5	3.3	7.9	4.5	1.2	3.9
India	6.0	6.2	3.0	2.0	6.3	6.2	7.0	6.5	8.0	8.2
Indonesia ^a	4.2	4.6	2.1	3.9	5.3	3.8	6.7	5.1	4.0	5.7
Iran, Islamic Rep.	3.5	6.0	3.5	5.2	-3.3	8.3	4.9	10.7	8.9	4.9
Iraq	..	-11.4	..	-3.6	..	-17.0	..	-12.8	..	5.9
Ireland	7.5	5.1	..	..	..	..	..	..	..	..
Israel	5.3	1.0	..	..	..	..	..	..	..	..
Italy	1.6	0.8	1.6	-0.8	1.1	0.2	1.5	-0.9	1.7	1.2
Jamaica ^a	0.9	1.5	-0.3	-1.4	-1.0	1.8	-2.3	0.2	2.3	1.6
Japan	1.3	0.9	-3.1	-2.2	-0.1	-0.1	0.8	0.7	2.2	0.6
Jordan	5.0	5.5	-3.0	11.6	5.2	9.3	5.6	11.4	5.0	4.3
Kazakhstan	-4.1	10.3	-8.0	4.9	-9.3	11.5	2.7	9.2	-1.5	10.2
Kenya	2.2	2.7	1.9	1.9	1.2	3.5	1.3	2.5	3.2	3.1
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep. ^a	5.8	4.7	1.6	-1.0	6.0	6.2	7.3	6.6	5.6	4.0
Kuwait ^a	4.7	4.7	1.0	15.1	0.3	1.9	-0.1	2.5	2.7	4.5
Kyrgyz Republic	-4.1	4.5	1.5	4.1	-10.3	2.4	-7.5	3.6	-4.9	6.6
Lao PDR	6.5	6.0	4.8	3.3	11.1	10.8	11.7	10.9	6.6	6.4
Latvia	-1.6	7.4	-5.7	2.7	-8.7	8.6	-7.8	8.1	2.6	7.4
Lebanon	5.8	4.4	2.1	2.7	-3.8	4.2	-5.2	4.4	..	3.5
Lesotho	3.9	3.1	2.0	-1.8	5.1	4.7	6.6	3.9	4.4	3.2
Liberia	4.1	-8.7	..	..	..	..	..	..	..	..
Libya	..	5.5	..	..	..	..	..	..	..	..
Lithuania	-2.7	7.5	-0.8	2.7	3.3	10.5	5.7	9.6	5.5	6.4
Macedonia, FYR	-0.8	0.7	0.2	-0.6	-2.9	0.4	-5.4	-1.3	1.0	1.3
Madagascar	2.0	0.9	1.8	1.3	2.4	-0.2	2.0	1.4	2.4	0.3
Malawi	3.7	2.9	8.6	1.8	2.0	0.1	0.5	-0.8	1.6	2.5
Malaysia ^a	7.0	4.4	0.3	3.4	8.6	4.2	9.5	4.4	7.3	4.7
Mali	4.1	6.3	2.6	5.1	6.4	5.9	-1.4	5.3	3.0	5.9
Mauritania	4.6	4.7	4.4	-0.3	3.5	4.3	-1.9	-6.3	5.5	6.7
Mauritius	5.2	4.4	-0.5	2.8	5.4	2.9	5.3	2.0	6.4	6.1
Mexico ^a	3.1	1.5	1.5	2.6	3.8	0.0	4.4	-0.6	2.9	2.1
Moldova	-9.6	7.0	-11.2	1.3	-13.6	9.5	-7.1	8.8	0.7	6.0
Mongolia ^a	3.5	5.2	3.7	-3.3	2.3	8.4	-9.7	14.3	0.5	6.9
Morocco ^a	2.3	4.7	-0.8	12.6	3.2	3.6	2.7	3.5	2.8	3.5
Mozambique	6.4	8.8	4.8	8.9	12.8	11.8	18.6	15.2	4.8	7.5
Myanmar ^a	7.0	..	5.7	..	10.5	..	7.9	..	7.2	..
Namibia	4.0	4.7	3.8	1.2	2.4	7.3	2.6	6.7	4.5	4.5
Nepal	4.9	2.5	2.4	3.3	7.2	0.7	8.9	-1.4	6.2	2.3
Netherlands	2.9	0.5	2.0	0.1	1.5	-0.6	2.3	-1.4	3.3	1.0
New Zealand	3.2	4.0	2.9	2.5	2.5	3.6	2.2	3.1	3.4	4.2
Nicaragua ^a	3.7	2.5	4.9	2.5	3.9	3.2	3.5	3.8	3.0	3.3
Niger ^a	2.4	4.1	3.0	6.4	2.0	3.1	2.6	3.9	1.9	4.3
Nigeria	2.5	5.4	3.4	5.3	1.0	5.1	1.1	8.8	3.1	6.1
Norway	4.0	1.6	2.6	0.4	3.8	-0.2	1.6	..	4.0	2.6
Oman ^a	4.5	3.0	5.0	2.2	3.9	-0.5	6.0	9.3	5.0	5.9
Pakistan	3.8	4.1	4.4	1.3	4.1	5.3	3.8	8.0	4.4	4.8
Panama	4.7	3.3	3.1	4.2	6.0	1.5	2.7	-2.1	4.5	3.6
Papua New Guinea	4.3	0.6	4.1	2.2	5.6	-3.6	5.5	-1.1	1.5	1.4
Paraguay	2.2	1.4	2.5	6.1	3.2	-1.9	0.7	-0.4	1.6	0.1
Peru ^a	4.6	3.7	5.5	2.6	5.0	5.0	3.8	2.6	4.2	2.8
Philippines ^a	3.4	3.9	1.7	2.4	3.5	2.4	3.0	3.9	4.0	5.8
Poland	4.6	2.8	0.9	4.7	7.3	2.3	10.0	5.2	4.6	2.9
Portugal	2.7	0.3	0.0	0.9	3.0	-1.2	2.4	-0.1	2.2	1.3
Puerto Rico ^a	4.2	..	..	..	..	..	..	..	..	..



4.1 | Growth of output

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	average annual % growth		average annual % growth		average annual % growth		average annual % growth		average annual % growth	
	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04
Romania	-0.6	5.9	-1.9	8.9	-1.2	5.9	..	..	0.9	5.6
Russian Federation	-4.7	6.1	-4.9	5.4	-7.1	6.2	..	..	-1.7	6.0
Rwanda	-0.3	5.2	2.6	4.7	-3.7	6.1	-6.0	5.8	-1.2	5.4
Saudi Arabia ^a	2.1	3.4	1.6	1.1	2.2	3.6	5.6	5.5	2.2	3.6
Senegal ^a	3.2	4.4	2.9	0.0	4.1	6.8	3.1	5.9	3.0	5.1
Serbia and Montenegro	1.5	4.7	..	-5.5	..	1.2	..	..	..	7.2
Sierra Leone ^a	-6.1	7.2	-13.0	..	-4.5	..	6.1	..	-2.9	..
Singapore ^a	7.7	2.9	-2.6	-1.1	8.8	1.2	7.9	3.2	7.5	3.7
Slovak Republic ^a	1.9	4.6	2.7	3.6	2.4	5.2	6.6	5.7	5.7	4.4
Slovenia	2.7	3.2	-0.5	-1.2	1.6	3.9	1.4	4.7	3.2	3.3
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	2.1	3.2	1.0	-0.4	1.1	2.0	1.6	1.7	2.7	4.1
Spain	2.6	3.0	1.2	-0.4	2.1	2.8	..	1.0	2.8	3.1
Sri Lanka	5.3	3.7	1.8	0.4	7.0	2.5	8.1	2.0	5.7	5.6
Sudan	5.4	6.0	9.2	..	5.8	..	4.4	..	2.7	..
Swaziland	3.3	2.3	1.2	-0.3	3.8	2.0	2.9	1.8	3.6	3.5
Sweden	2.2	2.0	-0.7	2.5	4.2	3.1	8.5	..	1.8	1.4
Switzerland	1.0	0.6	-2.0	..	0.4	..	1.2	..	1.2	..
Syrian Arab Republic ^a	5.0	3.5	5.8	3.3	8.7	-4.7	..	..	2.0	9.0
Tajikistan	-10.4	10.0	-6.8	12.3	-10.8	10.9	-10.0	11.0	-4.0	5.6
Tanzania ^c	2.9	6.8	3.2	4.9	3.1	8.9	2.7	7.6	2.7	5.9
Thailand ^a	4.2	5.4	1.0	3.2	5.7	6.9	6.9	7.2	3.8	4.3
Togo	3.5	2.6	4.0	2.7	1.8	8.2	1.8	7.6	3.9	-0.2
Trinidad and Tobago ^a	3.2	7.2	2.7	-6.8	3.5	12.0	4.9	6.0	2.9	5.1
Tunisia	4.7	4.3	2.3	3.7	4.6	3.0	5.5	3.0	5.3	5.1
Turkey	3.8	4.2	1.4	0.6	4.1	3.4	4.9	5.2	4.0	4.4
Turkmenistan	-4.8	..	-5.7	..	-3.4	..	..	..	-5.4	..
Uganda	7.1	5.8	3.7	3.9	12.2	7.0	14.1	5.0	8.2	7.2
Ukraine	-9.3	8.6	-5.6	3.0	-12.9	10.8	-11.2	14.0	-8.1	8.8
United Arab Emirates	4.8	7.9	13.2	1.7	3.0	5.5	11.9	6.5	7.2	8.2
United Kingdom	2.7	2.3	-0.2	1.2	1.5	-0.1	..	..	3.5	2.9
United States	3.5	2.5	3.7	-0.7	3.7	0.0	..	0.6	3.4	2.5
Uruguay	3.4	-1.2	2.8	6.0	1.1	-2.1	-0.1	-0.8	4.6	-2.2
Uzbekistan	-0.2	4.8	0.5	6.7	-3.4	3.6	0.7	2.0	0.4	4.3
Venezuela, RB ^a	1.6	-1.2	1.3	-0.4	1.2	-2.8	4.5	-2.1	-0.1	1.4
Vietnam ^a	7.9	7.2	4.3	3.6	11.9	10.1	11.2	11.2	7.5	6.6
West Bank and Gaza	3.4	-13.3	-3.4	-10.7	-0.6	-22.0	4.1	-16.2	4.7	-9.7
Yemen, Rep. ^a	6.0	3.6	5.6	5.3	7.5	2.8	3.7	2.5	5.4	3.1
Zambia ^a	0.5	4.4	4.2	1.3	-4.2	8.9	0.8	5.9	2.5	4.0
Zimbabwe	2.1	-5.9	4.3	-9.0	0.4	-10.1	0.4	-11.1	2.9	-7.5
World	2.9 w	2.5 w	1.8 w	2.1 w	2.4 w	1.4 w	.. w	1.0 w	3.1 w	2.3 w
Low income	4.7	5.5	3.1	2.7	4.9	6.0	5.8	6.5	5.9	6.7
Middle income	3.8	4.7	2.0	3.4	4.3	5.6	..	..	3.9	4.1
Lower middle income	5.2	6.0	2.6	3.8	6.4	7.3	..	..	5.1	5.4
Upper middle income	2.1	2.7	0.3	2.2	1.5	2.5	4.5	2.1	2.8	2.7
Low & middle income	3.9	4.8	2.3	3.2	4.3	5.6	..	..	4.2	4.4
East Asia & Pacific	8.5	8.1	3.4	3.4	11.0	9.1	..	..	8.0	8.4
Europe & Central Asia	-0.8	5.0	-1.7	3.3	-3.0	5.3	..	..	0.8	4.8
Latin America & Carib.	3.3	1.6	1.8	3.1	3.2	1.4	2.9	1.1	3.3	0.7
Middle East & N. Africa	3.9	3.8	2.9	5.1	2.1	1.9	3.7	5.2	4.7	4.5
South Asia	5.6	5.8	3.1	1.9	6.2	6.1	6.6	6.5	7.1	7.5
Sub-Saharan Africa	2.5	3.9	3.3	3.6	1.9	4.0	1.9	2.3	2.7	3.9
High income	2.7	2.0	1.0	-1.3	1.9	0.3	..	0.7	3.0	2.0
Europe EMU	2.1	1.3	1.3	-0.4	1.0	0.6	1.8	-0.2	2.5	1.6

a. Components are at producer prices. b. China has revised its national accounts data from 1993 onwards. Data before 1993 are linked to the revised data on the basis of earlier growth rates. c. Data cover mainland Tanzania only.

About the data

An economy's growth is measured by the change in the volume of its output or in the real incomes of its residents. The 1993 United Nations System of National Accounts (1993 SNA) offers three plausible indicators for calculating growth: the volume of gross domestic product (GDP), real gross domestic income, and real gross national income. The volume of GDP is the sum of value added, measured at constant prices, by households, government, and industries operating in the economy. This year's edition of *World Development Indicators* continues to measure growth of the economy by the change in GDP measured at constant prices.

Each industry's contribution to growth in the economy's output is measured by growth in the industry's value added. In principle, value added in constant prices can be estimated by measuring the quantity of goods and services produced in a period, valuing them at an agreed set of base year prices, and subtracting the cost of intermediate inputs, also in constant prices. This double-deflation method, recommended by the 1993 SNA and its predecessors, requires detailed information on the structure of prices of inputs and outputs.

In many industries, however, value added is extrapolated from the base year using single volume indexes of outputs or, more rarely, inputs. Particularly in the services industries, including most of government, value added in constant prices is often imputed from labor inputs, such as real wages or number of employees. In the absence of well-defined measures of output, measuring the growth of services remains difficult.

Moreover, technical progress can lead to improvements in production processes and in the quality of goods and services that, if not properly accounted for, can distort measures of value added and thus of growth. When inputs are used to estimate output, as is the case for nonmarket services, unmeasured technical progress leads to underestimates of the volume of output. Similarly, unmeasured improvements in the quality of goods and services produced lead to underestimates of the value of output and value added. The result can be underestimates of growth and productivity improvement and overestimates of inflation. These issues are highly complex, and only a few high-income countries have attempted to introduce any GDP adjustments for these factors.

Informal economic activities pose a particular measurement problem, especially in developing countries, where much economic activity may go unrecorded. Obtaining a complete picture of the economy requires estimating household outputs produced for home use, sales in informal markets, barter exchanges,

and illicit or deliberately unreported activities. The consistency and completeness of such estimates depend on the skill and methods of the compiling statisticians and the resources available to them.

Rebasing national accounts

When countries rebase their national accounts, they update the weights assigned to various components to better reflect the current pattern of production or uses of output. The new base year should represent normal operation of the economy—that is, it should be a year without major shocks or distortions. Some developing countries have not rebased their national accounts for many years. Using an old base year can be misleading because implicit price and volume weights become progressively less relevant and useful.

To obtain comparable series of constant price data, the World Bank rescales GDP and value added by industrial origin to a common reference year. This year's *World Development Indicators* continues to use 2000 as the reference year. Because rescaling changes the implicit weights used in forming regional and income group aggregates, aggregate growth rates in this year's *World Development Indicators* are not comparable with those from earlier publications with different base years.

Rescaling may result in a discrepancy between the rescaled GDP and the sum of the rescaled components. Because allocating the discrepancy would cause distortions in the growth rates, the discrepancy is left unallocated. As a result, the weighted average of the growth rates of the components generally will not equal the GDP growth rate.

Growth rates of GDP and its components are calculated using constant price data in the local currency. Regional and income group growth rates are calculated after converting local currencies to constant price U.S. dollars using an exchange rate in the common reference year. The growth rates in the table are average annual compound growth rates. Methods of computing growth rates and the alternative conversion factor are described in *Statistical methods*.

Changes in the System of National Accounts

World Development Indicators adopted the terminology of the 1993 SNA in 2001. Although many countries continue to compile their national accounts according to the SNA version 3 (referred to as the 1968 SNA), more and more are adopting the 1993 SNA. Some low-income countries still use concepts from the even older 1953 SNA guidelines, including valuations such as factor cost, in describing major economic aggregates. Countries that use the 1993 SNA are identified in *Primary data documentation*.

Definitions

- **Gross domestic product (GDP)** at purchaser prices is the sum of gross value added by all resident producers in the economy plus any product taxes (less subsidies) not included in the valuation of output. It is calculated without deducting for depreciation of fabricated capital assets or for depletion and degradation of natural resources. Value added is the net output of an industry after adding up all outputs and subtracting intermediate inputs. The industrial origin of value added is determined by the International Standard Industrial Classification (ISIC) revision 3.
- **Agriculture** corresponds to ISIC divisions 1–5 and includes forestry and fishing.
- **Industry** covers mining, manufacturing (also reported separately), construction, electricity, water, and gas (ISIC divisions 10–45).
- **Manufacturing** corresponds to industries belonging to ISIC divisions 15–37.
- **Services** correspond to ISIC divisions 50–99. This sector is derived as a residual (from GDP less agriculture and industry) and may not properly reflect the sum of services output, including banking and financial services. For some countries it includes product taxes (minus subsidies) and may also include statistical discrepancies.

Data sources

National accounts data for most developing countries are collected from national statistical organizations and central banks by visiting and resident World Bank missions. Data for high-income economies come from data files of the Organisation for Economic Co-operation and Development (for information on the OECD's national accounts series, see its *Annual National Accounts for OECD Member Countries: Data from 1970 Onwards*). The World Bank rescales constant price data to a common reference year. The complete national accounts time series is available on the *World Development Indicators 2006 CD-ROM*. The United Nations Statistics Division publishes detailed national accounts for UN member countries in *National Accounts Statistics: Main Aggregates and Detailed Tables* and publishes updates in the *Monthly Bulletin of Statistics*.



4.2

Structure of output

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	\$ millions		% of GDP		% of GDP		% of GDP		% of GDP	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Afghanistan ^a	..	5,761	..	..	..	..	..	..	..	..
Albania	2,102	7,590	36	25	48	19	..	11	16	56
Algeria	62,045	84,649	11	10	48	57	11	7	41	34
Angola ^a	10,260	19,493	18	9	41	58	5	4	41	33
Argentina	141,352	153,014	8	10	36	36	27	24	56	54
Armenia	2,257	3,079	17	23	52	37	33	23	31	40
Australia	310,518	637,327	4	3	29	26	14	12	67	71
Austria	164,984	292,328	4	2	32	31	21	20	64	67
Azerbaijan	8,858	8,523	29	12	33	55	19	9	38	32
Bangladesh ^a	30,129	56,585	30	21	22	27	13	16	48	52
Belarus	17,370	22,889	24	11	47	40	39	32	29	50
Belgium	197,176	352,312	2	1	33	25	..	18	65	73
Benin ^a	1,845	4,075	36	37	13	15	8	9	51	48
Bolivia ^a	4,868	8,773	17	16	35	31	19	14	49	54
Bosnia and Herzegovina	..	8,533	..	12	..	28	..	13	..	61
Botswana	3,792	8,974	5	3	61	51	5	5	34	47
Brazil	461,952	603,973	8	10	39	40	25	11	53	50
Bulgaria	20,731	24,131	17	11	49	31	..	19	34	58
Burkina Faso	3,120	4,824	28	31	20	20	15	14	52	49
Burundi	1,132	657	56	51	19	20	13	..	25	29
Cambodia ^a	1,115	4,884	..	33	..	29	..	22	..	38
Cameroon	11,152	14,391	25	44	30	16	15	8	46	40
Canada	574,192	977,968	3	..	32	..	17	..	65	..
Central African Republic	1,488	1,307	48	56	20	22	11	..	33	23
Chad	1,739	4,221	29	64	18	8	14	6	53	29
Chile ^a	30,323	94,105	9	4	42	45	20	19	50	52
China ^{a, b}	354,644	1,931,710	27	13	42	46	33	..	31	41
Hong Kong, China	75,433	163,005	0	0	25	11	18	4	74	89
Colombia ^a	40,274	97,718	17	12	38	31	21	14	45	58
Congo, Dem. Rep.	9,350	6,628	31	58	29	19	11	4	40	22
Congo, Rep. ^a	2,799	4,343	13	6	41	57	8	6	47	37
Costa Rica	5,713	18,496	18	9	29	29	22	21	53	63
Côte d'Ivoire ^a	10,796	15,475	33	22	23	21	21	17	44	58
Croatia	24,778	34,311	10	8	34	30	28	19	56	62
Cuba ^a	..	..	..	..	..	..	..	..	..	..
Czech Republic	34,880	107,015	6	3	49	38	..	26	45	59
Denmark	133,360	241,437	5	2	27	25	18	16	69	73
Dominican Republic ^a	7,074	18,673	13	11	31	26	18	13	55	63
Ecuador ^a	10,356	30,282	13	7	38	31	19	10	49	62
Egypt, Arab Rep.	43,130	78,796	19	15	29	37	18	18	52	48
El Salvador ^a	4,801	15,824	17	10	27	31	22	24	55	60
Eritrea	477	925	31	15	12	24	8	11	57	61
Estonia	5,010	11,239	17	4	50	29	42	18	34	67
Ethiopia	8,609	8,003	49	47	13	10	8	..	38	44
Finland	136,962	185,923	7	3	34	31	23	23	59	66
France	1,239,256	2,046,646	4	3	27	22	..	14	70	76
Gabon ^a	5,952	7,229	7	8	43	61	6	5	50	31
Gambia, The	317	415	29	32	13	14	7	5	58	54
Georgia	7,738	5,202	32	18	34	25	24	19	35	57
Germany	1,707,383	2,740,551	2	1	38	29	28	23	61	70
Ghana ^a	5,886	8,869	45	38	17	25	10	9	38	37
Greece	84,073	205,215	11	7	28	23	..	12	61	70
Guatemala ^a	7,650	27,451	26	23	20	19	15	13	54	58
Guinea	2,818	3,870	24	25	33	37	5	4	43	38
Guinea-Bissau	244	280	61	63	19	12	8	9	21	25
Haiti ^a	2,864	3,530	..	27	..	17	..	9	..	55

Structure of output

4.2

ECONOMY

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	\$ millions		% of GDP		% of GDP		% of GDP		% of GDP	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Honduras	3,049	7,371	22	14	26	31	16	20	51	56
Hungary	33,056	100,685	15	3	39	31	23	23	46	66
India	316,937	691,163	31	21	28	27	17	16	41	52
Indonesia ^a	114,426	257,641	19	15	39	44	21	28	42	41
Iran, Islamic Rep.	120,404	163,445	24	11	29	42	12	12	48	48
Iraq	48,422	12,602	..	9	..	70	..	2	..	21
Ireland	47,299	181,623	9	3	35	41	28	31	56	56
Israel	52,490	116,879	..	..	..	..	..	..	..	..
Italy	1,102,380	1,677,834	4	3	34	28	25	20	63	70
Jamaica ^a	4,592	8,865	8	6	46	33	21	14	59	62
Japan	3,039,693	4,622,771	3	1	39	31	27	21	58	68
Jordan	4,020	11,515	8	3	28	29	15	19	64	68
Kazakhstan	26,933	40,743	27	8	45	40	9	16	29	52
Kenya	8,591	16,088	30	27	19	17	12	11	51	56
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep. ^a	263,776	679,674	9	4	42	41	27	29	50	56
Kuwait ^a	18,428	55,718	1	1	52	59	12	3	47	41
Kyrgyz Republic	2,674	2,205	34	37	36	21	28	14	30	42
Lao PDR	866	2,452	61	47	15	28	10	20	24	26
Latvia	7,447	13,571	22	4	46	23	35	13	32	73
Lebanon	2,838	21,768	..	7	..	21	..	13	..	72
Lesotho	615	1,312	24	18	33	41	14	19	44	42
Liberia	384	492	54	43	17	6	..	6	29	51
Libya	28,905	29,119	..	..	..	..	..	..	..	..
Lithuania	10,506	22,263	27	6	31	34	21	21	42	60
Macedonia, FYR	4,478	5,355	9	13	45	28	36	16	47	59
Madagascar	3,081	4,364	29	29	13	16	11	14	59	55
Malawi	1,881	1,879	45	39	29	17	20	11	26	44
Malaysia ^a	44,024	118,318	15	10	42	50	24	31	43	40
Mali	2,421	4,863	46	36	16	26	9	3	39	39
Mauritania	1,020	1,534	30	18	29	34	10	10	42	48
Mauritius	2,383	6,034	13	6	33	30	25	21	54	64
Mexico ^a	262,710	676,497	8	4	28	26	21	18	64	70
Moldova	3,593	2,595	36	21	37	24	..	17	27	55
Mongolia ^a	..	1,612	17	21	30	30	..	5	52	49
Morocco ^a	25,784	50,031	18	16	32	30	18	17	50	54
Mozambique	2,463	6,086	37	22	18	31	10	13	45	47
Myanmar ^a	..	..	57	..	11	..	8	..	32	..
Namibia	2,350	5,712	12	10	38	32	14	14	50	58
Nepal	3,628	6,707	52	40	16	23	6	9	32	37
Netherlands	294,761	578,979	5	2	31	26	19	15	65	72
New Zealand	43,618	98,944	7	..	28	..	19	..	65	..
Nicaragua ^a	1,009	4,555	37	19	25	31	20	20	56	50
Niger ^a	2,481	3,081	35	40	16	17	7	7	49	43
Nigeria	28,472	72,053	33	17	41	57	6	4	26	27
Norway	116,108	250,052	4	2	36	39	13	11	61	59
Oman ^a	11,685	24,284	3	2	54	56	3	8	43	42
Pakistan	40,010	96,115	26	22	25	25	17	18	49	53
Panama	5,313	13,733	10	8	15	18	10	8	75	74
Papua New Guinea	3,221	3,909	29	29	30	42	9	9	41	29
Paraguay	5,265	7,343	28	27	25	24	17	14	47	49
Peru ^a	26,294	68,637	9	10	27	30	18	16	64	60
Philippines ^a	44,312	84,567	22	14	35	32	25	24	44	54
Poland	58,976	242,293	8	3	50	33	..	20	42	64
Portugal	71,462	167,716	9	4	32	27	22	17	60	70
Puerto Rico ^a	30,604	..	1	..	42	..	40	..	57	..



4.2

Structure of output

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	\$ millions		% of GDP		% of GDP		% of GDP		% of GDP	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Romania	38,299	73,167	24	14	50	37	34	31	26	49
Russian Federation	516,814	581,447	17	5	48	35	..	..	35	60
Rwanda	2,584	1,845	33	41	25	22	18	10	43	38
Saudi Arabia ^a	116,778	250,557	6	4	49	59	9	10	46	37
Senegal ^a	5,699	7,775	20	17	19	20	13	12	61	63
Serbia and Montenegro	..	23,997	..	19	..	36	..	22	..	45
Sierra Leone ^a	650	1,075	47	..	19	..	5	..	34	..
Singapore ^a	36,901	106,818	..	0	..	35	..	29	..	65
Slovak Republic ^a	15,485	41,094	7	4	59	30	..	19	34	67
Slovenia	17,413	32,182	6	3	42	37	34	27	52	61
Somalia	917	..	66	..	..	..	5	..	..	..
South Africa	112,014	212,777	5	3	40	32	24	20	55	65
Spain	526,471	1,039,927	7	4	34	29	..	16	59	67
Sri Lanka	8,032	20,055	26	18	26	27	15	15	48	55
Sudan	13,167	21,098	..	39	..	25	..	6	..	36
Swaziland	882	2,396	13	13	42	47	35	39	45	40
Sweden	240,153	346,412	3	2	32	29	..	21	64	69
Switzerland	235,808	357,542	3	1	33	29	22	20	64	70
Syrian Arab Republic ^a	12,309	24,022	28	23	24	27	20	..	48	50
Tajikistan	2,629	2,073	33	24	38	31	25	22	29	45
Tanzania ^c	4,259	10,851	46	45	18	17	9	7	36	39
Thailand ^a	85,345	161,688	13	10	37	44	27	35	50	46
Togo	1,628	2,061	34	41	23	23	10	9	44	36
Trinidad and Tobago ^a	5,068	12,544	3	1	45	47	13	7	52	52
Tunisia	12,291	28,185	16	13	30	28	17	18	55	60
Turkey	150,642	302,786	18	13	30	22	20	14	52	65
Turkmenistan	3,232	6,167	32	21	30	45	..	21	38	34
Uganda	4,304	6,822	57	32	11	21	6	9	32	47
Ukraine	81,456	64,828	26	12	45	37	39	23	30	51
United Arab Emirates	33,653	104,204	2	3	64	55	8	13	35	42
United Kingdom	989,524	2,124,385	2	1	35	26	23	..	63	73
United States	5,757,200	11,711,834	2	1	28	22	19	15	70	77
Uruguay	9,287	13,215	9	11	33	29	27	21	58	60
Uzbekistan	13,361	11,960	33	31	33	25	22	10	34	44
Venezuela, RB ^a	47,027	110,104	6	5	61	52	15	18	34	44
Vietnam ^a	6,472	45,210	39	22	23	40	12	20	39	38
West Bank and Gaza	..	3,454	..	6	..	12	..	10	..	82
Yemen, Rep. ^a	4,828	12,834	24	14	27	38	9	5	49	49
Zambia ^a	3,288	5,402	21	21	51	27	36	12	28	52
Zimbabwe	8,784	4,696	17	18	33	23	23	14	50	60
World	21,735,592 t	41,290,409 t	6 w	4 w	33 w	28 w	22 w	18 w	61 w	68 w
Low income	609,821	1,239,169	32	23	26	28	15	15	42	49
Middle income	3,238,587	7,156,777	16	10	39	37	25	18	46	53
Lower middle income	1,656,377	4,165,291	19	12	39	41	27	..	42	46
Upper middle income	1,582,075	2,991,524	10	6	39	32	22	20	51	62
Low & middle income	3,849,026	8,395,211	18	12	37	36	23	18	45	52
East Asia & Pacific	665,783	2,650,867	25	13	40	45	30	..	35	42
Europe & Central Asia	1,107,862	1,769,739	16	8	43	32	..	19	41	60
Latin America & Carib.	1,101,298	2,021,995	9	9	36	34	22	16	55	58
Middle East & N. Africa	..	547,496	19	12	33	39	14	14	49	49
South Asia	401,923	880,212	31	21	27	27	17	16	43	52
Sub-Saharan Africa	298,442	523,310	20	16	34	32	17	15	47	52
High income	17,887,372	32,900,093	3	2	33	26	22	18	65	72
Europe EMU	5,583,289	9,500,919	4	2	33	27	..	19	63	71

a. Components are at producer prices. b. China has revised its national accounts data from 1993 onwards. Data before 1993 are not comparable with the later data. c. Data cover mainland Tanzania only.

About the data

An economy's gross domestic product (GDP) represents the sum of value added by all producers in that economy. Value added is the value of the gross output of producers less the value of intermediate goods and services consumed in production, before taking account of the consumption of fixed capital in the production process. The United Nations System of National Accounts calls for estimates of value added to be valued at either basic prices (excluding net taxes on products) or producer prices (including net taxes on products paid by producers but excluding sales or value added taxes). Both valuations exclude transport charges that are invoiced separately by producers. Total GDP shown in the table and elsewhere in this book is measured at purchaser prices. Value added by industry is normally measured at basic prices. When value added is measured at producer prices, this is noted in *Primary data documentation*.

While GDP estimates based on the production approach are generally more reliable than estimates compiled from the income or expenditure side, different countries use different definitions, methods, and reporting standards. World Bank staff review the quality of national accounts data and sometimes make adjustments to improve consistency with international guidelines. Nevertheless, significant discrepancies remain between international standards and actual practice. Many statistical offices, especially those in developing countries, face severe limitations in the resources, time, training, and budgets required to produce reliable and comprehensive series of national accounts statistics.

Data problems in measuring output

Among the difficulties faced by compilers of national accounts is the extent of unreported economic activity in the informal or secondary economy. In developing countries a large share of agricultural output is either not exchanged (because it is consumed within the household) or not exchanged for money.

Agricultural production often must be estimated indirectly, using a combination of methods involving estimates of inputs, yields, and area under cultivation. This approach sometimes leads to crude approximations that can differ from the true values over time and across crops for reasons other than climatic conditions or farming techniques. Similarly, agricultural inputs that cannot easily be allocated to specific outputs are frequently "netted out" using equally crude and ad hoc approximations. For further discussion of the measurement of agricultural production, see *About the data* for table 3.3.

Ideally, industrial output should be measured through regular censuses and surveys of firms. But in most developing countries such surveys are infrequent, so earlier survey results must be extrapolated using an appropriate indicator. The choice of sampling unit, which may be the enterprise (where responses may be based on financial records) or the establishment (where production units may be recorded separately), also affects the quality of the data. Moreover, much industrial production is organized in unincorporated or owner-operated ventures that are not captured by surveys aimed at the formal sector. Even in large industries, where regular surveys are more likely, evasion of excise and other taxes and nondisclosure of income lower the estimates of value added. Such problems become more acute as countries move from state control of industry to private enterprise, because new firms enter business and growing numbers of established firms fail to report. In accordance with the System of National Accounts, output should include all such unreported activity as well as the value of illegal activities and other unrecorded, informal, or small-scale operations. Data on these activities need to be collected using techniques other than conventional surveys of firms.

In industries dominated by large organizations and enterprises, such as public utilities, data on output, employment, and wages are usually readily available and reasonably reliable. But in the services industry the many self-employed workers and one-person businesses are sometimes difficult to locate, and they have little incentive to respond to surveys, let alone to report their full earnings. Compounding these problems are the many forms of economic activity that go unrecorded, including the work that women and children do for little or no pay. For further discussion of the problems of using national accounts data, see Srinivasan (1994) and Heston (1994).

Dollar conversion

To produce national accounts aggregates that are measured in the same standard monetary units, the value of output must be converted to a single common currency. The World Bank conventionally uses the U.S. dollar and applies the average official exchange rate reported by the International Monetary Fund for the year shown. An alternative conversion factor is applied if the official exchange rate is judged to diverge by an exceptionally large margin from the rate effectively applied to transactions in foreign currencies and traded products.

Definitions

• **Gross domestic product (GDP)** at purchaser prices is the sum of gross value added by all resident producers in the economy plus any product taxes (less subsidies) not included in the valuation of output. It is calculated without deducting for depreciation of fabricated assets or for depletion and degradation of natural resources. Value added is the net output of an industry after adding up all outputs and subtracting intermediate inputs. The industrial origin of value added is determined by the International Standard Industrial Classification (ISIC) revision 3. • **Agriculture** corresponds to ISIC divisions 1–5 and includes forestry and fishing. • **Industry** covers mining, manufacturing (also reported separately), construction, electricity, water, and gas (ISIC divisions 10–45). • **Manufacturing** corresponds to industries belonging to ISIC divisions 15–37. • **Services** correspond to ISIC divisions 50–99. This sector is derived as a residual (from GDP less agriculture and industry) and may not properly reflect the sum of services output, including banking and financial services. For some countries it includes product taxes (minus subsidies) and may also include statistical discrepancies.

Data sources

National accounts data for most developing countries are collected from national statistical organizations and central banks by visiting and resident World Bank missions. Data for high-income economies come from data files of the Organisation for Economic Co-operation and Development (for information on the OECD's national accounts series, see its *Annual National Accounts for OECD Member Countries: Data from 1970 Onwards*). The complete national accounts time series is available on the *World Development Indicators 2006* CD-ROM. The United Nations Statistics Division publishes detailed national accounts for UN member countries in *National Accounts Statistics: Main Aggregates and Detailed Tables* and publishes updates in the *Monthly Bulletin of Statistics*.



4.3

Structure of manufacturing

	Manufacturing value added		Food, beverages, and tobacco		Textiles and clothing		Machinery and transport equipment		Chemicals		Other manufacturing ^a	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	..	393	24	..	33	..	..	..	..	..	44	..
Algeria	6,452	4,109	13	..	17	..	..	..	..	..	70	..
Angola	513	404	..	..	..	..	..	..	..	..	..	..
Argentina	37,868	20,763	20	..	10	..	13	..	12	..	46	..
Armenia	681	483	..	..	..	..	..	..	..	..	..	..
Australia	38,871	44,802	18	15	6	12	20	25	7	7	49	42
Austria	31,439	37,308	15	20	7	17	28	18	8	9	43	37
Azerbaijan	1,561	463	..	..	..	..	..	..	..	..	..	..
Bangladesh	3,839	7,278	24	..	38	..	7	..	17	..	15	..
Belarus	6,630	3,790	..	..	..	..	..	..	..	..	..	..
Belgium	..	41,434	17	18	7	15	..	24	13	7	62	37
Benin	145	244	..	..	..	..	..	..	..	..	..	..
Bolivia	826	1,039	28	..	5	..	1	..	3	..	63	..
Bosnia and Herzegovina	..	559	12	..	15	..	18	..	7	..	49	..
Botswana	181	233	51	19	12	4	..	..	..	..	36	77
Brazil	89,966	53,032	14	..	12	..	27	..	..	..	48	..
Bulgaria	..	2,391	22	..	9	..	19	..	5	..	45	..
Burkina Faso	460	394	1	1	8	17	1	3	..	..	90	80
Burundi	134	..	83	..	9	..	..	..	2	..	7	..
Cambodia	58	755	..	..	..	..	..	..	..	..	..	..
Cameroon	1,581	845	61	..	-13	..	1	..	5	..	46	..
Canada	91,671	118,620	15	17	6	9	26	21	10	7	44	46
Central African Republic	154	81	58	..	6	..	2	..	6	..	28	..
Chad	239	263	..	..	..	..	..	..	..	..	..	..
Chile	5,613	12,348	25	25	8	18	5	12	10	8	52	37
China ^b	116,573	..	15	15	15	12	24	32	13	12	34	28
Hong Kong, China	12,639	7,033	8	11	36	20	21	25	2	3	33	41
Colombia	8,034	10,783	31	21	15	4	9	4	14	..	31	71
Congo, Dem. Rep.	1,029	220	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	234	158	58	..	4	..	3	..	..	..	35	..
Costa Rica	1,107	3,277	47	45	8	5	7	6	9	11	30	33
Côte d'Ivoire	2,257	1,949	38	26	7	13	8	9	..	..	47	52
Croatia	6,475	3,771	22	..	15	..	20	..	8	..	36	..
Cuba	..	..	67	..	5	..	1	..	..	..	27	..
Czech Republic	..	17,407	..	..	..	..	..	..	..	..	..	..
Denmark	20,757	23,862	22	21	4	7	24	25	12	8	39	38
Dominican Republic	1,270	3,393	..	..	..	..	..	..	..	..	..	..
Ecuador	1,988	2,663	22	11	10	3	5	1	8	1	56	85
Egypt, Arab Rep.	7,296	16,250	19	..	16	..	9	..	14	..	43	..
El Salvador	1,043	3,318	36	44	14	27	4	3	24	9	23	17
Eritrea	35	66	53	55	18	11	2	2	18	6	9	26
Estonia	1,985	1,085	..	..	..	..	..	..	..	..	..	..
Ethiopia	624	..	..	..	13	..	2	..	2	..	83	..
Finland	27,531	27,212	13	17	4	12	24	19	8	7	52	45
France	..	192,279	13	13	6	12	31	22	9	7	41	45
Gabon	332	234	45	28	2	4	1	3	7	2	45	63
Gambia, The	18	19	..	..	..	..	..	..	..	..	..	..
Georgia	1,773	599	..	..	..	..	..	..	..	..	..	..
Germany	456,405	410,644	..	8	..	2	..	41	..	10	..	38
Ghana	575	556	..	38	..	11	..	4	..	8	..	39
Greece	..	13,845	22	24	20	21	12	13	10	8	36	35
Guatemala	1,151	2,985	38	41	11	10	4	4	18	14	29	31
Guinea	126	128	..	..	..	..	..	..	..	..	..	..
Guinea-Bissau	19	20	..	..	..	..	..	..	..	..	..	..
Haiti	..	268	51	..	9	..	..	..	..	..	40	..

Structure of manufacturing

4.3

ECONOMY

	Manufacturing value added		Food, beverages, and tobacco		Textiles and clothing		Machinery and transport equipment		Chemicals		Other manufacturing ^a	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Honduras	443	1,172	45	33	10	3	3	0	6	..	36	64
Hungary	6,613	12,449	14	12	9	13	26	10	12	7	39	58
India	48,808	72,681	12	2	15	27	26	17	14	5	34	49
Indonesia	23,643	59,471	28	23	15	17	12	22	9	10	37	28
Iran, Islamic Rep.	14,503	13,938	12	36	20	30	20	9	8	2	40	23
Iraq	..	319	20	51	16	53	4	25	11	7	49	-35
Ireland	11,982	34,732	27	35	4	20	29	11	17	5	24	29
Israel	..	..	14	20	9	15	32	17	9	6	37	42
Italy	247,917	216,177	8	9	13	13	35	27	7	8	37	44
Jamaica	853	1,071	41	29	5	3	..	2	..	4	54	63
Japan	810,232	811,829	9	10	5	0	40	9	10	11	37	70
Jordan	520	1,393	28	27	7	9	4	5	15	17	47	42
Kazakhstan	1,941	3,566	..	..	..	..	..	..	..	..	..	..
Kenya	864	1,299	39	37	10	19	10	7	9	10	33	28
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	64,605	129,449	11	27	12	20	32	6	9	10	36	37
Kuwait	2,142	1,031	4	10	3	5	2	5	3	3	88	76
Kyrgyz Republic	706	210	..	..	..	..	..	..	..	..	..	..
Lao PDR	85	344	..	..	..	..	..	..	..	..	..	..
Latvia	2,474	1,128	..	27	..	11	..	10	..	4	..	49
Lebanon	..	2,114	..	..	..	..	..	..	..	..	..	..
Lesotho	71	128	..	..	..	..	..	..	..	..	..	..
Liberia	..	27	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	49	..	3	..	2	..	10	..	36
Lithuania	2,164	2,398	..	..	..	..	..	..	..	..	..	..
Macedonia, FYR	1,411	589	20	..	26	..	14	..	9	..	31	..
Madagascar	314	518	39	11	36	35	3	6	8	1	14	48
Malawi	313	197	38	62	10	12	1	1	18	8	33	17
Malaysia	10,665	29,095	13	9	7	4	31	41	11	8	39	38
Mali	200	98	..	..	..	..	..	..	..	..	..	..
Mauritania	94	112	..	..	..	..	..	..	..	..	..	..
Mauritius	491	922	30	..	46	..	2	..	4	..	17	..
Mexico	49,992	110,667	22	25	5	4	24	27	18	15	32	28
Moldova	..	247	..	59	..	10	..	6	..	..	..	25
Mongolia	..	70	33	..	37	..	1	..	1	..	27	..
Morocco	4,753	6,067	22	33	17	18	8	8	12	13	41	28
Mozambique	230	493	12	49	2	15	7	5	..	3	79	29
Myanmar	..	..	..	..	..	..	..	..	..	..	..	..
Namibia	292	314	..	..	..	..	..	..	..	..	..	..
Nepal	209	432	37	45	31	19	1	2	5	10	26	23
Netherlands	52,330	56,954	21	19	3	14	25	33	17	12	35	23
New Zealand	7,574	8,037	28	3	8	12	13	10	7	5	44	71
Nicaragua	170	721	56	53	10	8	0	0	6	10	28	29
Niger	163	143	37	..	29	..	..	..	..	..	34	..
Nigeria	1,562	2,075	15	..	46	..	13	..	4	..	22	..
Norway	13,450	18,563	18	1	2	10	25	21	9	3	46	65
Oman	343	1,564	..	9	..	2	..	3	..	5	..	82
Pakistan	6,184	10,440	24	23	28	2	9	5	15	11	25	59
Panama	502	974	51	52	8	7	2	3	8	4	31	35
Papua New Guinea	289	241	12	21	..	0	..	3	..	4	88	73
Paraguay	883	775	56	45	16	18	..	1	..	5	29	32
Peru	3,926	8,149	23	..	11	..	8	..	9	..	49	..
Philippines	11,003	17,735	39	38	11	10	13	8	12	12	26	33
Poland	..	29,220	21	20	9	19	26	23	7	6	37	32
Portugal	13,630	18,319	15	19	21	23	13	10	6	9	45	40
Puerto Rico	12,126	27,099	16	8	5	2	18	18	44	61	17	12



4.3

Structure of manufacturing

	Manufacturing value added		Food, beverages, and tobacco		Textiles and clothing		Machinery and transport equipment		Chemicals		Other manufacturing ^a	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Romania	9,152	16,141	19	..	18	..	14	..	4	..	45	..
Russian Federation	..	..	..	19	..	2	..	24	..	5	..	50
Rwanda	473	194	..	..	..	2	10	..	..	2	90	97
Saudi Arabia	10,049	19,460	7	..	1	..	4	..	39	..	50	100
Senegal	747	626	60	..	3	..	5	..	9	..	23	..
Serbia and Montenegro	..	2,596	..	36	..	6	..	14	..	11	..	33
Sierra Leone	28	21	..	..	..	..	..	..	..	..	..	..
Singapore	..	22,942	4	2	3	1	53	52	10	22	29	23
Slovak Republic	..	4,811	..	..	..	..	..	..	..	..	..	..
Slovenia	5,200	5,170	12	10	15	9	16	17	9	13	48	50
Somalia	41	..	86	50	3	3	..	..	..	..	12	47
South Africa	24,043	19,885	15	16	8	13	18	15	9	9	50	48
Spain	..	108,351	18	17	8	22	25	18	10	11	39	33
Sri Lanka	1,077	2,320	51	39	24	31	4	6	4	4	17	21
Sudan	..	930	16	..	4	..	0	..	21	..	59	..
Swaziland	250	283	69	..	8	..	1	..	0	..	22	..
Sweden	..	43,749	10	11	2	8	33	30	9	2	47	49
Switzerland	49,484	53,226	10	..	4	..	34	..	..	..	53	..
Syrian Arab Republic	2,508	..	35	35	29	43	..	2	..	1	36	19
Tajikistan	653	415	..	..	..	..	..	..	..	..	..	..
Tanzania ^c	361	660	51	42	3	27	7	3	11	3	29	26
Thailand	23,217	42,739	24	23	30	14	19	4	2	25	26	34
Togo	162	134	60	10	7	13	..	..	..	..	33	77
Trinidad and Tobago	681	692	31	..	3	..	3	..	19	..	44	..
Tunisia	2,075	3,910	19	35	20	11	5	5	4	20	52	30
Turkey	26,882	21,912	16	31	15	23	16	8	10	6	43	32
Turkmenistan	..	647	..	..	..	..	..	..	..	..	..	..
Uganda	230	535	61	19	14	1	3	2	6	1	16	79
Ukraine	31,517	7,582	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	2,643	10,268	..	5	..	2	..	6	..	4	..	84
United Kingdom	206,719	220,429	13	12	5	11	32	32	11	10	38	36
United States	1,040,600	1,463,300	12	12	5	8	31	30	12	10	40	39
Uruguay	2,597	2,145	31	..	18	..	9	..	10	..	32	..
Uzbekistan	..	782	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	6,921	15,270	17	28	5	5	5	4	9	..	64	64
Vietnam	793	7,218	..	30	..	21	..	15	..	6	..	28
West Bank and Gaza	..	341	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	449	507	..	50	..	5	..	0	..	..	..	44
Zambia	1,048	385	44	..	12	..	7	..	9	..	29	..
Zimbabwe	1,799	3,692	28	28	19	18	10	3	6	5	38	48
World	4,528,705 t	5,446,980 t										
Low income	83,631	123,365										
Middle income	..	..								
Lower middle income	..	..								
Upper middle income	265,244	386,586										
Low & middle income	..	..								
East Asia & Pacific	..	..								
Europe & Central Asia	..	..								
Latin America & Carib.	204,350	258,603										
Middle East & N. Africa	..	56,686										
South Asia	60,476	93,715										
Sub-Saharan Africa	43,316	40,599										
High income	3,627,337	4,286,603										
Europe EMU	838,928	1,159,441										

a. Includes unallocated data. b. China has revised its national accounts data from 1993 onwards. Data before 1993 are not comparable with the later data. c. Data cover mainland Tanzania only.

About the data

The data on the distribution of manufacturing value added by industry are provided by the United Nations Industrial Development Organization (UNIDO). UNIDO obtains data on manufacturing value added from a variety of national and international sources, including the United Nations Statistics Division, the World Bank, the Organisation for Economic Co-operation and Development, and the International Monetary Fund. To improve comparability over time and across countries, UNIDO supplements these data with information from industrial censuses, statistics supplied by national and international organizations, unpublished data that it collects in the field, and estimates by the UNIDO Secretariat. Nevertheless, coverage may be less than complete, particularly for the informal sector. To the extent that direct information on inputs and outputs is not available, estimates may be used, which may result in errors in industry totals. Moreover, countries use different reference periods (calendar or fiscal year) and valuation methods (basic or producer prices) to estimate value added. (See also *About the data* for table 4.2.)

The data on manufacturing value added in U.S. dollars are from the World Bank's national accounts files. These figures may differ from those used by UNIDO to calculate the shares of value added by industry, in part because of differences in exchange rates. Thus estimates of value added in a particular industry calculated by applying the shares to total

manufacturing value added will not match those from UNIDO sources. The classification of manufacturing industries in the table accords with the United Nations International Standard Industrial Classification (ISIC) revision 2. First published in 1948, the ISIC has its roots in the work of the League of Nations Committee of Statistical Experts. The committee's efforts, interrupted by the Second World War, were taken up by the United Nations Statistical Commission, which at its first session appointed a committee on industrial classification. The latest revision, ISIC revision 3, was completed in 1989, and many countries have now switched to it. But revision 2 is still widely used for compiling cross-country data. Concordances matching ISIC categories to national systems of classification and to related systems such as the Standard International Trade Classification are readily available.

In establishing a classification system, compilers must define both the types of activities to be described and the organizational units whose activities are to be reported. There are many possibilities, and the choices made affect how the resulting statistics can be interpreted and how useful they are in analyzing economic behavior. The ISIC emphasizes commonalities in the production process and is explicitly not intended to measure outputs (for which there is a newly developed Central Product Classification). Nevertheless, the ISIC views an activity as defined by "a process resulting in a homogeneous set of products" (United Nations 1990 [ISIC, series M, no. 4, rev. 3], p. 9).

Firms typically use a multitude of processes to produce a final product. For example, an automobile manufacturer engages in forging, welding, and painting as well as advertising, accounting, and many other service activities. In some cases the processes may be carried out by different technical units within the larger enterprise, but collecting data at such a detailed level is not practical, nor would it be useful to record production data at the very highest level of a large, multiplant, multiproduct firm. The ISIC has therefore adopted as the definition of an establishment "an enterprise or part of an enterprise which independently engages in one, or predominantly one, kind of economic activity at or from one location . . . for which data are available . . ." (United Nations 1990, p. 25). By design, this definition matches the reporting unit required for the production accounts of the UN System of National Accounts.

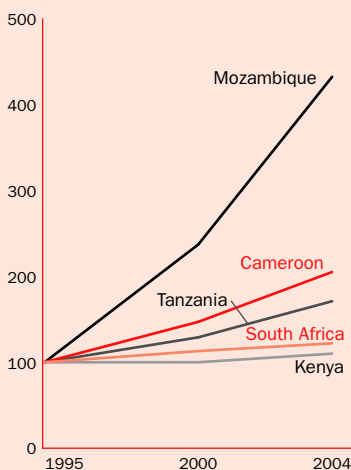
Definitions

• **Manufacturing value added** is the sum of gross output less the value of intermediate inputs used in production for industries classified in ISIC major division 3. • **Food, beverages, and tobacco** correspond to ISIC division 31. • **Textiles and clothing** correspond to ISIC division 32. • **Machinery and transport equipment** correspond to ISIC groups 382–84. • **Chemicals** correspond to ISIC groups 351 and 352. • **Other manufacturing** covers wood and related products (ISIC division 33), paper and related products (ISIC division 34), petroleum and related products (ISIC groups 353–56), basic metals and mineral products (ISIC divisions 36 and 37), fabricated metal products and professional goods (ISIC groups 381 and 385), and other industries (ISIC group 390). When data for textiles and clothing, machinery and transport equipment, or chemicals are shown in the table as not available, they are included in "other manufacturing."

4.3a

Manufacturing growth trends for selected Sub-Saharan countries

Value added in manufacturing (1995 = 100)



Mozambique had impressive growth in the manufacturing sector with over 15 percent growth between 1995 and 2004. By contrast, South Africa—with the largest manufacturing sector in the region—had modest growth of slightly more than 1.5 percent over the same period.

Source: World Bank data files.

Data sources

Data on value added in manufacturing in U.S. dollars are from the World Bank's national accounts files. Data used to calculate shares of value added by industry are provided to the World Bank in electronic files by UNIDO. The most recent published source is UNIDO's *International Yearbook of Industrial Statistics 2005*. The ISIC system is described in the United Nations' *International Standard Industrial Classification of All Economic Activities, Third Revision (1990)*. The discussion of the ISIC draws on Jacob Ryten's paper "Fifty Years of ISIC: Historical Origins and Future Perspectives" (1998).



4.4

Structure of merchandise exports

	Merchandise exports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Afghanistan	235	420	..	..	..	..	..	..	..	..	..	..
Albania	230	596	..	6	..	4	..	3	..	6	..	82
Algeria	12,930	32,298	0	0	0	0	96	97	0	0	3	2
Angola	3,910	13,850	0	..	0	..	93	..	6	..	0	..
Argentina	12,353	34,453	56	48	4	2	8	16	2	4	29	29
Armenia	..	705	..	12	..	2	..	3	..	21	..	62
Australia	39,752	86,423	22	19	10	4	20	19	20	16	26	25
Austria	41,265	117,417	3	6	4	3	1	3	3	3	88	84
Azerbaijan	..	3,615	..	4	..	1	..	82	..	1	..	10
Bangladesh	1,671	8,150	14	8	7	2	1	0	0	0	77	90
Belarus	..	13,752	..	8	..	3	..	27	..	1	..	60
Belgium	117,703 ^a	306,509	9 ^a	9	2 ^a	1	3 ^a	6	4 ^a	3	77 ^a	81
Benin	288	672	15	41	56	49	15	0	0	0	13	9
Bolivia	926	2,129	19	27	8	2	25	38	44	19	5	14
Bosnia and Herzegovina	276	1,789	..	..	..	..	..	..	..	..	..	..
Botswana	1,784	3,467	..	..	..	..	..	..	..	..	..	..
Brazil	31,414	96,475	28	28	3	4	2	5	14	9	52	54
Bulgaria	5,030	9,918	..	10	..	2	..	8	..	12	..	62
Burkina Faso	152	445	..	16	..	72	..	3	..	1	..	8
Burundi	75	47	..	92	..	1	..	0	..	2	..	5
Cambodia	86	2,798	..	1	..	2	..	0	..	0	..	97
Cameroon	2,002	2,700	20	19	14	24	50	47	7	5	9	5
Canada	127,629	316,547	9	7	9	5	10	17	9	5	59	60
Central African Republic	120	120	31	2	24	25	0	0	1	36	44	37
Chad	188	2,200	..	..	..	..	..	..	..	..	..	..
Chile	8,372	32,025	24	21	9	8	1	3	55	54	11	13
China [†]	62,091	593,329	13	4	3	1	8	2	2	2	72	91
Hong Kong, China ^b	82,390	265,670	4	1	1	1	1	0	1	1	92	96
Colombia	6,766	16,224	33	17	4	5	37	38	0	1	25	38
Congo, Dem. Rep.	2,326	1,413	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	981	3,900	..	..	..	..	..	..	..	..	..	..
Costa Rica	1,448	6,297	58	33	5	3	1	0	1	1	27	63
Côte d'Ivoire	3,072	6,475	..	56	..	9	..	13	..	0	..	20
Croatia	4,597	8,022	13	9	6	4	9	11	5	3	68	72
Cuba	5,100	2,192	..	..	..	..	..	..	..	..	..	..
Czech Republic	12,170	68,657	..	3	..	2	..	3	..	2	..	90
Denmark	36,870	76,821	27	19	3	3	3	8	1	1	60	66
Dominican Republic	2,170	5,750	21	..	0	..	0	..	0	..	78	..
Ecuador	2,714	7,634	44	31	1	5	52	54	0	0	2	9
Egypt, Arab Rep.	3,477	7,682	10	10	10	7	29	43	9	4	42	31
El Salvador	582	3,295	57	32	1	1	2	4	3	3	38	60
Eritrea	16	35	..	..	..	..	..	..	..	..	..	..
Estonia	..	5,945	..	7	..	8	..	4	..	3	..	77
Ethiopia	298	639	..	62	..	26	..	0	..	1	..	11
Finland	26,571	61,334	2	2	10	6	1	4	4	3	83	83
France	216,588	448,714	16	11	2	1	2	3	3	2	77	83
Gabon	2,204	3,490	..	1	..	10	..	76	..	6	..	7
Gambia, The	31	22	..	63	..	7	..	1	..	2	..	27
Georgia	..	649	..	32	..	2	..	4	..	25	..	37
Germany	421,100	912,261	5	4	1	1	1	2	3	2	89	84
Ghana	897	2,580	51	72	15	10	9	0	17	4	8	14
Greece	8,105	15,198	30	20	3	3	7	7	7	8	54	59
Guatemala	1,163	2,938	67	45	6	4	2	8	0	0	24	42
Guinea	671	700	..	2	..	1	..	0	..	72	..	25
Guinea-Bissau	19	81	..	..	..	..	..	..	..	..	..	..
Haiti	160	391	14	..	1	..	0	..	0	..	85	..
[†] Data for Taiwan, China	67,245	182,424	4	1	2	1	1	3	1	2	93	93

Structure of merchandise exports

4.4

ECONOMY

	Merchandise exports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Honduras	831	1,537	82	63	4	4	1	0	4	6	9	27
Hungary	10,000	54,857	23	7	3	1	3	2	6	2	63	88
India	17,969	75,595	16	10	4	1	3	9	5	7	70	73
Indonesia	25,675	72,330	11	14	5	6	44	18	4	7	35	56
Iran, Islamic Rep.	19,305	44,446	..	4	..	0	..	85	..	1	..	9
Iraq	12,380	17,810	..	..	..	..	..	..	..	..	..	..
Ireland	23,743	104,281	22	8	2	0	1	0	1	1	70	86
Israel	12,080	38,520	8	3	3	1	1	0	2	1	87	94
Italy	170,304	349,153	6	7	1	1	2	2	1	1	88	88
Jamaica	1,158	1,390	19	23	0	0	1	3	9	10	70	65
Japan	287,581	565,807	1	0	1	0	0	0	1	2	96	93
Jordan	1,064	3,887	10	14	1	0	1	33	12	12	56	72
Kazakhstan	..	20,093	..	4	..	1	..	65	..	14	..	16
Kenya	1,031	2,693	49	40	6	12	13	23	3	4	30	21
Korea, Dem. Rep.	1,857	1,380	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	65,016	253,845	3	1	1	1	1	4	1	2	94	92
Kuwait	7,042	28,729	1	..	0	..	93	..	0	..	6	..
Kyrgyz Republic	..	719	..	18	..	12	..	19	..	7	..	43
Lao PDR	79	361	..	..	..	..	..	..	..	..	..	..
Latvia	..	3,951	..	9	..	19	..	5	..	3	..	61
Lebanon	494	1,747	..	19	..	2	..	0	..	10	..	68
Lesotho	62	726	..	..	..	..	..	..	..	..	..	..
Liberia	868	235	..	..	..	..	..	..	..	..	..	..
Libya	13,225	20,844	1	..	0	..	95	..	..	..	4	..
Lithuania	..	9,269	24	11	6	4	8	25	1	2	59	58
Macedonia, FYR	1,199	1,661	..	15	..	1	..	5	..	2	..	77
Madagascar	319	990	73	61	4	6	1	4	8	5	14	22
Malawi	417	441	91	78	2	5	0	0	0	0	7	16
Malaysia	29,452	126,503	12	8	14	2	18	12	2	1	54	76
Mali	359	1,123	36	..	62	..	..	..	0	..	2	..
Mauritania	469	410	..	..	..	..	..	..	..	..	..	..
Mauritius	1,194	2,004	32	27	1	0	1	0	0	0	66	71
Mexico	40,711	189,083	12	5	2	1	38	12	6	2	43	80
Moldova	..	986	..	53	..	7	..	2	..	2	..	36
Mongolia	661	880	..	3	..	13	..	3	..	43	..	38
Morocco	4,265	9,739	26	19	3	2	4	2	15	8	52	69
Mozambique	126	1,504	..	19	..	6	..	16	..	55	..	3
Myanmar	325	2,850	51	..	36	..	0	..	2	..	11	..
Namibia	1,085	1,833	..	48	..	1	..	1	..	7	..	41
Nepal	204	756	13	21	3	1	..	0	0	4	83	74
Netherlands	131,775	358,187	20	15	4	3	10	9	3	3	59	70
New Zealand	9,394	20,373	45	49	18	11	4	1	5	4	26	31
Nicaragua	330	756	77	85	14	2	0	1	1	1	8	11
Niger	282	370	..	30	..	4	..	2	..	55	..	8
Nigeria	13,596	23,657	1	0	1	0	97	98	0	0	1	2
Norway	34,047	81,752	7	6	2	1	48	64	10	7	32	19
Oman	5,508	13,342	1	4	0	0	92	83	1	1	5	12
Pakistan	5,615	13,379	9	10	10	2	1	3	0	0	79	85
Panama	340	944	75	84	1	1	0	1	1	4	21	10
Papua New Guinea	1,177	2,532	22	21	9	3	0	22	58	49	10	6
Paraguay	959	1,626	52	75	38	12	0	0	0	1	10	13
Peru	3,230	12,547	21	24	3	2	10	6	47	47	18	20
Philippines	8,117	39,689	19	6	2	1	2	1	8	2	38	55
Poland	14,320	74,854	11	8	2	1	10	5	8	4	54	81
Portugal	16,417	35,767	7	8	6	2	3	3	3	2	80	85
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



4.4

Structure of merchandise exports

	Merchandise exports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Romania	4,960	23,485	1	3	3	3	18	7	4	5	73	82
Russian Federation	..	183,452	..	1	..	3	..	50	..	8	..	21
Rwanda	110	99	..	52	..	7	..	7	..	23	..	10
Saudi Arabia	44,417	126,230	1	1	0	0	90	86	1	0	8	12
Senegal	761	1,529	53	35	3	3	12	19	9	4	23	39
Serbia and Montenegro	2,929	3,979	19	23	3	4	6	3	10	12	62	57
Sierra Leone	138	139	..	92	..	1	..	..	..	0	..	7
Singapore ^b	52,730	179,547	5	2	3	0	18	9	2	1	72	84
Slovak Republic	6,355	27,548	..	4	..	1	..	7	..	3	..	86
Slovenia	6,681	15,831	7	3	2	1	3	2	3	4	86	90
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	23,549	46,029	8 ^c	9	4 ^c	2	7 ^c	9	10 ^c	22	29 ^c	58
Spain	55,642	178,607	15	14	2	1	4	4	2	2	75	77
Sri Lanka	1,912	5,757	34	21	6	2	1	0	2	3	54	74
Sudan	374	3,778	60	10	38	6	..	81	0	0	2	2
Swaziland	556	1,900	..	15	..	8	..	1	..	0	..	76
Sweden	57,540	122,537	2	3	7	4	3	4	3	3	83	81
Switzerland	63,784	118,527	3	3	1	0	0	0	3	3	94	93
Syrian Arab Republic	4,212	4,930	14	15	4	4	45	68	1	1	36	11
Tajikistan	..	915	..	..	..	..	..	..	..	..	..	..
Tanzania	331	1,338	..	53	..	13	..	2	..	12	..	20
Thailand	23,068	97,414	29	14	5	5	1	2	1	1	63	75
Togo	268	771	23	24	21	16	0	0	45	13	9	47
Trinidad and Tobago	1,960	6,349	5	4	0	0	67	60	1	0	27	35
Tunisia	3,526	9,685	11	11	1	1	17	10	2	1	69	78
Turkey	12,959	63,121	22	9	3	1	2	2	4	2	68	85
Turkmenistan	..	3,870	..	..	..	..	..	..	..	..	..	..
Uganda	152	635	..	64	..	15	..	5	..	0	..	15
Ukraine	..	32,672	..	13	..	2	..	9	..	8	..	67
United Arab Emirates	23,544	82,750	2	..	0	..	7	..	78	..	12	..
United Kingdom	185,172	346,863	7	6	1	1	8	9	3	3	79	76
United States	393,592	818,775	11	7	4	2	3	2	3	2	75	82
Uruguay	1,693	2,950	40	55	21	8	0	4	0	1	39	32
Uzbekistan	..	4,280	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	17,497	34,210	2	1	0	0	80	85	7	3	10	12
Vietnam	2,404	25,625	..	23	..	2	..	21	..	1	..	53
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	692	4,150	8	4	1	0	74	92	1	0	15	3
Zambia	1,309	1,576	..	16	..	10	..	2	..	62	..	10
Zimbabwe	1,726	1,520	44	31	7	16	1	2	16	23	31	28
World	3,475,089 t	9,145,027 t	10 w	7 w	3 w	2 w	9 w	8 w	3 w	3 w	73 w	77 w
Low income	71,042	212,988	15	15	4	3	27	28	..	3	49	50
Middle income	549,007	2,259,406	17	9	4	2	22	17	5	5	50	64
Lower middle income	274,053	1,229,532	17	10	4	2	16	13	5	4	55	68
Upper middle income	276,680	1,029,873	17	8	6	2	27	21	8	5	42	60
Low & middle income	621,233	2,472,407	17	9	4	2	20	17	6	5	51	64
East Asia & Pacific	155,928	966,841	15	6	6	2	13	6	3	2	60	80
Europe & Central Asia ^d	..	623,360	..	5	..	2	..	24	..	5	..	57
Latin America & Carib.	143,296	463,326	21	16	3	2	30	19	10	7	36	56
Middle East & N. Africa	81,103	170,601	..	6	..	1	..	70	..	2	..	20
South Asia	27,754	104,394	16	11	5	1	2	6	4	5	71	76
Sub-Saharan Africa	68,368	143,866	..	16	..	5	..	38	..	10	..	31
High income	2,849,973	6,672,648	8	6	3	2	6	5	3	3	77	81
Europe EMU	1,234,747	2,903,656	11	8	2	1	3	4	3	2	80	82

Note: Components may not sum to 100 percent because of unclassified trade.

a. Includes Luxembourg. b. Includes re-exports. c. Refers to the South African Customs Union (Botswana, Lesotho, Namibia, South Africa, and Swaziland).

About the data

Data on merchandise trade are from customs reports of goods movement into or out of an economy or from reports of the financial transactions related to merchandise trade recorded in the balance of payments. Because of differences in timing and definitions, estimates of trade flows from customs reports are likely to differ from those based on the balance of payments. Moreover, several international agencies process trade data, each correcting unreported or misreported data, and this leads to other differences in the available data.

The most detailed source of data on international trade in goods is the Commodity Trade (Comtrade) database maintained by the United Nations Statistics Division. In addition, the International Monetary Fund (IMF) collects customs-based data on exports and imports of goods. The value of exports is recorded as the cost of the goods delivered to the frontier of the exporting country for shipment—the free on board (f.o.b.) value. Many countries report trade data in U.S. dollars. When countries report in local currency, the United Nations Statistics Division applies the average official exchange rate for the period shown.

Countries may report trade according to the general or special system of trade (see *Primary data documentation*). Under the general system exports comprise outward-moving goods that are (a) goods wholly or partly produced in the country; (b) foreign goods, neither transformed nor declared for domestic consumption in the country, that move outward from customs storage; and (c) goods previously included as imports for domestic consumption but subsequently exported without transformation. Under the special system exports comprise categories a and c. In some compilations categories b and c are classified as re-exports. Because of differences

in reporting practices, data on exports may not be fully comparable across economies.

The data on total exports of goods (merchandise) in this table come from the World Trade Organization (WTO). The WTO uses two main sources, national statistical offices and the IMF's *International Financial Statistics*. It supplements these with the Comtrade database and publications or databases of regional organizations, specialized agencies, economic groups, and private sources (such as Eurostat, the Food and Agriculture Organization, and country reports of the Economist Intelligence Unit). In recent years country Web sites and direct contacts through email have helped to improve the collection of up-to-date statistics for many countries, reducing the proportion of estimated figures. The WTO database now covers most of the major traders in Africa, Asia, and Latin America, which together with the high-income countries account for nearly 95 percent of total world trade. There has also been a remarkable improvement in the availability of reliable figures for countries in Europe and Central Asia.

The shares of exports by major commodity group are from Comtrade. The values of total exports reported here have not been fully reconciled with the estimates of exports of goods and services from the national accounts or those from the balance of payments.

The classification of commodity groups is based on the Standard International Trade Classification (SITC) revision 1. Most countries now report using later revisions of the SITC or the Harmonized System. Concordance tables are used to convert data reported in one system of nomenclature to another. The conversion process may introduce some errors of classification, but conversions from later to earlier systems are generally reliable.

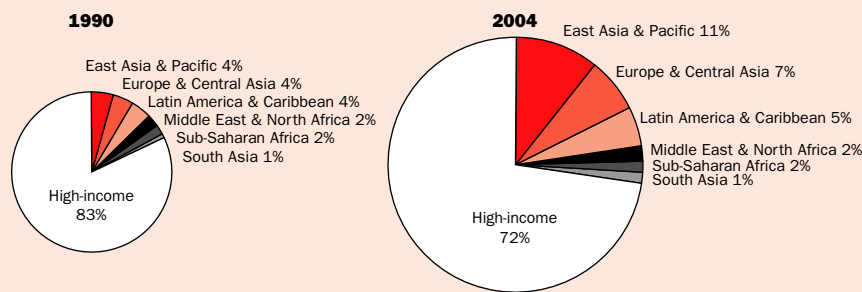
Definitions

- **Merchandise exports** are the f.o.b. value of goods provided to the rest of the world, valued in U.S. dollars.
- **Food** corresponds to the commodities in SITC sections 0 (food and live animals), 1 (beverages and tobacco), and 4 (animal and vegetable oils and fats) and SITC division 22 (oil seeds, oil nuts, and oil kernels).
- **Agricultural raw materials** correspond to SITC section 2 (crude materials except fuels) excluding divisions 22, 27 (crude fertilizers and minerals excluding coal, petroleum, and precious stones), and 28 (metalliferous ores and scrap).
- **Fuels** correspond to SITC section 3 (mineral fuels).
- **Ores and metals** correspond to the commodities in SITC divisions 27, 28, and 68 (nonferrous metals).
- **Manufactures** correspond to the commodities in SITC sections 5 (chemicals), 6 (basic manufactures), 7 (machinery and transport equipment), and 8 (miscellaneous manufactured goods), excluding division 68.

4.4a

Developing economies' share of world merchandise exports continues to increase

Share of world merchandise exports



Developing economies' share of world merchandise exports increased by 11 percentage points from 1990 to 2004. East Asia and Pacific was the biggest gainer, capturing an additional 7 percentage points.

Source: World Trade Organization data files.

Data sources

The WTO publishes data on world trade in its *Annual Report*. The IMF publishes estimates of total exports of goods in its *International Financial Statistics* and *Direction of Trade Statistics*, as does the United Nations Statistics Division in its *Monthly Bulletin of Statistics*. And the United Nations Conference on Trade and Development publishes data on the structure of exports and imports in its *Handbook of International Trade and Development Statistics*. Tariff line records of exports and imports are compiled in the United Nations Statistics Division's Comtrade database.



	Merchandise imports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Afghanistan	936	2,300	..	..	..	..	..	..	..	..	..	..
Albania	380	2,268	..	19	..	1	..	8	..	2	..	70
Algeria	9,780	18,199	24	22	5	2	1	1	2	1	68	74
Angola	1,578	6,500	..	..	..	..	..	..	..	..	..	..
Argentina	4,076	22,320	4	2	4	1	8	3	6	2	78	91
Armenia	..	1,318	..	22	..	1	..	17	..	1	..	59
Australia	41,985	109,376	5	5	2	1	6	9	1	1	84	82
Austria	49,146	117,765	5	6	3	2	6	10	4	4	81	78
Azerbaijan	..	3,516	..	12	..	1	..	11	..	2	..	74
Bangladesh	3,618	12,026	19	19	5	9	16	8	3	2	56	62
Belarus	..	16,346	..	10	..	2	..	28	..	4	..	55
Belgium	119,702 ^a	285,450	10 ^a	8	2 ^a	1	8 ^a	9	6 ^a	4	68 ^a	77
Benin	265	865	38	24	4	5	1	17	1	1	56	53
Bolivia	687	1,842	12	12	2	2	1	7	1	1	85	79
Bosnia and Herzegovina	360	5,907	..	..	..	..	..	..	..	..	..	..
Botswana	1,946	3,340	..	..	..	..	..	..	..	..	..	..
Brazil	22,524	65,921	9	5	3	2	27	19	5	4	56	70
Bulgaria	5,100	14,424	8	5	3	1	36	4	4	6	49	69
Burkina Faso	536	1,155	..	12	..	1	..	24	..	1	..	62
Burundi	231	176	..	9	..	1	..	16	..	1	..	72
Cambodia	164	3,170	..	8	..	2	..	10	..	0	..	79
Cameroon	1,400	2,100	19	18	0	2	2	18	1	1	78	61
Canada	123,244	279,779	6	6	2	1	6	7	3	3	81	81
Central African Republic	154	150	19	23	1	5	7	11	2	4	71	56
Chad	285	770	..	..	..	..	..	..	..	..	..	..
Chile	7,742	24,871	4	7	2	1	16	21	1	2	75	68
China [†]	53,345	561,230	9	4	6	4	2	8	3	7	80	77
Hong Kong, China	84,725	272,893	8	3	2	1	2	2	2	2	85	92
Colombia	5,590	16,746	7	11	4	2	6	2	3	2	77	82
Congo, Dem. Rep.	1,739	1,873	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	621	1,720	..	..	..	..	..	..	..	..	..	..
Costa Rica	1,990	8,268	8	9	2	1	10	9	2	2	66	79
Côte d'Ivoire	2,097	3,783	..	22	..	1	..	17	..	1	..	48
Croatia	4,500	16,583	12	8	4	1	10	12	4	2	70	76
Cuba	4,600	5,286	12	..	3	..	32	..	1	..	46	..
Czech Republic	12,880	69,510	..	5	..	2	..	7	..	4	..	83
Denmark	33,333	68,191	12	12	3	2	7	5	2	2	73	77
Dominican Republic	3,006	7,845	..	..	..	..	..	..	..	..	..	..
Ecuador	1,861	7,861	9	9	3	1	2	7	2	1	84	81
Egypt, Arab Rep.	12,412	12,831	32	22	7	5	3	8	2	4	56	50
El Salvador	1,263	6,269	14	18	3	2	15	14	4	1	63	65
Eritrea	351	650	..	..	..	..	..	..	..	..	..	..
Estonia	..	8,728	..	9	..	4	..	7	..	2	..	79
Ethiopia	1,081	3,080	..	21	..	1	..	12	..	2	..	64
Finland	27,001	50,824	5	6	2	3	12	12	4	7	76	70
France	234,436	465,454	10	8	3	2	10	11	4	3	74	77
Gabon	918	1,280	..	24	..	1	..	3	..	1	..	70
Gambia, The	188	200	..	38	..	2	..	11	..	1	..	49
Georgia	..	1,847	..	21	..	0	..	17	..	1	..	59
Germany	355,686	716,926	10	7	3	1	8	9	4	3	72	69
Ghana	1,205	4,320	11	21	1	1	17	2	0	2	70	74
Greece	19,777	52,577	15	11	3	1	8	13	3	3	70	72
Guatemala	1,649	7,808	10	12	2	1	17	14	2	1	69	71
Guinea	723	690	..	23	..	1	..	22	..	1	..	53
Guinea-Bissau	86	86	..	..	..	..	..	..	..	..	..	..
Haiti	332	1,306	..	..	..	..	..	..	..	..	..	..
[†] Data for Taiwan, China	54,782	168,444	7	4	5	2	11	13	6	6	69	76

Structure of merchandise imports

4.5

ECONOMY

	Merchandise imports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Honduras	935	3,916	10	16	1	1	16	16	1	1	71	66
Hungary	10,340	59,332	8	4	4	1	14	7	4	3	70	84
India	23,580	97,339	3	4	4	3	27	35	8	5	51	53
Indonesia	21,837	54,895	5	10	5	5	9	20	4	4	77	61
Iran, Islamic Rep.	20,322	34,705	..	11	..	2	..	6	..	2	..	79
Iraq	7,660	21,302	..	..	..	..	..	..	..	..	..	..
Ireland	20,669	60,651	11	8	2	1	6	5	2	1	76	78
Israel	16,793	42,864	8	6	2	1	9	11	3	2	77	80
Italy	181,968	351,034	12	9	6	3	11	10	5	4	64	70
Jamaica	1,928	3,772	15	15	1	1	20	18	1	1	61	63
Japan	235,368	454,543	15	12	7	2	24	22	9	6	44	57
Jordan	2,600	8,189	26	17	1	1	18	19	1	2	52	58
Kazakhstan	..	12,781	..	7	..	1	..	13	..	2	..	77
Kenya	2,223	4,553	9	10	3	2	20	24	2	2	66	61
Korea, Dem. Rep.	2,930	2,540	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	69,844	224,463	6	5	8	2	16	22	7	7	63	63
Kuwait	3,972	12,005	17	..	1	..	1	..	2	..	79	..
Kyrgyz Republic	..	941	..	13	..	2	..	27	..	3	..	54
Lao PDR	185	506	..	..	..	..	..	..	..	..	..	..
Latvia	..	7,005	..	11	..	3	..	12	..	2	..	70
Lebanon	2,529	9,397	..	18	..	2	..	16	..	2	..	62
Lesotho	672	1,400	..	..	..	..	..	..	..	..	..	..
Liberia	570	900	..	..	..	..	..	..	..	..	..	..
Libya	5,336	5,650	24	17	2	1	0	1	1	1	73	81
Lithuania	..	12,283	12	8	5	2	44	19	2	2	35	68
Macedonia, FYR	1,206	2,875	..	14	..	1	..	13	..	2	..	58
Madagascar	651	1,230	11	14	1	0	17	23	1	0	69	62
Malawi	575	792	9	13	1	1	11	3	1	1	78	82
Malaysia	29,258	105,287	7	6	1	1	5	6	4	4	82	81
Mali	602	1,320	26	..	1	..	19	..	1	..	53	..
Mauritania	388	400	..	..	..	..	..	..	..	..	..	..
Mauritius	1,618	2,778	12	18	3	2	8	13	1	1	76	66
Mexico	43,548	206,423	15	6	4	1	4	4	3	3	64	85
Moldova	..	1,774	..	12	..	6	..	21	..	1	..	61
Mongolia	924	990	..	14	..	1	..	20	..	1	..	65
Morocco	6,922	17,625	10	11	6	3	17	17	6	3	61	67
Mozambique	878	1,970	..	11	..	1	..	12	..	0	..	43
Myanmar	270	2,220	13	..	1	..	5	..	0	..	81	..
Namibia	1,163	2,435	..	15	..	1	..	10	..	4	..	69
Nepal	672	1,870	15	17	7	5	9	16	2	4	67	59
Netherlands	126,098	319,330	13	10	2	2	10	12	3	3	71	73
New Zealand	9,501	23,201	7	8	1	1	8	6	3	2	81	82
Nicaragua	638	2,212	19	17	1	0	19	19	1	0	59	64
Niger	388	560	..	34	..	4	..	17	..	1	..	44
Nigeria	5,627	11,096	6	15	1	1	0	16	2	2	67	66
Norway	27,231	48,082	6	7	2	2	4	4	6	6	82	80
Oman	2,681	8,865	19	14	1	0	4	2	1	4	69	76
Pakistan	7,411	17,949	17	11	4	6	21	22	4	3	54	58
Panama	1,539	3,530	12	14	1	1	16	12	1	1	70	72
Papua New Guinea	1,193	1,680	18	16	0	1	7	13	1	0	73	69
Paraguay	1,352	2,652	8	9	0	1	14	16	1	1	77	74
Peru	2,634	10,101	24	13	2	2	12	19	1	1	61	66
Philippines	13,042	42,345	10	6	2	1	15	11	3	2	53	79
Poland	11,570	89,174	12	6	4	2	13	9	5	3	58	80
Portugal	25,263	54,914	12	12	4	2	11	11	2	2	71	72
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



4.5

Structure of merchandise imports

	Merchandise imports		Food		Agricultural raw materials		Fuels		Ores and metals		Manufactures	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Romania	7,600	32,664	12	6	4	1	38	12	6	3	39	78
Russian Federation	..	96,307	..	17	..	1	..	3	..	3	..	69
Rwanda	288	285	..	12	..	4	..	16	..	2	..	67
Saudi Arabia	24,069	44,576	15	16	1	1	0	0	3	3	81	79
Senegal	1,219	2,710	29	28	2	2	16	18	2	2	51	49
Serbia and Montenegro	4,634	11,752	9	11	3	2	23	17	3	3	62	67
Sierra Leone	149	286	..	23	..	8	..	40	..	1	..	29
Singapore	60,774	163,854	6	3	2	0	16	15	2	1	73	80
Slovak Republic	6,670	29,471	..	5	..	1	..	13	..	3	..	78
Slovenia	6,142	17,197	9	6	4	3	11	8	4	5	67	78
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	18,399	57,100	8 ^b	5	2 ^b	1	1 ^b	14	1 ^b	2	75 ^b	69
Spain	87,715	249,308	11	10	3	1	12	11	4	3	71	74
Sri Lanka	2,688	7,973	19	12	2	1	13	15	1	3	65	69
Sudan	618	4,075	13	16	1	1	20	3	0	1	66	78
Swaziland	663	2,000	..	18	..	2	..	13	..	1	..	64
Sweden	54,264	99,324	6	8	2	2	9	10	3	3	79	75
Switzerland	69,681	111,603	6	6	2	1	5	5	3	4	84	84
Syrian Arab Republic	2,400	6,287	31	17	2	4	3	7	1	3	62	64
Tajikistan	..	1,375	..	..	..	..	..	..	..	..	..	..
Tanzania	1,027	2,490	..	15	..	2	..	16	..	1	..	66
Thailand	33,045	95,353	5	5	5	3	9	12	4	3	75	76
Togo	581	1,050	22	18	1	1	8	23	1	2	67	56
Trinidad and Tobago	1,109	4,894	19	9	1	1	11	27	6	3	62	59
Tunisia	5,513	12,738	11	9	4	3	9	10	4	3	72	76
Turkey	22,302	97,540	8	3	4	3	21	15	5	6	61	72
Turkmenistan	..	3,320	..	..	..	..	..	..	..	..	..	..
Uganda	288	1,491	..	17	..	2	..	10	..	2	..	70
Ukraine	..	28,996	..	6	..	1	..	39	..	3	..	48
United Arab Emirates	11,199	47,640	17	..	0	..	6	..	4	..	72	..
United Kingdom	222,977	463,467	10	9	3	1	6	6	4	2	75	77
United States	516,987	1,525,516	6	4	2	1	13	14	3	2	73	75
Uruguay	1,343	3,114	7	9	4	4	18	24	2	2	69	62
Uzbekistan	..	3,392	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	7,335	14,995	11	15	4	2	3	1	4	2	77	80
Vietnam	2,752	31,091	..	6	..	3	..	11	..	3	..	77
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	1,571	4,190	27	28	1	1	40	13	1	1	31	56
Zambia	1,220	2,143	..	7	..	1	..	11	..	3	..	79
Zimbabwe	1,847	2,550	4	19	3	2	16	14	2	10	73	54
World	3,550,315 t	9,376,651 t	9 w	7 w	3 w	2 w	11 w	11 w	4 w	3 w	71 w	74 w
Low income	81,953	252,827	..	11	..	3	..	22	..	3	..	61
Middle income	509,902	2,161,147	10	7	4	2	9	9	3	4	70	77
Lower middle income	277,830	1,187,304	10	7	5	3	9	12	3	5	71	73
Upper middle income	228,653	973,843	11	7	3	2	8	7	4	3	70	79
Low & middle income	593,527	2,413,971	10	7	4	2	10	11	4	4	69	75
East Asia & Pacific	160,502	903,670	8	5	5	3	5	9	3	6	77	77
Europe & Central Asia ^c	164,871	631,428	..	7	..	2	..	10	..	4	..	75
Latin America & Carib.	120,374	436,972	12	7	3	2	10	8	3	3	66	80
Middle East & N. Africa	79,941	160,252	..	17	..	3	..	8	..	2	..	68
South Asia	39,124	140,502	8	8	4	4	24	28	6	4	54	56
Sub-Saharan Africa	57,641	141,150	..	12	..	1	..	14	..	2	..	67
High income	2,943,378	6,962,657	9	7	3	2	11	12	4	3	71	74
Europe EMU	1,255,515	2,744,049	11	8	3	2	9	10	4	3	71	73

Note: Components may not sum to 100 percent because of unclassified trade.

a. Includes Luxembourg. b. Refers to the South African Customs Union (Botswana, Lesotho, Namibia, South Africa, and Swaziland).

About the data

Data on imports of goods are derived from the same sources as data on exports. In principle, world exports and imports should be identical. Similarly, exports from an economy should equal the sum of imports by the rest of the world from that economy. But differences in timing and definitions result in discrepancies in reported values at all levels. For further discussion of indicators of merchandise trade, see *About the data* for tables 4.4 and 6.2.

The value of imports is generally recorded as the cost of the goods when purchased by the importer plus the cost of transport and insurance to the frontier of the importing country—the cost, insurance, and freight (c.i.f.) value, corresponding to the landed cost at the point of entry of foreign goods into the country. A few countries, including Australia, Canada, and the United States, collect import data on a free on board (f.o.b.) basis and adjust them for freight and insurance costs. Many countries collect and report trade data in U.S. dollars. When countries report in local currency, the United Nations Statistics Division applies the average official exchange rate for the period shown.

Countries may report trade according to the general or special system of trade (see *Primary data documentation*). Under the general system imports include goods imported for domestic consumption and imports into bonded warehouses and free trade zones. Under the special system imports comprise goods imported for domestic consumption (including transformation and repair) and withdrawals for domestic consumption from bonded warehouses and free trade zones. Goods transported through a country en route to another are excluded.

The data on total imports of goods (merchandise) in this table come from the World Trade Organization (WTO). For further discussion of the WTO's sources and methodology, see *About the data* for table 4.4. The shares of imports by major commodity group are from the United Nations Statistics Division's Commodity Trade (Comtrade) database. The values of total imports reported here have not been fully reconciled with the estimates of imports of goods and services from the national accounts (shown in table 4.8) or those from the balance of payments (table 4.15).

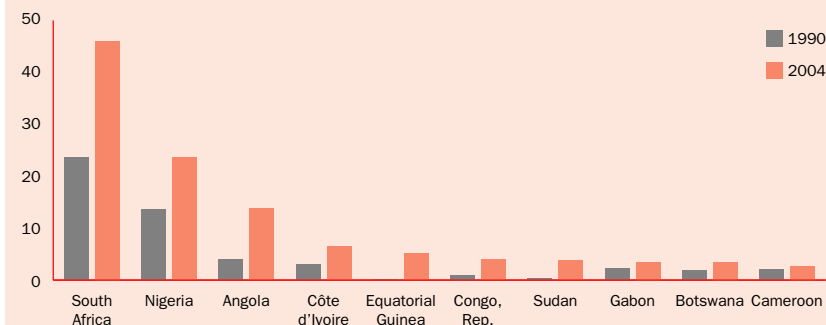
The classification of commodity groups is based on the Standard International Trade Classification (SITC) revision 1. Most countries now report using later revisions of the SITC or the Harmonized System. Concordance tables are used to convert data reported in one system of nomenclature to another. The conversion process may introduce some errors of classification, but conversions from later to earlier systems are generally reliable. Shares may not sum to 100 percent because of unclassified trade.

Definitions

- **Merchandise imports** are the c.i.f. value of goods purchased from the rest of the world valued in U.S. dollars.
- **Food** corresponds to the commodities in SITC sections 0 (food and live animals), 1 (beverages and tobacco), and 4 (animal and vegetable oils and fats) and SITC division 22 (oil seeds, oil nuts, and oil kernels).
- **Agricultural raw materials** correspond to SITC section 2 (crude materials except fuels) excluding divisions 22, 27 (crude fertilizers and minerals excluding coal, petroleum, and precious stones), and 28 (metalliferous ores and scrap).
- **Fuels** correspond to SITC section 3 (mineral fuels).
- **Ores and metals** correspond to the commodities in SITC divisions 27, 28, and 68 (nonferrous metals).
- **Manufactures** correspond to the commodities in SITC sections 5 (chemicals), 6 (basic manufactures), 7 (machinery and transport equipment), and 8 (miscellaneous manufactured goods), excluding division 68.

4.5a**Top 10 exporters in Sub-Saharan Africa in 2004**

Merchandise exports (\$ billions)



Sub-Saharan economies accounted for about 6 percent of developing economy exports and 1.6 percent of world exports.

Note: No data are available for Equatorial Guinea for 1990.

Source: World Trade Organization data files.

Data sources

The WTO publishes data on world trade in its *Annual Report*. The International Monetary Fund publishes estimates of total imports of goods in its *International Financial Statistics* and *Direction of Trade Statistics*, as does the United Nations Statistics Division in its *Monthly Bulletin of Statistics*. And the United Nations Conference on Trade and Development publishes data on the structure of exports and imports in its *Handbook of International Trade and Development Statistics*. Tariff line records of exports and imports are compiled in the United Nations Statistics Division's Comtrade database.



4.6

Structure of service exports

	Commercial service exports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of commercial services		% of commercial services		% of commercial services		% of commercial services	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Afghanistan	1	..	..	..	..	..	..	..	..	..
Albania	32	695	20.0	9.9	11.1	75.2	2.2	3.4	66.7	11.5
Algeria	479	..	41.7	..	13.4	..	5.9	..	39.0	..
Angola	65	323	48.8	5.5	20.6	20.4	4.6	..	26.1	74.1
Argentina	2,264	5,065	51.1	22.2	39.9	50.6	0.0	0.0	9.0	27.1
Armenia	17	238	..	30.9	..	35.9	..	5.0	..	28.3
Australia	9,833	24,774	35.5	23.6	43.2	51.3	4.2	5.0	17.2	20.1
Austria	22,755	48,297	6.4	19.4	59.0	31.7	2.9	6.1	31.7	42.9
Azerbaijan	..	453	..	45.4	..	14.4	..	1.7	..	38.6
Bangladesh	296	420	13.0	18.4	6.4	15.9	0.1	4.5	80.6	61.1
Belarus	185	1,729	54.1	58.9	13.3	16.6	1.0	0.2	31.6	24.3
Belgium	26,646 ^a	50,459	27.5 ^a	25.5	14.0 ^a	18.2	18.2 ^a	7.6	40.3 ^a	48.7
Benin	109	163	33.4	8.8	50.2	65.4	6.9	0.5	9.5	25.3
Bolivia	133	384	35.8	30.0	43.6	46.0	10.0	12.4	10.6	11.6
Bosnia and Herzegovina	..	825	..	3.7	..	59.2	..	1.7	..	35.4
Botswana	183	647	20.4	10.7	64.1	70.6	8.2	5.5	7.3	13.2
Brazil	3,706	11,615	36.4	21.2	37.3	27.7	3.1	4.5	23.2	46.5
Bulgaria	837	4,083	27.5	29.1	38.2	52.4	3.1	1.6	31.2	16.9
Burkina Faso	34	32	37.1	14.6	34.1	61.6	..	0.4	28.9	23.4
Burundi	7	2	38.7	31.6	51.4	32.2	1.6	0.6	8.3	35.6
Cambodia	50	759	..	13.7	..	79.5	..	..	..	6.9
Cameroon	369	..	42.6	..	14.4	..	9.4	..	33.6	..
Canada	18,350	46,370	23.0	18.3	34.7	27.6	..	9.7	42.3	44.4
Central African Republic	17	..	50.9	..	16.0	..	18.8	..	14.3	..
Chad	23	..	18.4	..	34.1	..	0.2	..	47.3	..
Chile	1,786	5,872	40.0	56.2	29.8	18.6	4.9	3.1	25.3	22.1
China	5,748	62,056	47.1	19.5	30.2	41.5	4.0	0.8	18.7	38.3
Hong Kong, China	..	54,175	..	29.8	..	15.4	..	8.9	..	46.0
Colombia	1,548	2,179	31.3	31.2	26.2	47.3	17.1	1.4	25.5	20.0
Congo, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	65	79	53.9	3.6	12.9	25.1	..	0.7	33.2	70.6
Costa Rica	583	2,206	16.3	11.1	48.9	66.1	..	0.4	34.8	22.3
Côte d'Ivoire	425	631	62.4	22.2	12.1	12.0	8.3	..	17.2	65.8
Croatia	2,216	9,619	29.2	10.2	59.1	72.5	1.4	0.6	10.3	16.7
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	4,679	9,656	26.5	29.2	33.3	43.3	9.6	4.4	30.6	23.1
Denmark	12,731	36,304	32.5	47.1	26.2	15.6	2.3	..	39.0	37.4
Dominican Republic	1,086	3,463	5.6	2.9	66.9	91.8	0.2	0.1	27.3	5.2
Ecuador	508	847	47.6	40.2	37.0	43.4	9.3	0.3	6.1	16.1
Egypt, Arab Rep.	4,812	14,046	50.1	28.6	22.9	43.6	1.0	0.8	26.1	27.0
El Salvador	301	921	26.2	37.2	25.3	36.6	7.5	4.6	41.1	21.6
Eritrea	73	..	85.7	..	1.0	..	..	..	13.3	..
Estonia	200	2,786	74.7	43.2	13.7	31.5	0.1	1.4	11.5	24.0
Ethiopia	261	799	80.7	46.3	2.1	21.7	0.7	0.5	16.6	31.6
Finland	4,562	9,792	38.4	24.5	25.8	21.1	0.1	1.8	35.6	52.6
France	74,948	109,518	21.7	23.4	27.1	37.2	14.8	2.7	36.4	36.8
Gabon	214	167	33.4	50.7	1.4	8.7	5.8	30.8	59.4	9.8
Gambia, The	53	..	8.8	..	87.9	..	0.1	..	3.3	..
Georgia	..	492	..	50.8	..	35.9	..	5.6	..	7.8
Germany	50,561	133,856	29.2	24.8	28.3	20.6	1.0	6.8	41.5	47.8
Ghana	79	684	49.2	20.0	5.6	68.2	2.7	1.1	42.6	10.7
Greece	6,514	32,986	4.9	50.1	39.7	38.6	0.1	1.1	55.2	10.3
Guatemala	313	1,063	7.4	8.2	37.6	73.0	2.0	6.4	53.1	12.4
Guinea	91	31	14.2	21.8	32.6	0.1	0.1	0.4	53.2	77.8
Guinea-Bissau	4	5	5.4	15.5	..	37.0	..	15.0	94.6	32.5
Haiti	43	116	19.8	..	78.9	80.2	1.3	..	..	19.8

Structure of service exports

4.6

ECONOMY

	Commercial service exports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of commercial services		% of commercial services		% of commercial services		% of commercial services	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Honduras	121	593	35.1	12.1	24.0	66.8	12.9	3.1	28.0	18.0
Hungary	2,677	10,255	1.6	13.0	36.8	39.3	0.2	2.8	61.4	44.9
India	4,610	39,638 ^b	20.8	13.3	33.8	16.8	2.7	3.5	42.7	66.4
Indonesia	2,488	17,331	2.8	13.2	86.5	27.7	0.0	1.8	10.7	57.4
Iran, Islamic Rep.	343	..	10.5	..	8.2	..	6.4	..	74.9	..
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	3,286	52,158	31.1	4.5	44.4	8.2	0.0	29.1	24.5	58.2
Israel	4,546	14,830	30.8	21.5	30.7	16.1	-0.3	0.1	38.8	62.3
Italy	48,579	82,484	21.0	16.9	33.9	42.9	5.5	3.2	39.6	37.0
Jamaica	975	2,262	18.0	22.0	77.0	63.6	1.4	1.6	3.6	12.8
Japan	41,384	94,933	40.4	33.9	7.9	11.9	-0.4	5.8	52.1	48.5
Jordan	1,430	2,036	26.0	20.9	35.8	65.3	..	..	38.3	13.8
Kazakhstan	..	1,807	..	46.3	..	39.1	..	1.2	..	13.4
Kenya	774	1,150	32.1	48.9	60.2	43.0	0.7	1.2	7.1	6.8
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	9,155	40,047	34.7	56.0	34.5	14.3	0.1	2.9	30.7	26.8
Kuwait	1,054	2,067	87.5	84.7	12.5	8.7	..	3.8	..	2.8
Kyrgyz Republic	9	193	25.1	26.4	3.8	39.3	..	1.1	71.1	33.3
Lao PDR	11	127	74.8	18.0	24.3	82.0	0.9	..	..	..
Latvia	290	1,752	94.9	56.6	2.5	15.2	..	7.2	2.6	21.0
Lebanon	..	..	..	..	..	..	..	..	..	..
Lesotho	34	56	14.1	1.1	51.2	60.4	..	4.7	34.7	33.8
Liberia	32	..	84.6	..	15.4	..	..	..	..	..
Libya	83	351	83.8	18.0	7.7	62.1	..	17.1	8.5	2.9
Lithuania	198	2,431	83.6	55.7	10.9	31.9	..	0.5	5.5	11.9
Macedonia, FYR	..	384	..	29.3	..	18.7	..	2.0	..	50.0
Madagascar	129	202	32.1	28.5	31.3	37.5	0.3	1.7	36.4	32.3
Malawi	37	49	46.1	32.7	42.6	67.3	0.1	..	11.2	0.0
Malaysia	3,769	13,459	31.8	20.6	44.7	43.8	0.1	2.5	23.5	33.1
Mali	71	208	31.0	20.5	54.3	61.6	4.9	1.5	9.8	16.4
Mauritania	14	..	35.3	..	64.7	..	..	..	..	..
Mauritius	478	1,449	33.0	25.7	51.1	59.1	0.1	1.7	15.8	13.5
Mexico	7,222	13,931	12.4	9.8	76.5	77.2	4.6	6.2	6.5	6.8
Moldova	..	325	..	43.9	..	29.2	..	1.2	..	25.7
Mongolia	48	329	41.8	32.7	10.4	56.2	4.6	1.2	43.2	9.9
Morocco	1,871	6,304	9.6	16.3	68.4	62.2	0.8	1.5	21.2	20.0
Mozambique	103	246	61.3	32.5	..	38.7	..	0.8	38.7	28.1
Myanmar	94	232	10.3	36.8	20.9	36.2	0.5	..	68.3	27.0
Namibia	106	463	..	7.1	81.0	87.5	5.9	..	13.1	5.5
Nepal	166	356	3.6	9.1	65.6	64.7	..	0.1	30.8	26.1
Netherlands	28,478	71,784	45.4	27.0	14.6	14.4	0.8	1.7	39.2	56.9
New Zealand	2,415	7,753	43.4	19.1	42.7	65.4	-0.3	0.7	14.2	14.8
Nicaragua	34	254	19.2	14.4	35.5	73.9	0.0	1.0	45.4	10.7
Niger	22	57	5.2	8.9	59.5	48.5	13.5	1.3	21.8	41.3
Nigeria	965	3,336	3.9	20.2	2.5	0.6	0.3	0.2	93.3	79.0
Norway	12,452	25,893	68.7	57.5	12.6	11.3	0.4	4.0	18.3	27.2
Oman	68	830	15.3	34.7	84.7	62.4	..	0.4	..	2.5
Pakistan	1,218	1,697	59.3	54.2	12.0	10.5	1.4	3.5	27.3	31.9
Panama	907	2,690	64.9	57.0	18.9	24.2	3.8	9.7	12.4	9.1
Papua New Guinea	198	285	11.2	7.5	12.0	1.8	0.5	1.8	76.3	88.9
Paraguay	404	556	18.3	15.6	21.1	12.1	..	5.9	60.5	66.4
Peru	714	1,795	43.4	21.2	30.4	60.1	11.2	4.6	15.0	14.2
Philippines	2,897	4,101	8.5	27.3	16.1	49.1	0.5	1.4	74.9	22.2
Poland	3,200	13,437	57.3	31.3	11.2	43.4	4.0	1.7	27.6	23.6
Portugal	5,054	14,596	15.6	19.6	70.4	53.5	0.7	2.4	13.3	24.5
Puerto Rico	..	..	..	..	..	..	..	..	..	..



4.6

Structure of service exports

	Commercial service exports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of commercial services		% of commercial services		% of commercial services		% of commercial services	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Romania	610	3,590	50.5	43.4	17.4	14.0	5.6	2.8	26.6	39.8
Russian Federation	..	20,164	..	38.6	..	25.9	..	2.5	..	32.9
Rwanda	31	72	56.1	29.8	32.8	60.4	1.0	..	10.0	9.9
Saudi Arabia	3,027	5,852	..	..	..	..	..	..	..	..
Senegal	356	488	19.2	15.7	42.8	42.7	0.5	2.0	37.6	39.7
Serbia and Montenegro	..	..	..	..	..	..	..	..	..	..
Sierra Leone	45	61	9.7	2.3	76.2	94.8	..	0.8	14.1	2.1
Singapore	12,719	41,077	17.5	35.6	36.6	12.4	0.7	9.5	45.3	42.5
Slovak Republic	1,939	3,270	23.7	43.2	19.8	26.4	..	2.3	56.5	28.1
Slovenia	1,219	3,449	22.6	29.1	55.0	47.1	1.2	0.8	21.2	22.9
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	3,291	8,066	21.6	17.1	55.8	70.3	10.8	4.5	11.9	8.1
Spain	27,649	84,105	17.2	16.6	67.2	53.6	4.3	3.1	11.3	26.7
Sri Lanka	425	1,506	39.7	41.4	30.2	34.1	4.2	3.3	25.9	21.2
Sudan	134	35	14.1	27.4	15.7	60.7	0.5	2.5	69.7	9.5
Swaziland	102	485	24.5	5.5	29.2	19.6	..	60.3	46.3	14.7
Sweden	13,453	38,320	35.8	20.8	21.7	16.1	9.1	5.2	33.5	57.9
Switzerland	18,325	41,544	16.3	10.1	40.4	25.0	23.7	33.1	19.6	31.8
Syrian Arab Republic	740	2,222	29.8	9.5	43.3	81.0	..	1.2	27.0	8.3
Tajikistan	..	81	..	64.8	..	1.5	..	5.4	..	28.4
Tanzania	131	845	19.9	9.1	36.4	70.4	0.5	6.9	43.1	13.7
Thailand	6,292	18,932	21.1	23.0	68.7	53.1	0.2	0.7	10.0	23.3
Togo	114	72	26.9	29.8	50.8	20.5	13.7	1.2	8.6	48.6
Trinidad and Tobago	322	672	50.7	36.7	29.4	37.0	..	16.1	19.9	10.2
Tunisia	1,575	3,520	23.0	26.0	64.8	56.0	1.5	2.4	10.7	15.6
Turkey	7,882	23,806	11.7	13.7	40.9	66.7	..	2.4	47.4	17.2
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda	..	436	..	11.1	..	61.1	..	10.8	..	17.0
Ukraine	..	6,041	..	66.9	..	18.9	..	0.7	..	13.5
United Arab Emirates	..	..	..	..	..	..	..	..	..	..
United Kingdom	53,830	179,649	25.2	16.7	29.0	15.7	16.4	22.5	29.4	45.1
United States	132,880	321,837	28.1	17.3	37.9	29.2	3.5	8.7	30.5	44.8
Uruguay	460	959	36.9	34.9	51.8	51.5	1.0	6.8	10.3	6.9
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	1,121	1,008	40.9	35.1	44.3	47.3	0.2	0.2	14.7	17.4
Vietnam	..	2,948	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	82	292	27.2	15.8	48.8	47.6	..	..	24.0	36.7
Zambia	94	..	68.9	..	13.6	..	4.1	..	13.4	..
Zimbabwe	253	..	44.3	..	25.3	..	1.2	..	29.2	..
World	815,710 t	2,190,577 t	28.5 w	24.3 w	34.6 w	28.5 w	4.7 w	6.7 w	38.5 w	41.7 w
Low income	13,854	67,030	24.7	19.5	23.1	19.7	2.0	3.0	50.4	58.1
Middle income	96,848	358,642	29.6	23.3	45.0	46.8	3.1	2.7	22.3	27.3
Lower middle income	46,348	197,288	32.3	22.8	39.3	40.8	3.3	1.6	25.2	34.9
Upper middle income	51,220	161,008	26.4	23.8	52.1	53.6	2.7	3.9	18.8	18.7
Low & middle income	110,619	423,636	29.2	23.5	43.0	45.6	3.0	2.6	24.9	28.4
East Asia & Pacific	22,615	129,117	32.3	19.9	43.5	42.2	2.0	1.0	22.2	37.0
Europe & Central Asia	..	121,538	..	34.1	..	35.5	..	2.4	..	28.1
Latin America & Carib.	26,062	61,844	25.8	19.4	56.2	58.4	4.1	4.3	13.9	17.9
Middle East & N. Africa	..	..	31.1	..	29.3	..	3.4	..	36.4	..
South Asia	6,847	44,325	26.8	22.1	28.2	17.4	2.3	3.7	42.7	56.8
Sub-Saharan Africa	9,561	24,238	25.7	18.1	31.6	40.2	5.4	2.9	37.9	39.2
High income	701,271	1,767,896	28.3	24.5	32.1	24.0	5.2	7.8	42.2	45.2
Europe EMU	311,131	723,009	27.1	22.5	30.3	27.7	5.9	5.6	36.7	45.1

a. Includes Luxembourg. b. World Trade Organization estimate.

Structure of service exports

4.6

About the data

Balance of payments statistics, the main source of information on international trade in services, have many weaknesses. Some large economies—such as the former Soviet Union—did not report data on trade in services until recently. Disaggregation of important components may be limited, and it varies significantly across countries. There are inconsistencies in the methods used to report items. And the recording of major flows as net items is common (for example, insurance transactions are often recorded as premiums less claims). These factors contribute to a downward bias in the value of the service trade reported in the balance of payments.

Efforts are being made to improve the coverage, quality, and consistency of these data. Eurostat and the Organisation for Economic Co-operation and Development, for example, are working together to improve the collection of statistics on trade in services in member countries. In addition, the International Monetary Fund (IMF) has implemented the new classification of trade in services introduced in the fifth edition of its *Balance of Payments Manual* (1993).

Still, difficulties in capturing all the dimensions of international trade in services mean that the record is likely to remain incomplete. Cross-border intrafirm service transactions, which are usually not captured in the balance of payments, have increased in recent years. One example of such transactions is transnational corporations' use of mainframe computers around the clock for data processing, exploiting time zone differences between their home country and the host countries of their affiliates. Another important dimension of service trade not captured

by conventional balance of payments statistics is establishment trade—sales in the host country by foreign affiliates. By contrast, cross-border intrafirm transactions in merchandise may be reported as exports or imports in the balance of payments.

The data on exports of services in this table and on imports of services in table 4.7, unlike those in editions before 2000, include only commercial services and exclude the category "government services not included elsewhere." The data are compiled by the IMF based on returns from national sources. Data on total trade in goods and services from the IMF's Balance of Payments database are shown in table 4.15.

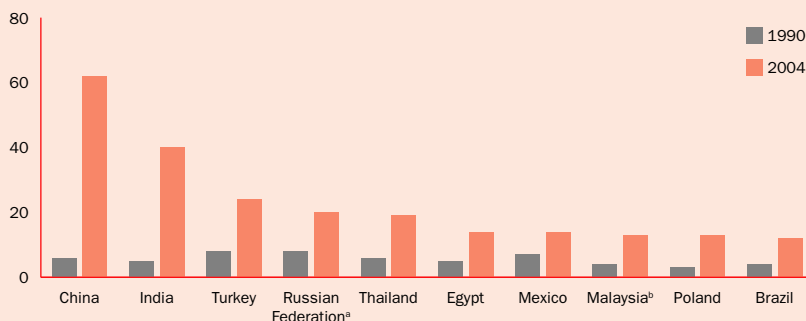
Definitions

• **Commercial service exports** are total service exports minus exports of government services not included elsewhere. International transactions in services are defined by the IMF's *Balance of Payments Manual* (1993) as the economic output of intangible commodities that may be produced, transferred, and consumed at the same time. Definitions may vary among reporting economies. • **Transport** covers all transport services (sea, air, land, internal waterway, space, and pipeline) performed by residents of one economy for those of another and involving the carriage of passengers, movement of goods (freight), rental of carriers with crew, and related support and auxiliary services. Excluded are freight insurance, which is included in insurance services; goods procured in ports by nonresident carriers and repairs of transport equipment, which are included in goods; repairs of harbors, railway facilities, and airfield facilities, which are included in construction services; and rental of carriers without crew, which is included in other services. • **Travel** covers goods and services acquired from an economy by travelers in that economy for their own use during visits of less than one year for business or personal purposes. Travel services include the goods and services consumed by travelers, such as meals, lodging, and transport (within the economy visited), including car rental. • **Insurance and financial services** cover freight insurance on goods exported and other direct insurance such as life insurance, financial intermediation services such as commissions, foreign exchange transactions, and brokerage services; and auxiliary services such as financial market operational and regulatory services. • **Computer, information, communications, and other commercial services** include such activities as international telecommunications and postal and courier services; computer data; news-related service transactions between residents and nonresidents; construction services; royalties and license fees; miscellaneous business, professional, and technical services; and personal, cultural, and recreational services.

4.6a

Top 10 developing country exporters of commercial services in 2004

Commercial services exports (\$ billions)



The top 10 developing country exporters accounted for about 55 percent of developing country commercial service exports and 11 percent of world commercial service exports.

a. Data are for 1994 and 2004.
b. Data are for 1990 and 2003.

Source: International Monetary Fund data files and staff estimates.

Data sources

Data on exports of commercial services are from the IMF. The IMF publishes balance of payments data in its *International Financial Statistics* and *Balance of Payments Statistics Yearbook*.



	Commercial service imports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of commercial services		% of commercial services		% of commercial services		% of commercial services	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Afghanistan	97	..	85.9	..	..	..	9.5	..	4.6	..
Albania	29	734	26.3	21.3	..	66.6	2.9	3.6	70.8	8.5
Algeria	1,155	..	58.1	..	12.9	..	9.8	..	19.2	..
Angola	1,288	4,803	38.3	18.3	3.0	0.8	2.6	4.9	56.1	76.1
Argentina	2,876	6,596	32.6	24.8	40.7	44.9	..	3.8	26.7	26.5
Armenia	40	305	89.2	58.7	0.9	21.2	9.9	6.7	0.0	13.4
Australia	13,388	25,613	33.9	36.3	31.5	36.7	4.8	4.2	29.8	22.8
Austria	14,104	46,195	8.4	13.7	54.9	24.4	4.6	6.1	32.1	55.8
Azerbaijan	..	2,702	..	10.7	..	4.7	..	1.4	..	83.3
Bangladesh	554	1,835	71.1	77.3	14.1	8.8	6.6	7.8	8.3	6.1
Belarus	125	1,009	34.0	24.8	44.6	51.9	12.3	1.7	9.2	21.5
Belgium	25,924 ^a	48,234	23.3 ^a	22.9	21.1 ^a	28.9	14.8 ^a	7.9	40.8 ^a	40.3
Benin	113	244	46.9	70.0	12.8	8.7	5.7	13.4	34.6	7.9
Bolivia	291	578	61.7	34.8	20.6	25.6	10.0	20.5	7.6	19.2
Bosnia and Herzegovina	..	438	..	45.2	..	28.4	..	14.0	..	12.4
Botswana	371	652	57.5	38.1	15.0	35.2	5.5	4.2	22.0	22.5
Brazil	6,733	16,111	44.4	27.6	22.4	17.8	2.7	7.1	30.5	47.4
Bulgaria	600	3,225	40.5	47.1	31.5	29.6	4.5	3.7	23.5	19.7
Burkina Faso	196	135	64.7	65.1	16.6	16.1	5.1	14.7	13.6	4.2
Burundi	59	38	62.6	52.6	29.0	38.3	6.3	4.1	2.2	5.0
Cambodia	64	462	24.5	62.8	..	10.3	..	5.0	75.5	22.0
Cameroon	1,018	..	45.3	..	27.5	..	7.2	..	20.1	..
Canada	27,479	56,571	21.1	21.6	39.8	28.3	..	12.2	39.2	38.0
Central African Republic	166	..	49.7	..	30.6	..	8.9	..	10.7	..
Chad	223	..	45.1	..	31.2	..	4.4	..	19.2	..
Chile	1,982	6,401	47.4	50.3	21.5	13.9	3.3	10.9	27.9	24.8
China	4,113	71,602	78.9	34.3	11.4	26.7	2.3	8.8	7.4	30.2
Hong Kong, China	..	30,016	..	25.9	..	44.0	..	5.8	..	24.3
Colombia	1,683	3,987	34.9	40.5	27.0	32.4	13.7	8.6	24.4	18.6
Congo, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	748	537	18.4	12.6	15.2	9.8	1.6	8.1	64.9	69.6
Costa Rica	540	1,293	41.2	39.8	28.8	31.4	6.0	6.3	24.0	22.6
Côte d'Ivoire	1,518	1,880	32.1	48.5	11.1	19.1	4.7	..	52.0	32.4
Croatia	1,088	3,583	30.5	19.0	34.4	23.4	3.7	3.6	31.4	54.1
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	3,701	9,130	19.8	16.5	14.2	25.0	14.0	12.5	52.0	46.0
Denmark	10,106	33,401	38.3	43.4	36.5	21.8	1.6	..	23.6	34.8
Dominican Republic	435	1,159	40.0	55.9	33.1	26.7	4.1	9.6	22.9	7.8
Ecuador	755	1,735	41.6	47.9	23.2	22.5	8.1	3.8	27.2	25.7
Egypt, Arab Rep.	3,327	7,470	44.0	40.0	3.9	16.8	4.6	8.2	47.5	35.0
El Salvador	296	1,056	45.9	45.8	20.6	22.7	12.1	12.9	21.5	18.6
Eritrea	1	..	..	..	..	..	..	..	..	..
Estonia	123	1,707	76.3	42.4	15.4	23.4	0.3	1.4	8.0	32.7
Ethiopia	348	938	76.5	62.4	3.3	6.4	3.4	5.1	16.9	26.1
Finland	7,432	12,129	26.1	27.9	37.2	23.3	1.8	1.6	34.8	47.3
France	59,560	96,452	29.4	27.2	20.7	29.6	19.2	4.9	30.7	38.3
Gabon	984	821	23.2	32.3	13.9	23.6	5.3	5.7	57.6	38.4
Gambia, The	35	..	65.1	..	23.1	..	9.0	..	2.8	..
Georgia	..	437	..	46.8	..	33.7	..	9.9	..	9.6
Germany	83,338	191,706	20.6	21.1	46.9	36.8	1.0	4.7	31.6	37.4
Ghana	226	881	55.1	45.6	5.9	21.2	11.2	5.3	27.8	27.9
Greece	2,756	13,560	34.0	52.5	39.5	21.2	5.4	5.0	21.0	21.3
Guatemala	363	1,247	41.0	50.7	27.4	31.3	3.4	12.2	28.2	5.8
Guinea	243	195	57.5	47.3	12.2	12.8	5.5	12.7	24.9	27.2
Guinea-Bissau	17	36	54.5	59.4	19.8	37.1	5.6	1.0	20.0	2.6
Haiti	71	244	47.9	97.5	52.1	..	..	..	..	2.5

Structure of service imports

4.7

ECONOMY

	Commercial service imports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of commercial services		% of commercial services		% of commercial services		% of commercial services	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Honduras	213	736	45.4	49.0	17.6	28.5	15.0	..	22.0	22.5
Hungary	2,264	10,239	8.8	15.3	25.9	27.8	1.0	5.8	64.4	51.1
India	5,943	40,950 ^b	57.5	36.7	6.6	13.8	5.8	6.5	30.1	43.1
Indonesia	5,898	28,265	47.4	19.5	14.2	12.4	4.0	3.4	34.5	64.7
Iran, Islamic Rep.	3,703	..	47.3	..	9.2	..	10.8	..	32.8	..
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	5,145	64,461	24.3	3.5	22.6	8.0	1.9	16.1	51.2	72.4
Israel	4,825	12,342	39.6	35.2	29.7	22.7	4.4	3.5	26.3	38.7
Italy	46,602	80,412	23.7	24.4	22.1	25.4	10.4	4.7	43.9	45.5
Jamaica	667	1,677	47.9	38.6	17.0	17.1	6.7	9.3	28.4	35.0
Japan	84,281	134,013	30.8	31.9	27.9	28.5	2.1	4.6	39.3	35.0
Jordan	1,118	1,972	52.0	56.1	30.1	26.6	5.2	8.3	12.7	9.1
Kazakhstan	..	4,933	..	17.7	..	15.4	..	2.6	..	64.4
Kenya	598	675	66.2	49.1	6.4	15.9	8.9	10.5	18.5	24.4
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	10,050	49,641	39.8	36.1	27.5	24.2	0.3	1.2	32.4	38.6
Kuwait	2,805	6,135	31.9	36.1	65.5	60.2	1.2	1.6	1.4	2.2
Kyrgyz Republic	51	226	74.1	39.2	0.8	22.2	7.6	14.3	17.6	24.3
Lao PDR	25	5	73.0	99.0	..	1.0	6.4	..	20.6	0.0
Latvia	120	1,164	82.3	35.5	10.9	32.4	4.8	5.8	2.1	26.3
Lebanon	..	..	..	..	..	..	..	..	..	..
Lesotho	48	86	67.9	64.6	24.7	35.3	5.6	..	1.7	0.1
Liberia	74	..	60.8	..	33.7	..	5.6	..	..	..
Libya	926	1,603	41.9	40.2	45.8	37.6	4.1	5.5	8.3	16.7
Lithuania	177	1,578	90.7	42.1	6.9	40.3	..	1.7	2.4	16.0
Macedonia, FYR	..	440	..	42.5	..	12.4	..	3.9	..	41.3
Madagascar	172	405	43.5	58.4	23.4	15.8	3.5	3.6	29.5	22.2
Malawi	268	222	81.8	50.1	5.9	35.2	8.7	0.0	3.7	14.7
Malaysia	5,394	17,323	46.9	36.1	26.9	16.4	..	3.5	26.2	44.0
Mali	352	478	57.4	65.3	15.8	10.0	1.9	5.7	24.9	19.0
Mauritania	126	..	76.9	..	18.3	..	3.1	..	1.7	..
Mauritius	407	1,005	51.6	46.7	23.0	25.4	5.5	6.1	19.9	21.9
Mexico	10,063	19,250	25.0	11.1	54.9	36.2	6.2	42.0	14.0	10.8
Moldova	..	352	..	33.0	..	38.2	..	1.3	..	27.6
Mongolia	155	496	56.2	40.2	0.8	38.8	6.3	8.2	36.8	12.8
Morocco	940	2,805	58.3	49.0	19.9	20.5	6.0	2.9	15.9	27.6
Mozambique	206	511	57.7	37.3	..	26.2	4.3	1.6	38.1	34.9
Myanmar	73	444	35.4	51.2	22.6	6.5	2.5	..	39.5	42.4
Namibia	341	376	46.9	36.1	17.9	23.3	6.8	5.5	28.5	35.1
Nepal	159	364	40.8	36.1	28.5	42.3	3.2	4.5	27.5	17.1
Netherlands	28,995	68,564	37.7	20.0	25.4	23.8	1.0	2.4	35.9	53.8
New Zealand	3,251	6,806	40.6	36.3	29.5	34.6	2.5	3.8	27.5	25.3
Nicaragua	73	375	70.7	56.5	20.1	22.8	7.9	3.6	1.4	17.2
Niger	209	175	68.3	76.7	10.4	12.6	4.3	2.1	17.1	8.5
Nigeria	1,901	4,969	33.6	29.5	30.3	23.4	3.1	..	32.9	47.2
Norway	12,247	23,988	44.6	36.2	30.0	35.0	1.7	3.8	23.7	25.1
Oman	719	2,740	36.6	37.1	6.5	22.5	4.1	9.4	52.8	31.1
Pakistan	1,863	5,089	67.0	40.4	23.1	24.9	1.4	3.3	8.6	31.5
Panama	666	1,402	66.6	55.2	14.8	17.0	10.2	13.1	8.4	14.6
Papua New Guinea	393	662	35.6	26.1	12.8	5.8	4.0	7.3	47.6	60.8
Paraguay	361	323	61.6	52.8	19.8	22.1	11.4	16.8	7.3	8.3
Peru	1,070	2,628	43.5	41.7	27.6	23.6	10.9	8.8	18.0	25.9
Philippines	1,721	5,081	56.9	48.1	6.5	25.9	3.4	5.5	33.2	20.5
Poland	2,847	12,272	52.4	24.0	14.9	31.3	1.0	5.1	31.8	39.6
Portugal	3,772	9,464	48.5	30.5	23.0	29.2	5.1	4.3	23.5	36.0
Puerto Rico	..	..	..	..	..	..	..	..	..	..



4.7

Structure of service imports

	Commercial service imports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of commercial services		% of commercial services		% of commercial services		% of commercial services	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Romania	787	3,829	65.5	39.2	13.1	14.1	7.3	5.9	14.1	40.9
Russian Federation	..	32,766	..	11.9	..	48.0	..	5.7	..	34.5
Rwanda	94	136	69.0	64.5	23.7	23.2	..	..	7.3	12.3
Saudi Arabia	12,677	11,057	18.1	30.1	..	..	2.2	3.3	79.7	66.6
Senegal	368	567	60.1	56.8	12.4	9.8	8.8	11.1	18.7	22.3
Serbia and Montenegro	..	..	..	..	..	..	..	..	..	..
Sierra Leone	67	84	29.5	34.4	32.7	35.3	4.8	6.1	33.0	24.2
Singapore	8,575	40,470	41.0	38.2	21.0	19.2	9.1	7.0	29.0	35.6
Slovak Republic	1,666	3,012	17.3	29.8	13.1	19.0	..	8.7	69.6	42.4
Slovenia	1,034	2,581	42.5	23.4	27.3	33.8	2.5	2.2	27.8	40.7
Somalia	122	..	38.2	..	..	..	4.2	..	57.6	..
South Africa	3,594	9,079	40.2	50.6	31.5	29.5	11.6	7.6	16.7	12.3
Spain	15,197	57,016	30.9	27.3	28.0	21.3	6.3	5.5	34.9	45.9
Sri Lanka	620	1,872	64.2	60.6	11.9	15.8	6.8	5.9	17.1	17.7
Sudan	202	1,023	31.9	82.2	25.4	17.2	4.9	0.2	37.8	0.5
Swaziland	171	517	6.1	14.0	20.6	10.0	..	49.0	73.4	27.0
Sweden	16,959	32,908	23.2	15.2	37.1	30.8	7.9	2.8	31.7	51.2
Switzerland	11,093	23,653	33.7	22.0	53.0	37.1	1.4	4.9	12.0	36.0
Syrian Arab Republic	702	1,813	54.5	55.2	35.5	35.9	4.4	3.5	5.7	5.4
Tajikistan	..	205	..	77.4	..	1.7	..	8.1	..	12.8
Tanzania	288	963	58.0	24.9	7.9	43.8	6.2	8.8	27.9	22.5
Thailand	6,160	22,948	58.1	47.3	23.3	19.7	5.5	5.6	13.3	27.4
Togo	217	204	56.9	72.8	18.4	3.5	9.1	11.8	15.6	11.9
Trinidad and Tobago	460	335	51.7	48.2	26.6	32.0	9.9	0.0	11.9	19.8
Tunisia	682	1,869	51.4	52.9	26.2	18.2	7.4	7.7	15.0	21.2
Turkey	2,794	10,299	32.2	42.1	18.6	24.5	..	11.8	49.2	21.6
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda	195	679	58.3	38.6	..	17.9	6.5	9.7	35.2	33.8
Ukraine	..	4,695	..	34.7	..	21.2	..	11.5	..	32.6
United Arab Emirates	..	..	..	..	..	..	..	..	..	..
United Kingdom	44,713	140,060	33.2	24.3	41.0	40.3	2.4	5.5	23.4	29.9
United States	97,950	263,598	36.3	29.5	38.9	26.4	4.5	13.2	20.4	30.9
Uruguay	363	649	48.2	45.2	30.7	29.8	1.5	6.4	19.6	18.5
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	2,390	4,271	33.5	42.1	42.8	25.2	4.3	6.9	19.4	25.9
Vietnam	..	3,698	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	639	1,004	27.6	49.4	9.9	12.5	5.4	8.7	57.1	29.4
Zambia	370	..	76.8	..	14.6	..	5.3	..	3.3	..
Zimbabwe	460	..	51.8	..	14.4	..	3.4	..	30.4	..
World	833,781 t	2,117,904 t	34.7 w	27.9 w	32.5 w	28.4 w	5.0 w	8.5 w	32.4 w	35.8 w
Low income	23,328	84,535	55.6	44.3	13.4	18.0	5.2	6.0	26.2	32.3
Middle income	104,787	387,261	48.7	30.8	25.3	27.7	4.1	13.2	22.1	28.4
Lower middle income	50,060	221,076	61.7	37.4	15.8	23.2	4.3	7.4	18.2	32.0
Upper middle income	56,000	166,327	34.4	23.7	35.6	32.6	3.8	19.4	26.4	24.4
Low & middle income	128,523	468,869	49.3	31.7	24.1	27.3	4.2	12.8	22.5	28.3
East Asia & Pacific	25,043	160,657	65.5	36.8	15.8	23.9	2.6	7.4	16.2	32.0
Europe & Central Asia	37,010	113,048	30.9	26.6	19.2	30.0	6.2	7.5	44.2	35.9
Latin America & Carib.	33,523	74,822	34.0	24.5	40.8	30.4	5.9	24.7	19.6	20.5
Middle East & N. Africa	18,678	..	49.2	..	16.3	..	6.9	..	27.7	..
South Asia	9,262	50,739	60.5	44.9	10.7	16.3	5.3	6.3	23.5	32.5
Sub-Saharan Africa	18,321	38,142	45.1	44.7	22.6	24.3	7.6	6.5	25.5	24.7
High income	700,780	1,652,657	30.8	27.0	34.8	28.7	5.2	7.4	34.8	37.6
Europe EMU	300,933	708,916	26.3	23.3	31.1	28.5	7.7	5.2	35.0	43.9

a. Includes Luxembourg. b. World Trade Organization estimate.

About the data

Trade in services differs from trade in goods because services are produced and consumed at the same time. Thus services to a traveler may be consumed in the producing country (for example, use of a hotel room) but are classified as imports of the traveler's country. In other cases services may be supplied from a remote location; for example, insurance services may be supplied from one location and consumed in another. For further discussion of the problems of measuring trade in services, see *About the data* for table 4.6.

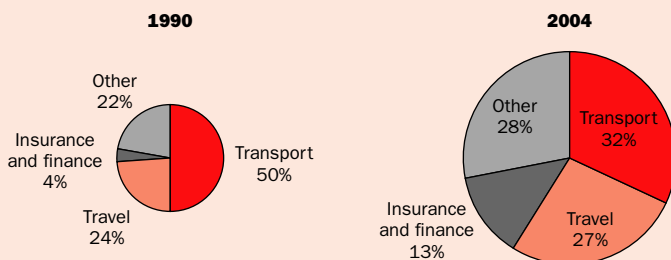
The data on exports of services in table 4.6 and on imports of services in this table, unlike those in editions before 2000, include only commercial services and exclude the category "government services not included elsewhere." The data are compiled by the International Monetary Fund (IMF) based on returns from national sources.

Definitions

- **Commercial service imports** are total service imports minus imports of government services not included elsewhere. International transactions in services are defined by the IMF's *Balance of Payments Manual* (1993) as the economic output of intangible commodities that may be produced, transferred, and consumed at the same time. Definitions may vary among reporting economies.
- **Transport** covers all transport services (sea, air, land, internal waterway, space, and pipeline) performed by residents of one economy for those of another and involving the carriage of passengers, movement of goods (freight), rental of carriers with crew, and related support and auxiliary services. Excluded are freight insurance, which is included in insurance services; goods procured in ports by nonresident carriers and repairs of transport equipment, which are included in goods; repairs of harbors, railway facilities, and airfield facilities, which are included in construction services; and rental of carriers without crew, which is included in other services.
- **Travel** covers goods and services acquired from an economy by travelers in that economy for their own use during visits of less than one year for business or personal purposes. Travel services include the goods and services consumed by travelers, such as meals, lodging, and transport (within the economy visited), including car rental.
- **Insurance and financial services** cover freight insurance on goods imported and other direct insurance such as life insurance, financial intermediation services such as commissions, foreign exchange transactions, and brokerage services; and auxiliary services such as financial market operational and regulatory services.
- **Computer, information, communications, and other commercial services** include such activities as international telecommunications, and postal and courier services; computer data; news-related service transactions between residents and nonresidents; construction services; royalties and license fees; miscellaneous business, professional, and technical services; and personal, cultural, and recreational services.

4.7a**The mix of commercial service imports is changing**

Commercial service imports by developing economies (% of total)



Between 1990 and 2004 travel, insurance and finance, and other services displaced transport as the most important service imports for developing economies.

Source: International Monetary Fund data files.

Data sources

Data on imports of commercial services are from the IMF. The IMF publishes balance of payments data in its *International Financial Statistics* and *Balance of Payments Statistics Yearbook*.



4.8

Structure of demand

	Household final consumption expenditure		General government final consumption expenditure		Gross capital formation		Exports of goods and services		Imports of goods and services		Gross savings	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		% of GDP	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	61	89	19	9	29	24	15	21	23	43	21	17
Algeria	57	39	16	15	29	33	23	40	25	26	26	46
Angola	36	73	35	.. ^a	12	12	39	71	21	55	9	16
Argentina	77	63	3	11	14	19	10	25	5	18	13	21
Armenia	46	82	18	11	47	20	35	39	46	53	..	14
Australia	59	60	19	18	22	25	17	18	17	21	18	19
Austria	57	56	19	18	24	22	38	51	37	46	24	24
Azerbaijan	51	58	18	12	27	55	44	50	39	74	..	24
Bangladesh	86	76	4	6	17	24	6	16	14	21	14	31
Belarus	47	57	24	20	27	28	46	69	44	74	29	24
Belgium	55	54	20	23	22	20	71	84	69	81	24	24
Benin	87	77	11	14	14	20	14	15	26	26	10	13
Bolivia	77	68	12	15	13	12	23	31	24	26	10	17
Bosnia and Herzegovina	..	84	..	25	..	21	..	26	..	55	..	4
Botswana	33	28	24	34	37	31	55	40	50	32	43	39
Brazil	59	55	19	19	20	21	8	18	7	13	19	23
Bulgaria	60	68	18	19	26	24	33	58	37	69	16	16
Burkina Faso	82	82	13	13	18	19	11	9	24	23	13	6
Burundi	95	98	11	8	15	11	8	9	28	25	..	15
Cambodia	91	80	7	5	8	26	6	65	13	76	6	19
Cameroon	67	72	13	12	18	17	20	26	17	26	16	15
Canada	56	56	23	20	21	20	26	38	26	34	18	23
Central African Republic	86	75	15	12	12	18	15	12	28	16	0	14
Chad	98	55	10	5	7	25	14	52	28	36	-3	6
Chile	62	58	10	12	25	23	35	36	31	30	23	22
China ^b	50	49 ^c	12	10	35	39	19	34	16	31	39	42
Hong Kong, China	58	59	7	10	28	22	132	193	124	184	34	32
Colombia	66	62	9	20	19	19	21	21	15	22	22	17
Congo, Dem. Rep.	79	91	12	5	9	13	30	19	29	22	1	7
Congo, Rep.	62	33	14	16	16	24	54	85	46	57	7	27
Costa Rica	61	66	18	15	27	22	35	47	41	49	17	17
Côte d'Ivoire	72	71	17	8	7	11	32	48	27	38	-4	15
Croatia	75	58	24	20	10	30	78	48	86	56	-16	24
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	49	50	23	23	25	28	45	72	43	72	28	22
Denmark	49	48	26	27	20	20	36	44	31	38	22	23
Dominican Republic	80	73	4	5	25	21	34	50	44	49	22	27
Ecuador	68	65	11	9	21	28	33	27	32	29	11	27
Egypt, Arab Rep.	73	71	11	12	29	17	20	29	33	29	21	21
El Salvador	89	91	10	11	14	16	19	27	31	44	4	9
Eritrea	104	97	22	54	8	22	11	13	45	86	10	-9
Estonia	51	58	16	19	27	31	60	78	54	86	40	19
Ethiopia	74	83	19	17	12	21	8	19	12	40	10	13
Finland	51	53	22	22	29	19	23	37	24	32	24	24
France	57	56	22	24	22	20	21	26	23	26	20	19
Gabon	50	52	13	7	22	25	46	61	31	40	24	30
Gambia, The	76	75	14	11	22	24	60	42	72	52	5	18
Georgia	65	72	10	15	31	29	40	31	46	48	..	18
Germany	57	59	20	19	24	17	25	38	25	33	23	21
Ghana	85	76	9	16	14	28	17	35	26	54	7	28
Greece	72	66	15	17	23	26	18	21	28	30	22	18
Guatemala	84	92	7	4	14	18	21	18	25	32	10	13
Guinea	73	86	9	6	18	11	31	21	31	23	11	8
Guinea-Bissau	87	88	10	14	30	12	10	35	37	49	15	9
Haiti	81	95	8	4	13	27	18	12	20	39	6	21

Structure of demand

4.8

ECONOMY

	Household final consumption expenditure		General government final consumption expenditure		Gross capital formation		Exports of goods and services		Imports of goods and services		Gross savings	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		% of GDP	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Honduras	67	74	14	14	23	29	36	37	40	54	14	21
Hungary	61	69	11	10	25	24	31	64	29	68	26	15
India	66	68	12	11	24	24	7	19	9	23	22	23
Indonesia	59	65	9	8	31	23	25	31	24	27	28	24
Iran, Islamic Rep.	62	49	11	12	29	37	22	32	24	30	27	40
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	58	45	16	15	21	25	57	80	52	65	23	23
Israel	56	59	30	29	25	17	35	44	45	49	22	..
Italy	58	60	20	19	22	20	20	27	20	26	20	19
Jamaica	65	72	13	14	26	31	48	41	52	58	19	25
Japan	53	57	13	18	33	24	10	12	10	10	34	27
Jordan	74	93	25	16	32	24	62	48	93	80	22	21
Kazakhstan	52	55	18	12	32	24	74	55	75	46	..	25
Kenya	63	70	19	17	24	18	26	26	31	32	19	14
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	52	52	12	14	38	30	28	44	29	40	37	34
Kuwait	57	38	39	21	18	14	45	60	58	33	..	..
Kyrgyz Republic	71	79	25	17	24	14	29	43	50	53	4	9
Lao PDR	..	..	..	..	..	..	12	29	25	42	..	..
Latvia	53	63	9	20	40	33	48	44	49	60	56	18
Lebanon	140	82	25	17	18	21	18	21	100	41	22	2
Lesotho	138	94	14	22	53	42	17	48	122	105	60	28
Liberia	..	91	..	10	..	12	..	35	..	48	..	29
Libya	48	58	24	17	19	14	40	47	31	36	..	..
Lithuania	57	67	19	16	33	24	52	54	61	61	..	15
Macedonia, FYR	72	79	19	20	19	22	26	40	36	61	10	15
Madagascar	86	80	8	9	17	28	17	32	28	48	9	17
Malawi	72	95	15	17	23	11	24	27	33	49	14	-8
Malaysia	52	43	14	13	32	23	75	121	72	100	30	35
Mali	80	78	14	10	23	20	17	28	34	36	15	11
Mauritania	69	104	26	15	20	22	46	29	61	70	18	-7
Mauritius	64	62	13	14	31	24	64	56	71	56	26	24
Mexico	70	69	8	12	23	21	19	30	20	32	20	21
Moldova	76	90	.. ^a	15	25	25	48	51	51	82	58	21
Mongolia	57	57	34	19	38	37	24	75	53	87	7	41
Morocco	65	60	16	21	25	25	27	33	33	39	25	28
Mozambique	92	78	14	10	22	20	8	30	36	38	2	6
Myanmar	89	..	..^a	..	13	..	3	..	5	..	12	..
Namibia	51	49	31	25	34	26	52	46	67	45	35	40
Nepal	84	76	9	11	18	26	11	18	22	31	10	27
Netherlands	50	49	24	25	23	21	55	65	51	60	25	23
New Zealand	61	60	19	18	20	23	27	29	27	29	16	18
Nicaragua	59	89	44	10	19	28	25	26	46	54	-4	10
Niger	84	82	15	12	8	16	15	16	22	26	-2	8
Nigeria	56	38	15	22	15	22	43	55	29	37	19	27
Norway	49	45	21	22	23	19	40	44	34	30	25	33
Oman	46	45	22	23	12	18	47	57	28	43	..	..
Pakistan	74	73	15	8	19	17	16	16	23	15	22	23
Panama	57	68	18	13	17	21	87	63	79	65	24	13
Papua New Guinea	59	..	25	..	24	..	41	71	49	60	9	..
Paraguay	77	73	6	7	23	22	33	36	40	37	20	23
Peru	74	69	8	10	17	19	16	21	14	18	16	18
Philippines	72	72	10	10	24	17	28	52	33	51	20	37
Poland	48	64	19	18	26	20	29	39	22	41	16	19
Portugal	63	63	16	21	28	24	33	31	40	38	28	15
Puerto Rico	65	..	15	..	17	..	72	..	70	..	..	..



4.8

Structure of demand

	Household final consumption expenditure		General government final consumption expenditure		Gross capital formation		Exports of goods and services		Imports of goods and services		Gross savings	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		% of GDP	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Romania	66	70	13	15	30	25	17	37	26	47	22	18
Russian Federation	49	50	21	17	30	21	18	35	18	22	36	31
Rwanda	84	84	10	13	15	21	6	10	14	27	11	17
Saudi Arabia	47	30	29	23	15	19	41	53	32	25	18	29
Senegal	76	77	15	13	14	23	25	28	30	41	6	17
Serbia and Montenegro	..	93	..	18	..	17	..	24	..	52	..	5
Sierra Leone	84	87	8	14	10	16	22	23	24	39	3	11
Singapore	47	41	10	11	36	18	..	..	..	..	45	..
Slovak Republic	54	56	22	20	33	26	27	77	36	80	..	23
Slovenia	53	54	17	20	17	27	91	60	79	61	24	26
Somalia	112	..	..^a	..	16	..	10	..	38	..	17	..
South Africa	57	63	20	20	18	18	24	27	19	27	20	14
Spain	60	58	16	18	27	28	16	26	20	29	24	23
Sri Lanka	77	76	10	8	23	25	29	36	38	46	17	19
Sudan	..	71	..	12	..	20	..	18	..	21	..	15
Swaziland	73	65	18	25	19	18	75	84	87	92	27	17
Sweden	49	48	27	28	24	16	30	46	29	38	22	24
Switzerland	57	61	11	12	31	20	36	44	34	37	34	29
Syrian Arab Republic	69	64	14	14	17	21	28	35	28	34	15	20
Tajikistan	74	101	9	9	25	9	28	46	35	65	24	6
Tanzania ^d	81	78	18	13	26	19	13	19	38	29	8	9
Thailand	57	57	9	11	41	27	34	71	42	66	33	31
Togo	71	86	14	10	27	18	34	34	45	47	20	9
Trinidad and Tobago	59	58	12	9	13	20	45	60	29	48	21	27
Tunisia	58	63	16	16	33	25	44	45	51	48	27	22
Turkey	69	67	11	13	24	26	13	29	18	35	24	20
Turkmenistan	49	52	23	14	40	26	..	66	..	57	..	34
Uganda	92	77	8	15	13	23	7	14	19	28	1	10
Ukraine	57	55	17	18	28	19	28	61	29	54	36	30
United Arab Emirates	38	48	16	13	21	22	66	82	41	65	..	..
United Kingdom	63	65	20	21	20	17	24	25	27	28	15	15
United States	67	71	17	16	18	18	10	10	11	14	15	13
Uruguay	70	74	12	11	12	13	24	30	18	28	14	12
Uzbekistan	61	56	25	17	32	20	29	40	48	33	3	30
Venezuela, RB	62	50	8	13	10	22	40	36	20	20	27	34
Vietnam	84	65	12	6	13	36	36	66	45	74	-2	32
West Bank and Gaza	..	84	..	53	..	3	..	10	..	49	..	-13
Yemen, Rep.	74	78	18	13	15	17	14	25	20	34	28	12
Zambia	64	69	19	13	17	26	36	20	37	27	7	13
Zimbabwe	63	74	19	21	17	13	23	36	23	44	16	3
World	60 w	62 w	17 w	17 w	23 w	21 w	19 w	24 w	19 w	24 w	22 w	20 w
Low income	70	69	13	11	21	23	13	24	17	27	18	22
Middle income	60	58	13	14	26	26	22	35	21	33	26	28
Lower middle income	58	56	14	13	29	29	19	33	19	31	28	32
Upper middle income	63	61	13	14	23	22	25	38	23	35	21	22
Low & middle income	61	60	13	13	25	25	21	33	20	32	25	27
East Asia & Pacific	53	52	12	10	34	34	24	43	23	40	35	39
Europe & Central Asia	56	60	17	16	27	23	24	42	24	42	25	23
Latin America & Carib.	67	62	12	14	19	21	17	26	15	23	20	22
Middle East & N. Africa	66	59	15	14	26	26	26	34	34	34	24	30
South Asia	69	69	11	11	23	23	9	19	12	22	21	24
Sub-Saharan Africa	64	65	18	18	18	19	27	32	26	33	16	16
High income	60	63	18	18	23	20	19	23	19	23	22	19
Europe EMU	57	57	20	20	24	20	27	37	28	34	22	21

a. Data on general government final consumption expenditure are not available separately; they are included in household final consumption expenditure. b. China has revised its national accounts data from 1993 onwards, but revised expenditure data are not available. The data shown here are based on earlier series. c. Includes the difference between the old and the new GDP series. d. Data cover mainland Tanzania only.

About the data

Gross domestic product (GDP) from the expenditure side is made up of household final consumption expenditure, general government final consumption expenditure, gross capital formation (private and public investment in fixed assets, changes in inventories, and net acquisitions of valuables), and net exports (exports minus imports) of goods and services. Such expenditures are recorded in purchaser prices and include net taxes on products.

Because policymakers have tended to focus on fostering the growth of output, and because data on production are easier to collect than data on spending, many countries generate their primary estimate of GDP using the production approach. Moreover, many countries do not estimate all the separate components of national expenditures but instead derive some of the main aggregates indirectly using GDP (based on the production approach) as the control total.

Household final consumption expenditure (private consumption in the 1968 System of National Accounts, or SNA) is often estimated as a residual, by subtracting from GDP all other known expenditures. The resulting aggregate may incorporate fairly large discrepancies. When household consumption is calculated separately, many of the estimates are based on household surveys, which tend to be one-year studies with limited coverage. Thus the estimates quickly become outdated and must be supplemented by estimates using price- and quantity-based statistical procedures. Complicating the issue, in many developing countries the distinction between cash outlays for personal business and those for household use may be blurred. *World Development Indicators* includes in household consumption the expenditures of nonprofit institutions serving households.

General government final consumption expenditure (general government consumption in the 1968 SNA) includes expenditures on goods and services for individual consumption as well as those on services for collective consumption. Defense expenditures, including those on capital outlays (with certain exceptions), are treated as current spending.

Gross capital formation (gross domestic investment in the 1968 SNA) consists of outlays on additions to the economy's fixed assets plus net changes in the level of inventories. It is generally obtained from reports by industry of acquisition and distinguishes only the broad categories of capital formation. The 1993 SNA recognizes a third category of capital formation: net acquisitions of valuables. Included in gross capital formation under the 1993 SNA guidelines are capital outlays on defense establishments that may be used by the general public, such as schools, airfields, and hospitals, and intangibles such as computer software and mineral exploration outlays. Data on capital formation may be estimated from direct surveys of enterprises and administrative records or based on the commodity flow method using data from production, trade, and construction activities.

The quality of data on fixed capital formation by government depends on the quality of government accounting systems (which tend to be weak in developing countries). Measures of fixed capital formation by households and corporations—particularly capital outlays by small, unincorporated enterprises—are usually unreliable.

Estimates of changes in inventories are rarely complete but usually include the most important activities or commodities. In some countries these estimates are derived as a composite residual along with household final consumption expenditure. According to national accounts conventions, adjustments should be made for appreciation of the value of inventory holdings due to price changes, but this is not always done. In highly inflationary economies this element can be substantial.

Data on exports and imports are compiled from customs reports and balance of payments data. Although the data from the payments side provide reasonably reliable records of cross-border transactions, they may not adhere strictly to the appropriate definitions of valuation and timing used in the balance of payments or correspond to the change-of-ownership criterion. This issue has assumed greater significance with the increasing globalization of international business. Neither customs nor balance of payments data usually capture the illegal transactions that occur in many countries. Goods carried by travelers across borders in legal but unreported shuttle trade may further distort trade statistics.

Gross savings represent the difference between disposable income and consumption and replace gross domestic savings, a concept used by the World Bank and included in previous editions of *World Development Indicators*. The change was made to conform to the SNA concepts and definitions. For further discussion of the problems in compiling national accounts, see Srinivasan (1994), Heston (1994), and Ruggles (1994). For an analysis of the reliability of foreign trade and national income statistics, see Morgenstern (1963).

Definitions

• **Household final consumption expenditure** is the market value of all goods and services, including durable products (such as cars, washing machines, and home computers), purchased by households. It excludes purchases of dwellings but includes imputed rent for owner-occupied dwellings. It also includes payments and fees to governments to obtain permits and licenses. *World Development Indicators* includes in household consumption expenditure the expenditures of nonprofit institutions serving households, even when reported separately by the country. In practice, household consumption expenditure may include any statistical discrepancy in the use of resources relative to the supply of resources.

• **General government final consumption expenditure** includes all government current expenditures for purchases of goods and services (including compensation of employees). It also includes most expenditures on national defense and security but excludes government military expenditures that potentially have wider public use and are part of government capital formation.

• **Gross capital formation** consists of outlays on additions to the fixed assets of the economy, net changes in the level of inventories, and net acquisitions of valuables. Fixed assets include land improvements (fences, ditches, drains, and so on); plant, machinery, and equipment purchases; and the construction of roads, railways, and the like, including schools, offices, hospitals, private residential dwellings, and commercial and industrial buildings. Inventories are stocks of goods held by firms to meet temporary or unexpected fluctuations in production or sales, and "work in progress."

• **Exports and imports of goods and services** are the value of all goods and other market services provided to, or received from, the rest of the world. They include the value of merchandise, freight, insurance, transport, travel, royalties, license fees, and other services, such as communication, construction, financial, information, business, personal, and government services. They exclude compensation of employees and investment income (factor services in the 1968 SNA) as well as transfer payments.

• **Gross savings** are calculated as gross national income less total consumption, plus net transfers.

Data sources

National accounts indicators for most developing countries are collected from national statistical organizations and central banks by visiting and resident World Bank missions. Data for high-income economies come from Organisation for Economic Co-operation and Development data files (see the OECD's *Annual National Accounts for OECD Member Countries: Data from 1970 Onwards*). The United Nations Statistics Division publishes detailed national accounts for UN member countries in *National Accounts Statistics: Main Aggregates and Detailed Tables* and updates in the *Monthly Bulletin of Statistics*.



4.9

Growth of consumption investment, and trade

	Household final consumption expenditure				General government final consumption expenditure		Gross capital formation		Goods and services			
	average annual % growth		Per capita average annual % growth		average annual % growth		average annual % growth		average annual % growth		Exports	Imports
	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	4.3	2.5	5.2	2.1	2.4	0.7	25.8	3.3	17.9	16.9	15.8	16.8
Algeria	-0.1	6.4	-1.9	4.8	3.6	3.1	-0.9	11.9	3.3	4.1	-1.1	9.0
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	2.7	-1.7	1.5	-2.6	2.2	-1.0	7.4	-1.4	8.7	4.9	15.6	-7.3
Armenia	-0.5	9.0	1.0	9.5	-1.7	6.6	26.2	13.3	-18.4	26.7	-12.5	15.7
Australia	3.6	4.2	2.8	2.9	2.8	2.9	6.3	11.0	7.2	-0.2	8.1	9.4
Austria	1.9	0.7	1.5	0.2	2.5	0.4	2.1	0.4	5.5	4.7	5.0	3.6
Azerbaijan	1.5	12.1	0.4	11.2	-1.7	6.1	42.9	48.5	6.8	11.1	15.5	33.0
Bangladesh	2.6	4.8	0.4	2.8	4.7	12.6	9.2	7.8	13.1	6.7	9.7	2.8
Belarus	-0.5	11.5	-0.3	12.0	-1.9	0.4	-7.5	12.5	-4.8	10.1	-8.7	12.8
Belgium	1.9	1.3	1.6	0.9	1.5	2.6	2.3	0.3	4.7	2.4	4.5	2.4
Benin	2.6	13.5	-0.7	10.0	4.4	9.5	12.2	6.4	1.8	4.4	2.1	3.7
Bolivia	3.6	2.0	1.4	0.0	3.6	2.5	8.5	-4.8	4.5	9.8	6.0	3.9
Bosnia and Herzegovina	..	..	..	..	..	..	..	4.7	..	5.3	..	2.3
Botswana	2.7	3.7	0.6	3.5	7.1	8.7	2.5	16.4	4.7	-5.8	3.8	-0.4
Brazil ^a	4.8	-0.2	3.3	-1.6	-0.4	4.3	3.4	-0.2	6.1	12.4	11.1	-1.6
Bulgaria	-3.7	5.0	-3.0	5.9	-8.5	3.7	-4.9	12.5	3.9	9.1	2.7	11.7
Burkina Faso	4.2	3.6	1.3	0.3	-0.5	2.6	7.0	7.7	0.0	7.5	1.4	13.2
Burundi	-2.3	..	-3.5	..	-2.1	..	0.4	..	7.9	10.6	1.1	..
Cambodia ^a	6.0	2.8	3.4	0.7	7.2	4.4	10.9	23.4	21.7	13.9	14.8	12.7
Cameroon	3.1	6.1	0.7	4.1	0.7	6.5	0.4	7.8	3.2	1.5	5.1	5.0
Canada	2.6	3.1	1.6	2.1	0.3	3.4	4.5	3.6	8.7	-1.1	7.2	0.2
Central African Republic ^a	..	..	..	..	..	..	..	..	..	..	..	..
Chad ^a	0.6	16.9	-2.4	12.8	-2.8	5.8	4.4	12.8	1.2	39.2	-1.1	27.4
Chile	6.4	1.2	4.7	0.1	9.6	2.1	4.7	6.4	9.4	4.7	10.4	-1.8
China ^b	9.0	7.0	7.8	6.3	8.8	7.2	11.2	15.0	13.0	24.2	14.3	22.2
Hong Kong, China	3.9	1.1	2.1	0.3	3.3	2.6	5.8	0.1	8.1	9.2	8.4	8.0
Colombia	2.2	3.0	0.3	1.3	10.5	1.1	2.0	12.6	5.3	1.6	9.0	7.8
Congo, Dem. Rep. ^a	-4.5	..	-7.1	..	-17.4	..	-0.7	..	-0.5	..	-2.4	..
Congo, Rep. ^a	-1.7	15.4	-4.8	11.9	-2.0	12.7	0.4	21.3	5.1	3.8	2.9	24.9
Costa Rica ^a	5.0	2.8	2.5	0.8	1.9	1.9	4.7	9.1	11.0	4.0	9.0	4.2
Côte d'Ivoire	4.0	-2.2	1.1	-3.8	0.8	3.7	8.6	-4.6	1.5	3.5	6.9	6.3
Croatia	2.6	5.1	3.5	4.8	1.4	-2.0	5.4	15.5	5.9	6.1	4.6	8.6
Cuba	..	..	..	..	..	..	..	..	7.1	..	7.9	..
Czech Republic	2.9	3.2	2.9	3.3	-0.6	2.8	4.7	4.2	8.8	9.9	12.1	10.0
Denmark	2.2	1.3	1.8	1.0	2.3	1.6	5.6	2.2	4.4	2.6	6.0	3.9
Dominican Republic ^a	3.4	-95.7	1.8	-95.7	15.9	-14.9	10.5	-10.2	13.2	5.7	11.4	1.2
Ecuador ^a	2.1	4.3	0.3	2.8	-1.5	1.9	-0.7	14.5	5.3	3.8	2.8	10.6
Egypt, Arab Rep.	4.5	2.8	2.5	0.8	2.1	3.3	5.9	-0.2	3.4	6.7	2.7	3.8
El Salvador	5.3	2.1	3.1	0.2	2.8	2.0	7.1	1.0	13.4	4.2	11.6	3.5
Eritrea	-5.0	1.8	-6.7	-2.5	22.6	5.0	19.1	-13.5	-2.5	-7.4	7.5	-3.7
Estonia	0.6	7.7	2.2	8.1	4.9	5.3	0.2	12.1	11.2	5.0	12.0	7.6
Ethiopia	5.5	4.3	3.2	2.1	9.7	-1.3	6.4	12.1	7.1	16.7	5.8	13.2
Finland	1.7	2.8	1.4	2.5	0.8	2.4	1.3	0.5	9.9	2.5	6.2	2.4
France	1.6	2.0	1.3	1.4	1.8	2.4	..	..	7.5	1.0	5.7	2.5
Gabon ^a	1.2	5.1	-1.7	3.3	5.4	1.6	3.8	1.0	1.5	2.9	0.7	3.0
Gambia, The	3.5	1.8	0.0	-1.1	-2.2	4.2	1.9	2.3	-0.2	3.2	-0.8	4.5
Georgia	6.1	6.4	7.6	7.6	12.0	0.3	-12.5	17.1	12.2	3.8	11.2	4.6
Germany	1.9	0.3	1.6	0.2	1.8	0.4	1.1	-2.8	6.0	4.9	5.8	2.5
Ghana	0.2	9.2	-2.3	6.9	4.8	4.2	1.3	7.6	10.1	1.0	10.4	3.3
Greece	2.2	3.4	1.4	3.1	2.1	2.4	4.1	7.8	7.6	-0.4	7.4	1.1
Guatemala ^a	4.2	4.2	1.9	1.7	5.1	-2.0	6.2	2.3	6.2	0.8	9.2	6.6
Guinea	3.6	5.0	0.5	2.7	5.0	6.7	2.8	-7.7	4.6	1.0	1.3	1.5
Guinea-Bissau	2.6	7.1	-0.4	4.0	1.9	-3.9	-6.5	-8.6	15.4	3.8	-0.5	-6.3
Haiti	..	..	..	..	..	..	8.6	1.5	-10.3	7.7	-5.2	10.6

Growth of consumption, investment, and trade

4.9

ECONOMY

	Household final consumption expenditure				General government final consumption expenditure		Gross capital formation		Goods and services			
	average annual % growth		Per capita average annual % growth		average annual % growth		average annual % growth		average annual % growth		Exports	Imports
	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04
Honduras ^a	3.0	3.4	0.1	1.0	2.0	4.1	7.0	2.0	1.6	1.6	3.8	2.4
Hungary	-0.2	6.8	0.1	6.7	0.9	3.7	10.0	-1.4	9.8	8.0	11.4	8.7
India	4.9	6.2	3.0	4.6	6.6	2.6	7.0	7.7	12.3	12.0	14.4	15.8
Indonesia	6.6	4.0	5.0	2.6	0.1	8.7	-0.7	5.2	5.9	3.8	5.7	4.9
Iran, Islamic Rep.	2.9	5.5	1.3	4.1	5.2	3.4	3.1	11.8	-1.3	4.4	-11.6	11.7
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	5.3	3.3	4.5	1.6	4.1	6.1	10.4	2.9	15.5	4.0	14.3	2.2
Israel	4.5	2.1	1.9	0.2	3.0	1.0	1.5	-6.9	10.6	2.2	7.4	0.2
Italy	1.6	0.9	1.4	1.0	0.1	2.2	-0.3	16.9	6.1	-0.6	4.7	0.8
Jamaica	..	..	..	..	..	..	..	..	..	..	..	..
Japan	1.5	0.6	1.2	0.4	3.1	2.3	-0.2	-2.6	4.2	3.6	4.1	1.5
Jordan	5.9	6.0	1.9	3.2	1.7	3.7	1.1	8.8	2.4	9.1	2.0	8.8
Kazakhstan ^a	-8.1	9.4	-7.0	9.2	-7.1	7.5	-18.3	14.2	-2.6	9.8	-11.2	2.8
Kenya	3.6	1.9	0.8	-0.3	6.9	1.8	6.1	1.5	1.1	9.5	9.4	4.8
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	4.9	2.8	3.9	2.2	4.7	4.5	3.4	3.4	16.0	11.8	10.0	9.3
Kuwait	5.0	6.1	1.2	3.1	-2.9	7.1	-4.4	5.5	-1.6	0.2	0.8	8.3
Kyrgyz Republic	-6.5	10.9	-7.4	9.9	-8.8	0.8	-3.9	-10.6	-1.6	6.2	-8.2	8.9
Lao PDR	..	..	..	..	..	..	..	..	..	..	..	..
Latvia	-3.9	8.0	-2.7	8.7	1.8	2.2	-3.9	18.3	4.2	6.4	7.6	11.2
Lebanon	4.6	3.4	2.3	2.3	1.2	-1.6	8.2	8.4	7.2	16.2	3.1	5.7
Lesotho	0.1	1.4	-1.1	1.2	6.2	6.7	1.5	-7.3	11.1	12.4	0.9	4.8
Liberia	..	..	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania ^a	5.2	6.6	6.0	7.1	1.9	4.3	11.1	14.3	4.9	14.1	7.5	13.8
Macedonia, FYR	2.2	3.4	1.7	3.1	-0.4	1.3	3.1	3.6	4.2	-2.3	7.4	0.1
Madagascar	2.3	2.0	-0.7	-0.9	0.0	3.8	3.4	11.2	3.9	-5.8	4.3	8.4
Malawi	5.4	5.2	3.5	2.8	-4.4	7.8	-8.4	-4.8	4.0	0.3	-1.1	5.6
Malaysia	5.3	5.9	2.6	3.8	4.8	11.2	5.3	1.4	12.0	4.5	10.3	5.2
Mali	3.0	1.9	0.2	-1.1	3.2	25.2	0.4	4.7	10.0	8.2	3.5	5.0
Mauritania	3.6	..	0.9	..	0.2	..	9.3	..	-1.5	..	-0.6	..
Mauritius	5.1	3.9	3.9	2.9	4.8	4.6	4.7	3.6	5.4	6.6	5.2	3.6
Mexico	2.4	2.7	0.7	1.3	1.8	-0.5	4.7	-2.1	14.6	2.7	12.3	2.3
Moldova ^a	9.9	9.3	10.2	9.7	-12.4	10.4	-15.5	7.6	0.7	16.3	5.6	16.0
Mongolia ^a	..	..	..	..	..	..	..	..	30.9	8.4	29.3	7.8
Morocco	1.6	3.8	0.1	2.1	3.8	4.4	2.9	6.6	5.4	4.4	4.4	3.8
Mozambique ^a	4.8	6.5	1.8	4.3	3.1	9.3	15.5	4.8	11.0	23.3	6.3	10.8
Myanmar	3.9	..	..	..	..	..	15.3	..	10.0	..	5.8	..
Namibia	4.8	-0.1	1.7	-1.5	3.3	1.3	6.9	12.3	3.8	8.7	5.4	2.3
Nepal	..	..	..	..	..	..	..	..	..	..	..	..
Netherlands	2.8	0.4	2.2	-0.1	2.0	2.5	3.2	-1.6	6.8	2.2	6.6	2.4
New Zealand	3.2	4.4	2.0	3.0	2.5	3.4	5.8	8.9	5.1	4.0	6.3	7.5
Nicaragua ^a	6.1	4.1	3.8	2.0	-1.5	-0.5	11.3	-3.7	9.3	5.7	12.2	3.2
Niger	1.8	..	..	..	0.8	..	4.0	..	3.1	..	-2.1	..
Nigeria	0.2	5.7	..	..	-1.8	2.2	5.4	12.4	4.4	4.7	4.5	9.5
Norway	3.5	3.0	2.9	2.4	2.8	3.1	6.0	-1.2	5.6	1.5	5.8	2.8
Oman	5.4	1.3	2.4	0.4	2.4	6.1	4.0	17.0	6.2	7.0	5.9	12.8
Pakistan	4.9	2.3	2.3	-0.2	0.7	5.7	1.8	1.9	1.7	13.1	2.5	2.8
Panama ^a	6.4	3.7	4.2	1.9	1.7	6.4	10.4	1.1	-0.4	0.3	1.2	0.4
Papua New Guinea	5.6	..	..	..	2.7	..	0.5	..	4.3	..	2.8	..
Paraguay	3.7	1.5	1.0	-0.9	6.4	-4.1	0.2	-2.5	-1.0	5.7	3.2	4.9
Peru ^a	4.0	3.3	2.2	1.8	5.2	1.7	7.5	2.2	8.5	8.3	9.0	4.5
Philippines	3.7	4.7	1.5	2.8	3.8	-1.5	4.1	-0.6	7.8	4.3	7.8	6.2
Poland ^a	5.1	3.0	5.0	3.3	3.5	1.1	10.6	-1.6	11.3	8.3	16.7	4.1
Portugal	2.8	1.0	2.5	0.3	2.8	1.7	5.4	-3.9	5.6	3.3	7.3	1.5
Puerto Rico	..	..	..	..	..	..	..	..	1.6	..	4.5	..



4.9

Growth of consumption, investment, and trade

	Household final consumption expenditure				General government final consumption expenditure		Gross capital formation		Goods and services			
	average annual % growth		Per capita average annual % growth		average annual % growth		average annual % growth		average annual % growth		Exports	Imports
	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04
Romania ^a	1.4	7.5	1.7	8.4	0.8	2.8	-5.1	10.4	8.1	12.5	6.0	14.8
Russian Federation	-0.9	8.7	-0.8	9.1	-2.2	1.7	-19.1	8.9	0.8	10.1	-6.1	18.1
Rwanda ^a	1.2	3.4	-0.1	0.9	-1.7	13.1	1.4	0.4	-3.8	5.8	5.0	-0.6
Saudi Arabia	..	1.9	..	-0.9	..	0.6	..	6.2	..	2.2	..	2.2
Senegal	2.4	5.1	-0.2	2.6	2.1	4.9	7.9	9.0	6.3	4.6	3.5	8.1
Serbia and Montenegro	..	9.5	..	9.4	..	6.1	..	15.3	..	14.5	..	23.1
Sierra Leone	1.2	13.5	0.3	8.8	10.4	..	-5.6	..	-11.2	..	-0.2	..
Singapore	5.7	4.0	2.6	2.7	9.1	1.2	7.7	-10.9	..	..	..	..
Slovak Republic	4.7	3.1	4.5	3.1	2.9	3.5	7.9	3.6	9.0	11.7	11.7	10.4
Slovenia	3.8	2.1	3.8	2.0	2.1	2.4	11.3	6.2	2.2	6.7	4.8	6.5
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	2.9	3.9	0.7	3.0	0.3	5.3	5.0	7.1	5.6	0.8	7.1	6.6
Spain	2.2	3.1	1.8	1.7	2.8	4.6	2.8	4.5	10.6	2.9	9.0	5.4
Sri Lanka ^a	5.7	..	..	..	7.5	..	6.9	4.6	7.5	3.9	8.6	6.1
Sudan	6.2	..	3.7	..	0.2	..	11.3	19.5	14.2	7.4	8.8	4.5
Swaziland ^a	3.8	2.1	0.6	0.3	5.5	-2.2	2.7	4.2	3.8	2.0	4.5	0.8
Sweden	1.3	1.3	1.0	1.0	0.6	1.2	1.8	-1.0	8.6	4.0	6.2	1.7
Switzerland	1.1	0.9	0.5	0.1	0.8	3.0	1.4	-1.9	4.0	0.0	4.2	0.2
Syrian Arab Republic	2.9	4.6	0.1	2.0	1.9	7.0	3.2	12.0	12.0	-0.5	4.4	7.8
Tajikistan	-4.2	..	-5.5	..	-19.2	..	-17.5	26.9	-1.4	12.8	-3.9	1.7
Tanzania ^c	2.1	1.8	-0.8	-0.2	3.4	19.3	-1.6	9.6	7.1	4.2	0.3	6.1
Thailand	3.7	5.6	2.5	4.6	5.1	2.3	-4.0	9.1	9.5	6.6	4.6	8.0
Togo	5.0	0.6	1.8	-2.1	0.0	0.2	-0.1	5.8	1.2	6.1	1.1	3.2
Trinidad and Tobago	0.7	9.5	0.1	9.1	0.3	5.4	12.5	2.7	6.9	4.3	9.9	7.1
Tunisia	4.3	4.9	2.6	3.9	4.0	4.5	3.5	3.8	5.2	1.4	3.8	2.1
Turkey	3.5	2.6	1.7	1.0	4.9	-0.8	5.0	9.1	11.7	12.1	11.0	10.9
Turkmenistan	..	..	..	..	..	..	2.2	..	-6.1	10.9	0.6	10.4
Uganda	6.2	5.4	3.0	1.9	7.1	6.8	8.9	6.2	14.7	9.9	10.1	5.4
Ukraine	-6.9	11.1	-6.4	12.0	-4.1	5.2	-18.5	7.1	-3.6	9.1	-6.6	8.0
United Arab Emirates	7.1	12.9	0.7	5.1	6.9	0.8	5.5	5.5	5.5	12.2	6.4	13.6
United Kingdom	2.9	2.9	2.6	2.9	1.1	3.5	4.6	2.3	6.6	1.5	6.8	3.8
United States	3.6	3.0	2.4	1.9	0.7	3.7	7.4	-1.3	7.3	-2.0	9.8	1.8
Uruguay ^a	5.0	-3.2	4.2	-3.9	2.3	-4.1	6.3	-4.2	6.0	0.1	9.9	-5.5
Uzbekistan	..	..	..	..	..	..	-2.6	4.3	2.4	3.3	-1.2	3.2
Venezuela, RB	0.6	0.6	-1.5	-1.2	3.7	5.0	11.0	-9.1	1.0	-2.8	8.2	-3.2
Vietnam	5.4	7.0	3.8	5.8	3.2	6.6	19.8	11.6	24.1	15.3	28.2	19.4
West Bank and Gaza	2.9	-10.4	-1.3	-14.1	16.1	-1.7	-1.7	-53.9	1.0	-19.5	2.4	-13.5
Yemen, Rep.	3.4	8.2	-0.7	4.9	1.3	5.3	10.9	6.7	16.5	-4.8	8.0	4.5
Zambia	-3.6	1.5	-5.9	-0.3	-8.1	6.9	5.4	6.1	2.8	13.1	1.5	6.4
Zimbabwe	0.0	-3.3	-1.7	-3.9	-2.2	-7.9	-2.5	-8.3	10.5	-5.7	9.4	-4.2
World	2.9 w	2.4 w	1.5 w	1.1 w	1.7 w	2.9 w	3.2 w	1.2 w	7.0 w	5.0 w	6.9 w	3.3 w
Low income	4.2	5.4	2.0	3.4	4.2	3.6	6.1	7.3	8.2	9.6	8.9	11.9
Middle income	3.8	3.6	2.6	2.7	2.6	3.5	2.5	7.4	7.2	10.1	6.3	9.3
Lower middle income	4.9	4.2	3.6	3.2	3.3	4.9	4.6	10.4	6.9	14.0	5.2	12.4
Upper middle income	2.6	2.9	1.6	2.1	1.7	1.6	-0.4	2.0	7.6	5.9	7.4	6.0
Low & middle income	3.8	3.9	2.2	2.5	2.7	3.5	2.8	7.4	7.3	10.1	6.5	9.6
East Asia & Pacific	7.4	6.3	6.1	5.4	7.1	6.8	7.9	13.0	11.0	15.3	10.4	15.0
Europe & Central Asia	1.0	5.6	0.9	5.5	0.1	1.7	-7.3	6.6	3.5	9.8	1.9	10.9
Latin America & Carib.	3.4	0.9	1.8	-0.6	1.6	2.0	5.0	-0.6	8.5	4.4	10.6	1.1
Middle East & N. Africa	3.2	4.1	1.1	2.2	3.5	3.5	3.0	8.3	3.4	4.5	-1.6	6.7
South Asia	4.7	5.5	2.6	3.7	5.8	3.2	6.5	7.1	10.0	11.2	11.2	12.6
Sub-Saharan Africa	2.7	3.9	0.2	1.6	0.5	5.2	4.0	7.0	4.8	3.3	5.5	6.8
High income	2.8	2.2	2.0	1.5	1.6	2.8	3.4	-0.1	6.9	1.8	7.0	2.3
Europe EMU	1.9	1.3	1.6	0.8	1.6	2.0	1.4	3.7	6.9	2.7	6.1	2.5

a. Household final consumption expenditure includes statistical discrepancy. b. China has revised its national accounts data from 1993 onwards, but revised expenditure data are not available. The data shown here are based on earlier series. c. Data cover mainland Tanzania only.

About the data

Measures of growth in consumption and capital formation are subject to two kinds of inaccuracy. The first stems from the difficulty of measuring expenditures at current price levels, as described in *About the data* for table 4.8. The second arises in deflating current price data to measure volume growth, where results depend on the relevance and reliability of the price indexes and weights used. Measuring price changes is more difficult for investment goods than for consumption goods because of the one-time nature of many investments and because the rate of technological progress in capital goods makes capturing change in quality difficult. (An example is computers—prices have fallen as quality has improved.) Several countries estimate capital formation from the supply side, identifying capital goods entering an economy directly from detailed production and international trade statistics. This means that the price indexes used in deflating production and international trade, reflecting delivered or offered prices, will determine the deflator for capital formation expenditures on the demand side.

Growth rates of household final consumption expenditure, household final consumption expenditure per capita, general government final consumption expenditure, gross capital formation, and exports and imports of goods and services are estimated using constant price data. (Consumption, capital formation, and exports and imports of goods and services as shares of GDP are shown in table 4.8.)

To obtain government consumption in constant prices, countries may deflate current values by applying a wage (price) index or extrapolate from the change in government employment. Neither technique captures

improvements in productivity or changes in the quality of government services. Deflators for household consumption are usually calculated on the basis of the consumer price index. Many countries estimate household consumption as a residual that includes statistical discrepancies associated with the estimation of other expenditure items, including changes in inventories; thus these estimates lack detailed breakdowns of household consumption expenditures.

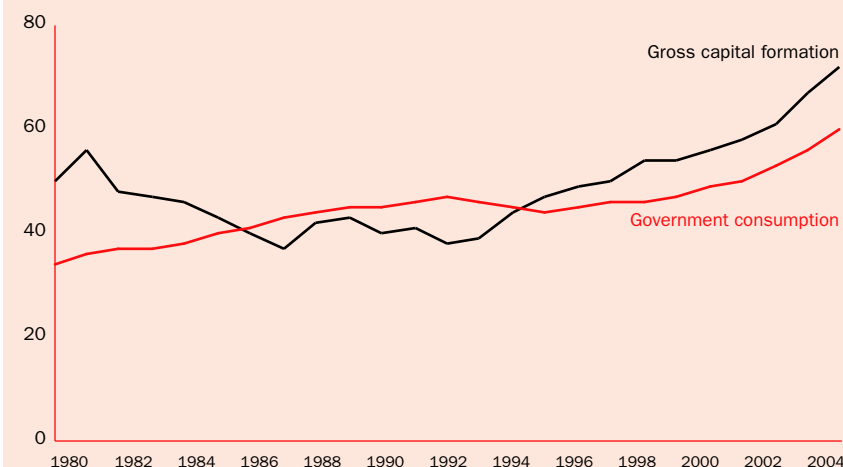
Definitions

• **Household final consumption expenditure** is the market value of all goods and services, including durable products (such as cars, washing machines, and home computers), purchased by households. It excludes purchases of dwellings but includes imputed rent for owner-occupied dwellings. It also includes payments and fees to governments to obtain permits and licenses. *World Development Indicators* includes in household consumption expenditure the expenditures of nonprofit institutions serving households, even when reported separately by the country. In practice, household consumption expenditure may include any statistical discrepancy in the use of resources relative to the supply of resources. • **General government final consumption expenditure** includes all government current expenditures for purchases of goods and services (including compensation of employees). It also includes most expenditures on national defense and security but excludes government military expenditures that potentially have wider public use and are part of government capital formation. • **Gross capital formation** consists of outlays on additions to the fixed assets of the economy, net changes in the level of inventories, and net acquisitions of valuables. Fixed assets include land improvements (fences, ditches, drains, and so on); plant, machinery, and equipment purchases; and the construction of roads, railways, and the like, including schools, offices, hospitals, private residential dwellings, and commercial and industrial buildings. Inventories are stocks of goods held by firms to meet temporary or unexpected fluctuations in production or sales, and “work in progress.” • **Exports and imports of goods and services** represent the value of all goods and other market services provided to, or received from, the rest of the world. They include the value of merchandise, freight, insurance, transport, travel, royalties, license fees, and other services, such as communication, construction, financial, information, business, personal, and government services. They exclude compensation of employees and investment income (factor services in the 1968 SNA) as well as transfer payments.

4.9a

Gross capital formation and government consumption are both on the rise in Sub-Saharan Africa

2000 \$ billions



Gross capital formation has been increasing in Sub-Saharan Africa since the mid-1990s, after a decline in the previous decade.

Source: World Bank data files.

Data sources

National accounts indicators for most developing countries are collected from national statistical organizations and central banks by visiting and resident World Bank missions. Data for high-income economies come from data files of the Organisation for Economic Co-operation and Development (see the OECD's *Annual National Accounts for OECD Member Countries: Data from 1970 Onwards*). The United Nations Statistics Division publishes detailed national accounts for UN member countries in *National Accounts Statistics: Main Aggregates and Detailed Tables* and updates in the *Monthly Bulletin of Statistics*.

4.10 Central government finances

	Revenue ^a		Expense		Cash surplus or deficit		Net incurrence of liabilities				Debt and interest payments	
	% of GDP		% of GDP		% of GDP		% of GDP		Foreign	Total debt % of GDP 2004	Interest payments % of revenue 2004	
	1995	2004	1995	2004	1995	2004	Domestic 1995	Domestic 2004				2004
Afghanistan	..	4.6	..	13.2	..	-0.7	..	0.3	..	3.4	10.6	0.2
Albania ^b	21.2	..	25.6	..	-8.9	..	7.4	..	2.1	..	..	..
Algeria ^b	30.2	36.0	24.2	24.6	-1.3	1.2	-7.4	1.8	8.6	-1.7	48.1	8.6
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	..	18.1	..	18.3	..	-0.5	..	1.4	..	1.5	..	26.5
Armenia ^b	..	19.9	..	18.6	..	-0.9	..	0.3	..	2.0	35.5	2.7
Australia	..	26.4	..	25.5	..	0.8	1.7	..	0.7	..	22.4	4.0
Austria	37.4	38.2	40.6	40.1	-2.9	-1.9	..	2.2	28.0	..	65.3	7.9
Azerbaijan ^b	18.0	..	19.8	..	-3.1	..	..	..	..	..	..	..
Bangladesh ^b	..	10.0	..	8.8	..	-0.7	..	2.3	..	0.9	36.2	16.4
Belarus ^b	30.0	30.6	28.7	28.5	-2.7	-0.2	2.2	0.7	0.4	0.5	12.3	1.5
Belgium	43.5	43.7	45.0	43.9	-1.2	-0.3	..	-4.6	..	1.8	139.8	11.4
Benin	..	..	..	..	..	..	..	..	..	..	..	..
Bolivia	..	20.2	..	27.2	..	-5.4	..	3.6	..	3.6	93.8	10.4
Bosnia and Herzegovina	..	41.2	..	38.6	..	1.8	..	0.1	..	1.0	..	1.5
Botswana ^b	40.5	..	30.3	..	4.9	..	0.2	..	-0.4	..	..	..
Brazil ^b	26.9	..	32.9	..	-2.7	..	..	..	..	..	..	..
Bulgaria ^b	35.5	38.2	39.4	35.3	-5.1	1.6	7.4	0.9	-0.8	-3.0	..	4.6
Burkina Faso	..	..	..	..	..	..	..	..	..	..	..	..
Burundi ^b	19.3	..	23.6	..	-4.7	..	3.0	..	4.0	..	..	..
Cambodia	..	10.7	..	9.1	..	-2.2	..	-0.7	..	2.6	..	1.9
Cameroon	11.3	..	13.1	..	-2.9	..	-0.4	..	3.5	..	..	..
Canada ^b	20.6	19.9	24.6	18.3	-4.4	1.4	5.0	-1.0	0.0	0.3	48.7	7.9
Central African Republic	..	..	..	..	..	..	..	..	..	..	..	..
Chad	..	..	..	..	..	..	..	..	..	..	..	..
Chile	..	22.3	..	18.4	..	2.2	..	-1.0	..	0.2	15.7	4.4
China	5.4	8.8	..	10.4	..	-2.4	1.6	..	..	..	..	7.6
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	..	17.1	..	22.9	..	-8.0	..	7.5	..	-1.7	57.7	27.4
Congo, Dem. Rep. ^b	5.3	7.9	8.2	7.8	0.0	-0.1	0.0	..	0.2	..	..	..
Congo, Rep. ^b	..	30.9	..	19.9	..	6.4	..	..	..	..	0.2	18.1
Costa Rica ^b	20.3	22.4	21.3	22.7	-2.1	-1.3	..	..	-0.8	1.4	38.3	18.3
Côte d'Ivoire	20.1	17.1	..	17.5	..	0.1	-1.2	2.4	3.8	6.8	104.3	15.5
Croatia ^b	43.1	41.9	42.5	42.0	-1.3	-4.0	-2.7	2.0	0.8	2.0	..	5.0
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	32.4	..	36.1	..	-3.3	..	0.6	..	3.0	21.4	3.1
Denmark	39.4	36.5	38.5	35.2	1.5	1.8	..	-2.5	..	..	42.8	8.4
Dominican Republic ^b	16.0	16.3	10.2	13.2	0.8	1.4	0.0	1.0	-1.0	2.3	..	9.4
Ecuador	14.1	..	12.0	..	..	..	..	..	..	..	..	..
Egypt, Arab Rep. ^b	34.8	..	28.1	..	3.4	..	..	..	..	..	..	..
El Salvador	..	15.5	..	17.0	..	-3.3	..	2.0	..	0.6	49.0	14.4
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia ^b	32.8	28.0	32.0	26.7	0.6	0.9	-0.2	0.0	0.9	-0.1	2.5	0.6
Ethiopia ^b	..	18.5	..	26.7	..	-9.8	..	1.2	..	9.2	..	7.6
Finland	40.2	39.1	38.9	36.9	1.9	2.5	0.3	-0.6	-1.3	3.8	45.9	4.3
France	43.3	43.3	46.5	47.1	-2.9	-3.5	..	2.0	..	1.6	70.7	5.9
Gabon	..	..	..	..	..	..	..	..	..	..	..	..
Gambia, The	..	..	..	..	..	..	..	..	..	..	..	..
Georgia ^b	12.2	15.8	15.4	14.4	-4.3	0.5	2.2	0.1	2.4	0.3	43.2	8.2
Germany	29.9	28.6	38.6	31.3	-8.3	-2.4	-0.6	..	3.2	..	..	6.1
Ghana	17.0	23.8	..	20.9	..	-2.9	..	..	..	3.3	..	14.4
Greece	45.4	..	45.6	..	-2.6	..	..	..	..	..	..	..
Guatemala ^b	8.4	10.6	7.6	11.1	-0.5	-0.9	..	0.8	0.4	1.7	19.0	10.9
Guinea	13.4	..	10.5	..	-3.2	..	-0.1	..	4.2	..	..	..
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..	..	..
Haiti	..	..	..	..	..	..	..	..	..	..	..	..

Central government finances

4.10

ECONOMY

	Revenue ^a		Expense		Cash surplus or deficit		Net incurrence of liabilities				Debt and interest payments	
	% of GDP		% of GDP		% of GDP		% of GDP		% of GDP		Total debt % of GDP 2004	Interest payments % of revenue 2004
	1995	2004	1995	2004	1995	2004	Domestic 1995	Domestic 2004	Foreign 1995	Foreign 2004		
Honduras	..	..	..	..	..	..	..	..	..	..	..	..
Hungary	..	37.1	..	41.6	..	-6.2	..	0.3	..	5.4	58.2	10.9
India ^b	12.3	12.6	14.5	15.9	-2.2	-3.6	5.2	3.6	0.0	0.3	65.8	31.9
Indonesia ^b	17.7	18.3	9.7	16.8	3.0	-1.1	-0.6	0.0	-0.4	-0.4	28.7	14.8
Iran, Islamic Rep. ^b	23.0	28.9	15.1	20.2	1.1	3.6	..	1.2	0.1	-1.8	..	0.8
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland ^b	25.4	..	28.6	..	-2.0	..	..	..	..	..	..	..
Israel	..	41.6	..	48.8	..	-4.8	4.9	..	0.1	..	98.1	13.3
Italy	38.9	37.7	41.7	40.0	-2.9	-2.3	..	..	..	..	..	13.8
Jamaica ^b	..	32.0	33.3	41.1	..	-9.7	..	..	..	..	145.0	59.2
Japan	20.6	..	..	..	..	..	1.5	..	..	..	..	..
Jordan ^b	28.2	25.6	26.1	31.9	0.9	-1.4	-2.5	3.0	6.1	-3.0	88.2	5.8
Kazakhstan ^b	14.0	16.0	18.7	14.9	-1.8	0.2	0.8	1.2	2.8	-0.9	13.2	3.6
Kenya ^b	26.0	18.2	25.5	20.6	-1.1	-2.4	4.3	4.5	0.0	-4.1	..	18.0
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep. ^b	17.8	22.8	14.3	18.6	2.4	2.9	-0.3	-2.3	-0.1	-0.1	..	5.1
Kuwait ^b	36.8	54.4	46.4	43.3	-13.6	6.5	..	..	..	..	..	0.3
Kyrgyz Republic ^b	16.7	16.1	25.6	15.8	-10.8	-0.8	..	..	..	..	99.3	8.4
Lao PDR	..	..	..	..	..	..	..	..	..	..	..	..
Latvia ^b	25.8	25.9	28.3	28.1	-2.7	-1.0	2.4	0.4	1.5	1.7	13.8	2.4
Lebanon	..	20.6	..	30.8	..	-13.4	..	5.2	..	6.9	..	80.0
Lesotho ^b	49.8	49.7	34.4	38.0	5.1	5.3	0.0	..	6.2	..	..	3.8
Liberia	..	..	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	..	28.1	..	28.8	..	-1.6	..	-0.3	..	0.6	23.6	3.4
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..	..	..
Madagascar	..	60.4	..	63.0	..	-22.5	..	-3.6	..	31.8	483.8	14.5
Malawi	..	..	..	..	..	..	..	..	..	..	..	..
Malaysia ^b	24.4	23.7	17.2	20.1	2.4	-4.3	..	..	-0.8	..	..	10.5
Mali	..	..	..	..	..	..	..	..	..	..	..	..
Mauritania	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius ^b	21.6	21.8	19.9	21.8	-1.3	-3.2	3.1	-1.6	-0.6	-0.3	42.7	13.9
Mexico ^b	15.3	..	15.0	..	-0.6	..	..	..	5.5	..	..	..
Moldova ^b	28.4	28.8	38.4	27.1	-6.3	0.4	3.0	2.4	2.7	-1.9	52.0	8.2
Mongolia	..	37.9	..	30.8	..	-0.5	..	11.3	..	-6.8	119.8	3.1
Morocco ^b	27.6	..	28.6	..	-4.5	..	5.6	..	-0.7	..	..	..
Mozambique	..	..	..	..	..	..	..	..	..	..	..	..
Myanmar	6.4	4.7	..	..	..	..	..	..	..	..	..	..
Namibia ^b	31.7	28.1	35.7	31.1	-5.0	-6.8	..	-20.0	..	-0.1	..	9.1
Nepal	10.5	12.2	..	..	..	..	0.6	0.1	2.5	1.4	66.7	11.7
Netherlands	..	41.1	..	42.6	..	-1.7	..	0.9	3.3	..	54.3	5.5
New Zealand	..	35.8	..	31.5	..	3.7	..	-0.4	..	-0.3	45.4	4.7
Nicaragua ^b	15.0	21.3	16.3	19.7	0.6	-1.0	..	..	3.4	..	..	8.3
Niger	..	..	..	..	..	..	..	..	..	..	..	..
Nigeria	..	..	..	..	..	..	..	..	..	..	..	..
Norway	..	49.3	..	37.2	..	11.8	..	2.3	..	6.9	37.7	2.1
Oman ^b	27.8	27.0	32.4	26.9	-8.9	-2.8	-0.1	3.0	0.0	-2.1	19.9	4.5
Pakistan ^b	17.2	13.8	19.1	14.7	-5.3	-2.0	..	..	..	..	..	39.9
Panama ^b	26.1	25.6	22.0	23.2	1.5	0.9	..	..	..	..	..	19.3
Papua New Guinea ^b	23.9	23.8	25.8	23.4	-0.5	-2.4	1.5	5.2	-0.7	-2.3	73.9	19.9
Paraguay ^b	15.3	16.9	13.0	12.9	0.1	1.4	0.0	-1.2	-0.8	-0.2	..	6.2
Peru ^b	17.1	16.7	17.1	16.9	-1.3	-1.2	0.2	1.1	3.9	3.6	..	11.9
Philippines ^b	17.7	14.8	15.9	..	-0.8	..	-0.5	4.0	-0.7	1.8	70.1	39.7
Poland ^b	..	35.0	..	39.3	..	-3.4	..	3.7	..	0.4	43.2	7.7
Portugal	37.1	37.8	39.7	41.9	-3.1	-2.3	-3.7	1.2	4.3	3.2	..	7.5
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



4.10

Central government finances

	Revenue ^a		Expense		Cash surplus or deficit		Net incurrence of liabilities				Debt and interest payments	
	% of GDP		% of GDP		% of GDP		% of GDP		Foreign	Total debt % of GDP	% of revenue	
	1995	2004	1995	2004	1995	2004	Domestic	2004				1995	2004
Romania ^b	..	25.8	..	25.9	..	-2.0	..	0.4	..	1.7	..	8.4
Russian Federation	..	27.3	..	21.9	..	5.4	..	-0.1	..	-1.3	41.4	4.0
Rwanda	10.6	..	15.0	..	-5.6	..	2.9	..	..	..	..	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal ^b	16.6	18.0	..	15.6	..	-2.2	..	1.4	..	1.6	73.6	4.6
Serbia and Montenegro ^b	..	35.8	..	39.9	..	-3.0	..	..	..	..	..	2.6
Sierra Leone	9.4	..	..	..	..	..	0.3	..	..	..	..	..
Singapore ^b	26.8	20.2	12.5	15.5	19.9	4.2	10.3	9.3	0.0	..	109.6	0.8
Slovak Republic	..	35.2	..	36.8	..	-3.3	..	2.9	..	-0.2	46.5	7.0
Slovenia ^b	37.2	40.7	35.7	41.2	-0.2	-1.3	-0.4	2.3	0.3	-0.8	..	3.6
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa ^b	..	27.8	..	29.4	..	-1.9	..	2.9	..	0.4	36.9	12.7
Spain	29.2	26.0	33.0	29.7	-2.6	0.6	3.4	0.1	..	..	..	6.6
Sri Lanka ^b	20.4	16.4	26.0	22.9	-7.6	-7.6	5.2	7.0	3.2	0.1	105.5	43.6
Sudan ^b	7.0	..	6.6	..	-0.4	..	0.3	..	..	..	..	..
Swaziland ^b	..	25.5	..	23.2	..	-2.3	..	..	..	..	..	4.7
Sweden	40.7	38.0	39.3	37.5	2.2	0.3	..	1.6	..	0.5	62.4	5.3
Switzerland ^b	22.7	19.4	25.8	19.1	-0.6	0.6	-0.5	-0.6	..	..	28.5	4.5
Syrian Arab Republic ^b	22.9	..	..	..	..	..	..	..	..	..	..	..
Tajikistan ^b	9.3	13.5	11.4	13.8	-3.3	-6.6	0.1	-0.2	2.3	0.2	79.8	5.1
Tanzania	..	..	..	..	..	..	..	..	..	..	..	..
Thailand	..	19.6	..	17.1	..	0.6	..	4.0	..	-0.3	26.1	6.7
Togo	..	..	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago ^b	27.2	..	25.3	..	-0.1	..	2.8	..	2.6	..	..	..
Tunisia ^b	30.1	29.7	28.4	28.4	-2.5	-2.4	0.9	0.9	2.9	0.6	59.6	9.4
Turkey ^b	17.9	..	21.0	..	-4.1	..	5.5	..	..	..	..	..
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda ^b	10.6	12.1	..	22.8	..	-3.8	..	0.5	..	4.2	..	6.5
Ukraine ^b	..	30.7	..	33.0	..	-3.2	..	2.9	..	0.2	..	2.8
United Arab Emirates ^b	10.1	..	9.3	..	0.5	..	..	..	..	..	..	..
United Kingdom	37.3	36.6	37.2	39.9	0.3	-3.2	-0.3	3.6	0.0	0.0	..	5.4
United States	..	17.2	..	20.9	..	-3.8	..	0.1	..	3.0	38.1	11.0
Uruguay ^b	27.6	26.5	27.1	27.5	-1.2	-2.5	7.9	-0.5	1.1	1.8	88.5	18.5
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB ^b	16.9	24.0	18.5	25.2	-2.3	-4.1	1.1	6.3	0.1	0.2	..	19.5
Vietnam	..	..	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep. ^b	17.3	..	19.1	..	-3.9	..	..	..	..	..	..	..
Zambia ^b	20.0	..	21.4	..	-3.1	..	28.0	..	16.2	..	..	..
Zimbabwe ^b	26.7	..	32.1	..	-5.4	..	-1.4	..	1.6	..	..	..
World	.. w	24.6 w	.. w	27.3 w	.. w	-2.7 w	.. m	.. m	.. m	.. m	.. m	7.9 m
Low income	13.5	13.0	15.5	15.5	-2.6	-3.2	..	..	..	..	..	..
Middle income	17.3	..	..	..	..	..	..	1.1	..	0.8	..	9.1
Lower middle income	16.7	..	..	..	..	..	..	0.9	..	1.1	..	8.5
Upper middle income	..	..	..	..	..	..	..	2.9	..	0.6	..	10.5
Low & middle income	16.7	..	..	..	..	..	..	..	..	..	..	..
East Asia & Pacific	8.4	11.5	..	12.0	..	-2.1	..	..	..	..	..	7.6
Europe & Central Asia	..	31.0	..	31.1	..	-1.2	..	0.9	..	0.4	..	3.5
Latin America & Carib.	20.9	..	23.0	..	-0.4	..	..	1.0	..	2.3	..	11.9
Middle East & N. Africa	28.3	..	23.5	..	0.0	..	..	..	..	..	..	..
South Asia	13.2	12.4	15.4	15.1	-2.7	-3.1	3.8	1.3	1.1	1.1	65.8	16.4
Sub-Saharan Africa	..	..	..	..	..	..	..	..	..	..	..	..
High income	..	26.0	..	28.9	..	-2.8	..	1.2	..	..	..	6.0
Europe EMU	36.3	35.7	38.8	38.6	-2.3	-2.3	..	1.1	..	..	..	6.4

a. Excluding grants. b. Data were reported on a cash basis and have been adjusted to the accrual framework.

About the data

Tables 4.10–4.12 present an overview of the size and role of central governments relative to national economies. The data in these tables are based on the concepts and recommendations of the second edition of the International Monetary Fund's (IMF) *Government Finance Statistics Manual 2001*. Before 2005, *World Development Indicators* reported data derived on the basis of the 1986 manual. The 2001 manual, which is harmonized with the 1993 System of National Accounts, recommends an accrual accounting method instead of the cash-based method of the 1986 manual. The new manual focuses on all economic events affecting assets, liabilities, revenues, and expenses, instead of only those represented by cash transactions. The new manual takes all stocks into account, so that the stock data at the end of an accounting period is equal to the stock data at the beginning of the period plus the flows during the period. The 1986 manual considered only the debt stock data. Further, the new manual does not distinguish between current and capital revenue or expenditures, unlike the 1986 manual. The new manual also introduces the concepts of nonfinancial and financial assets. Most countries still follow the previous manual, however. The IMF has reclassified historical *Government Finance Statistics Yearbook* data to conform to the format of the 2001 manual. Because of differences in reporting, the reclassified data understate both revenue and expense.

Government Finance Statistics Manual 2001 describes the economic functions of a government as the provision of goods and services to the community on a nonmarket basis for collective or individual consumption, and the redistribution of income and wealth through transfer payments. The activities of government are financed mainly by taxation and other transfers of income, though other forms of financing such as borrowing for temporary periods can also be used. The

definition of government excludes public corporations and quasi corporations (such as the central bank).

Units of government meeting this definition exist at many levels, from local administrative units to the highest level of national government, but inadequate statistical coverage precludes the presentation of subnational data. Although data for general government are available for a few countries under the 2001 manual, only data for the central government are shown to minimize disparities. However, cross-country comparisons are potentially misleading due to different accounting concepts of central government.

Central government can refer to one of two accounting concepts: consolidated or budgetary. For most countries central government finance data have been consolidated into one account, but for others only budgetary central government accounts are available. Countries reporting budgetary data are noted in *Primary data documentation*. Because budgetary accounts do not necessarily include all central government units (such as extrabudgetary accounts and social security funds), the picture they provide of central government activities is usually incomplete.

Data on government revenues and expenditures are collected by the IMF through questionnaires distributed to member governments and by the Organisation for Economic Co-operation and Development. Despite the IMF's efforts to systematize and standardize the collection of public finance data, statistics on public finance are often incomplete, untimely, and not comparable across countries.

Government finance statistics are reported in local currency. The indicators here are shown as percentages of GDP. Many countries report government finance data by fiscal year; see *Primary data documentation* for information on fiscal year end by country.

Definitions

• **Revenue** is cash receipts from taxes, social contributions, and other revenues such as fines, fees, rent, and income from property or sales. Grants are also considered as revenue but are excluded here.

• **Expense** is cash payments for operating activities of the government in providing goods and services. It includes compensation of employees (such as wages and salaries), interest and subsidies, grants, social benefits, and other expenses such as rent and dividends.

• **Cash surplus or deficit** is revenue (including grants) minus expense, minus net acquisition of nonfinancial assets. In the earlier version nonfinancial assets were included under revenue and expenditure in gross terms. This cash surplus or deficit is closest to the earlier overall budget balance (still missing is

lending minus repayments, which are brought in below as a financing item under net acquisition of financial assets).

• **Net incurrence of government liabilities** includes **domestic financing** (obtained from residents) and **foreign financing** (obtained from nonresidents), or the means by which a government provides financial resources to cover a budget deficit or allocates financial resources arising from a budget surplus. The net incurrence of liabilities should be offset by the net acquisition of financial assets (a third financing item). The difference between the cash surplus or deficit and the three financing items is the net change in the stock of cash.

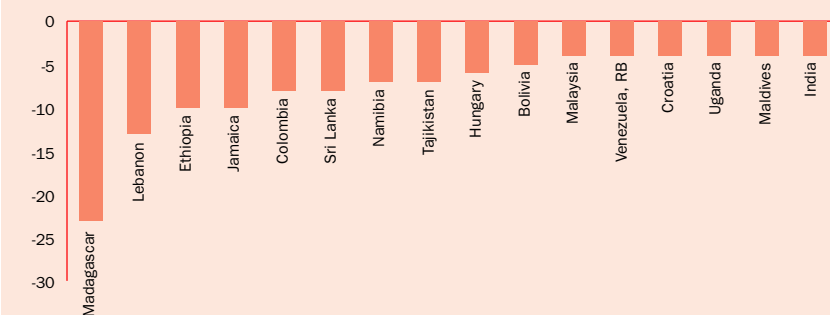
• **Total debt** is the entire stock of direct government fixed-term contractual obligations to others outstanding on a particular date. It includes domestic and foreign liabilities such as currency and money deposits, securities other than shares, and loans. It is the gross amount of government liabilities reduced by the amount of equity and financial derivatives held by the government. Because debt is a stock rather than a flow, it is measured as of a given date, usually the last day of the fiscal year.

• **Interest payments** include interest payments on government debt—including long-term bonds, long-term loans, and other debt instruments—to domestic and foreign residents.

4.10a

Selected developing countries with large cash deficits

Central government cash deficit as a share of GDP (%)



Sixteen developing economies had a cash deficit of about 4 percent of GDP.

Note: Data for 2004 refer to the most recent year for which data are available in 2002–04.

Source: International Monetary Fund, *Government Finance Statistics* data files.

Data sources

Data on central government finances are from the IMF's *Government Finance Statistics Yearbook, 2005* and IMF data files. Each country's accounts are reported using the system of common definitions and classifications in the IMF's *Government Finance Statistics Manual 2001*. See these sources for complete and authoritative explanations of concepts, definitions, and data sources.



4.11

Central government expenses

	Goods and services		Compensation of employees		Interest payments		Subsidies and other transfers		Other expense	
	% of expense		% of expense		% of expense		% of expense		% of expense	
	1995	2004	1995	2004	1995	2004	1995	2004	1995	2004
Afghanistan	..	51	..	42	..	0	..	5	..	2
Albania ^a	18	..	14	..	9	..	59	..	0	..
Algeria ^a	6	6	39	32	13	12	34	50	8	..
Angola	..	..	..	..	..	..	..	..	..	..
Argentina	..	5	..	12	..	26	..	50	..	7
Armenia ^a	..	42	..	17	..	3	..	32	..	6
Australia	..	10	..	10	..	4	..	70	..	5
Austria	7	5	13	13	8	8	65	70	7	5
Azerbaijan ^a	49	..	10	..	0	..	41	..	0	..
Bangladesh ^a	..	17	..	25	..	20	..	29	..	9
Belarus ^a	39	19	5	13	1	2	55	64	0	3
Belgium	2	3	7	7	15	11	71	75	4	4
Benin	..	..	..	..	..	..	..	..	..	..
Bolivia	..	17	..	24	..	9	..	44	..	5
Bosnia and Herzegovina	..	24	..	28	..	2	..	42	..	5
Botswana ^a	32	..	30	..	2	..	36	..	2	..
Brazil ^a	12	..	9	..	14	..	66	..	..	..
Bulgaria ^a	18	22	7	11	37	5	38	59	2	3
Burkina Faso	..	..	..	..	..	..	..	..	..	..
Burundi ^a	20	..	30	..	6	..	14	..	10	..
Cambodia	..	32	..	36	..	3	..	18	..	12
Cameroon	13	..	47	..	24	..	13	..	..	..
Canada ^a	8	8	10	11	18	9	64	66	..	6
Central African Republic	..	..	..	..	..	..	..	..	..	..
Chad	..	..	..	..	..	..	..	..	..	..
Chile	..	9	..	22	..	5	..	55	..	8
China	..	..	..	..	..	7	..	62	..	0
Hong Kong, China	..	..	..	..	..	..	..	..	..	..
Colombia	..	8	..	14	..	20	..	25	..	32
Congo, Dem. Rep. ^a	37	36	58	21	1	..	2	43	..	..
Congo, Rep. ^a	..	29	..	37	..	29	..	5	..	0
Costa Rica ^a	12	12	38	43	20	18	26	26	4	2
Côte d'Ivoire	..	30	..	39	..	16	..	16	..	1
Croatia ^a	35	7	27	27	3	5	32	55	3	6
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	6	..	8	..	3	..	74	..	9
Denmark	8	10	13	13	13	9	62	64	4	4
Dominican Republic ^a	16	16	41	45	9	12	19	15	6	12
Ecuador	6	..	49	..	26	..	..	..	..	..
Egypt, Arab Rep. ^a	18	..	22	..	26	..	6	..	..	..
El Salvador	..	13	..	42	..	13	..	5	..	27
Eritrea	..	..	..	..	..	..	..	..	..	..
Estonia ^a	33	32	14	10	1	1	46	58	0	0
Ethiopia ^a	..	24	..	14	..	7	..	42	..	14
Finland	10	10	10	10	9	5	65	68	7	7
France	7	7	23	22	6	5	58	58	5	7
Gabon	..	..	..	..	..	..	..	..	..	..
Gambia, The	..	..	..	..	..	..	..	..	..	..
Georgia ^a	52	22	11	16	10	10	26	50	..	1
Germany	4	4	5	5	6	6	66	81	20	4
Ghana	..	..	..	45	..	21	..	5	..	..
Greece	10	..	24	..	20	..	40	..	6	..
Guatemala ^a	15	12	50	28	12	11	18	21	6	29
Guinea	31	..	47	..	13	..	10	..	0	..
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..
Haiti	..	..	..	..	..	..	..	..	..	..

Central government expenses

4.11

ECONOMY

	Goods and services		Compensation of employees		Interest payments		Subsidies and other transfers		Other expense	
	% of expense		% of expense		% of expense		% of expense		% of expense	
	1995	2004	1995	2004	1995	2004	1995	2004	1995	2004
Honduras	..	..	..	..	..	..	..	..	..	..
Hungary	..	8	..	14	..	10	..	60	..	8
India ^a	14	15	10	10	27	26	33	..	0	..
Indonesia ^a	21	8	20	13	16	16	41	63	2	0
Iran, Islamic Rep. ^a	21	12	56	45	0	1	..	34	..	7
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland ^a	5	..	13	..	15	..	63	..	4	..
Israel	..	26	..	24	..	12	..	29	..	8
Italy	4	4	15	16	19	13	57	61	5	5
Jamaica ^a	22	13	24	32	32	46	1	2	21	8
Japan	..	..	..	..	..	..	..	..	..	..
Jordan ^a	7	6	67	58	11	6	12	18	4	12
Kazakhstan ^a	..	25	..	9	3	4	58	54	..	8
Kenya ^a	17	32	32	47	30	17	..	1	1	3
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep. ^a	16	12	15	11	3	6	63	56	3	15
Kuwait ^a	33	27	31	34	5	0	24	27	7	13
Kyrgyz Republic ^a	32	34	36	41	5	9	27	17	..	..
Lao PDR	..	..	..	..	..	..	..	..	..	..
Latvia ^a	20	12	20	16	3	2	56	44	0	25
Lebanon	..	3	..	30	..	54	..	12	..	2
Lesotho ^a	32	31	45	38	5	5	8	26	3	..
Liberia	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..
Lithuania	..	12	..	18	..	3	..	58	..	8
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..
Madagascar	..	14	..	39	..	23	..	11	..	13
Malawi	..	..	..	..	..	..	..	..	..	..
Malaysia ^a	23	26	34	30	17	12	27	31	1	1
Mali	..	..	..	..	..	..	..	..	..	..
Mauritania	..	..	..	..	..	..	..	..	..	..
Mauritius ^a	12	12	45	39	12	14	28	32	2	3
Mexico ^a	9	..	19	..	19	..	..	..	..	..
Moldova ^a	10	18	8	15	11	9	71	49	1	9
Mongolia	..	36	..	30	..	4	..	31	..	0
Morocco ^a	17	..	39	..	21	..	19	..	4	..
Mozambique	..	..	..	..	..	..	..	..	..	..
Myanmar	..	..	..	..	..	..	..	..	..	..
Namibia ^a	28	28	53	49	1	8	..	14	4	2
Nepal	..	..	..	..	..	..	..	..	..	..
Netherlands	..	7	..	8	..	5	..	76	..	3
New Zealand	..	26	..	25	..	5	..	36	..	6
Nicaragua ^a	16	15	23	30	15	10	34	42	13	2
Niger	..	..	..	..	..	..	..	..	..	..
Nigeria	..	..	..	..	..	..	..	..	..	..
Norway	..	12	..	16	..	3	..	64	..	5
Oman ^a	55	54	30	32	7	5	8	10	0	..
Pakistan ^a	..	31	..	5	28	39	2	25	..	..
Panama ^a	16	16	45	37	8	21	30	25	1	..
Papua New Guinea ^a	19	35	36	28	20	21	26	16	1	..
Paraguay ^a	12	8	51	52	5	8	31	28	0	3
Peru ^a	21	21	18	21	19	12	33	44	8	2
Philippines ^a	15	..	34	..	33	..	15	..	..	..
Poland ^a	..	13	..	12	..	7	..	60	..	7
Portugal	7	7	30	32	10	7	41	45	11	9
Puerto Rico	..	..	..	..	..	..	..	..	..	..



4.11

Central government expenses

	Goods and services		Compensation of employees		Interest payments		Subsidies and other transfers		Other expense	
	% of expense		% of expense		% of expense		% of expense		% of expense	
	1995	2004	1995	2004	1995	2004	1995	2004	1995	2004
Romania ^a	..	22	..	16	..	8	..	43	..	12
Russian Federation	..	23	..	18	..	5	..	46	..	8
Rwanda	52	..	36	..	12	..	5	..	..	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..
Senegal ^a	..	25	..	34	..	6	..	34	..	..
Serbia and Montenegro ^a	..	10	..	14	..	2	..	68	..	6
Sierra Leone	..	..	..	..	..	..	..	..	..	..
Singapore ^a	38	35	39	31	8	1	15	33	..	..
Slovak Republic	..	12	..	13	..	7	..	63	..	5
Slovenia ^a	19	16	21	19	3	4	55	59	3	2
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa ^a	..	12	..	14	..	12	..	56	..	6
Spain	5	6	18	17	11	7	59	66	7	4
Sri Lanka ^a	23	14	20	25	22	32	24	22	10	7
Sudan ^a	44	..	38	..	8	..	10	..	..	..
Swaziland ^a	..	4	..	44	..	5	..	22	..	25
Sweden	11	12	9	11	13	5	62	65	5	7
Switzerland ^a	24	9	6	7	4	5	66	74	0	5
Syrian Arab Republic ^a	..	..	..	..	..	..	..	..	..	..
Tajikistan ^a	47	29	8	9	12	5	33	27	..	30
Tanzania	..	..	..	..	..	..	..	..	..	..
Thailand	..	21	..	32	..	8	..	33	..	7
Togo	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago ^a	20	..	36	..	20	..	24	..	1	..
Tunisia ^a	7	7	37	40	13	10	36	..	7	..
Turkey ^a	8	..	32	..	13	..	31	..	4	..
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda ^a	..	36	..	11	..	6	..	47	..	..
Ukraine ^a	..	11	..	16	..	3	..	62	..	8
United Arab Emirates ^a	50	..	37	..	..	..	..	..	..	..
United Kingdom	22	19	7	13	9	5	53	53	9	10
United States	..	16	..	13	..	9	..	60	..	2
Uruguay ^a	13	14	17	22	6	18	64	46	0	..
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB ^a	6	8	22	19	27	19	61	53	2	2
Vietnam	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep. ^a	8	..	67	..	16	..	8	..	0	..
Zambia ^a	32	..	35	..	16	..	19	..	0	..
Zimbabwe ^a	16	..	34	..	31	..	19	..	..	..
World	.. m	.. m	.. m	.. m	.. m	.. m	.. m	.. m	.. m	.. m
Low income	..	..	..	..	..	..	..	..	..	..
Middle income	..	..	..	..	..	..	..	..	..	..
Lower middle income	..	..	..	..	..	..	..	..	..	..
Upper middle income	..	13	..	20	..	13	..	50	..	..
Low & middle income	..	..	..	..	..	..	..	..	..	..
East Asia & Pacific	..	..	..	..	..	..	..	..	..	..
Europe & Central Asia	..	20	..	16	..	4	..	52	..	8
Latin America & Carib.	14	13	36	29	15	14	..	26	..	..
Middle East & N. Africa	13	..	39	..	13	..	12	..	..	..
South Asia	32	38	23	26	22	12	15	8	..	..
Sub-Saharan Africa	..	..	..	..	..	..	..	..	..	..
High income	..	10	..	16	..	..	..	61	..	..
Europe EMU	7	6	15	13	9	6	59	68	6	5

Note: Components may not sum to 100 percent because of missing data.

a. Data were reported on a cash basis and have been adjusted to the accrual framework.

About the data

The term *expense* replaced *expenditure* in this table in the 2005 edition of *World Development Indicators* in accordance with use in the International Monetary Fund's (IMF) *Government Finance Statistics Manual 2001*. Government expenses include all nonrepayable payments, whether current or capital, required or unrequired. Total central government expense as presented in the IMF's *Government Finance Statistics Yearbook* is comparable to the concept used in the 1993 System of National Accounts.

Expenses can be measured either by function (health, defense, education) or by economic type (interest payments, wages and salaries, purchases of goods and services). Functional data are often incomplete, and coverage varies by country because functional responsibilities stretch across levels of government for which no data are available. Defense expenses, usually the central government's responsibility, are shown in table 5.7. For more information on education expenses, see table 2.10; for more on health expenses, see table 2.14.

The classification of expenses by economic type in this table shows whether the government produces goods and services and distributes them, purchases the goods and services from a third party and distributes them, or transfers cash to households to make the purchases directly. When the government produces and provides goods and services, the cost is reflected in compensation of employees, use of goods and services, and consumption of fixed capital. Purchases from a third party and cash transfers

to households are shown as subsidies and other transfers, and other expenses. The economic classification can be problematic. For example, the distinction between current and capital expense may be arbitrary, and subsidies to public corporations or banks may be disguised as capital financing. Subsidies may also be hidden in special contractual pricing for goods and services. For further discussion of government finance statistics, see *About the data* for tables 4.10 and 4.12.

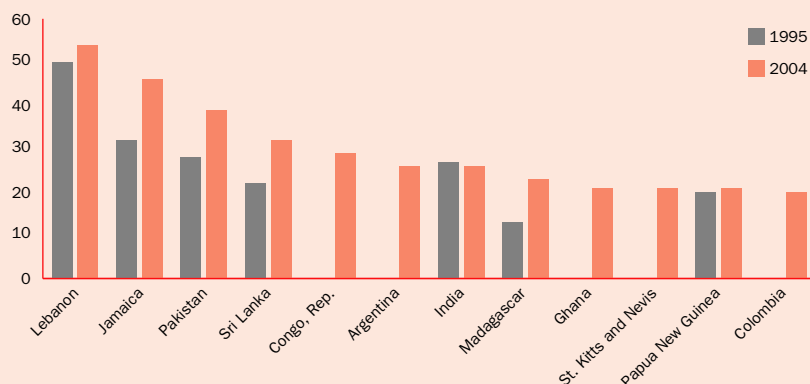
Definitions

- **Goods and services** include all government payments in exchange for goods and services used for the production of market and nonmarket goods and services. Own-account capital formation is excluded.
- **Compensation of employees** consists of all payments in cash, as well as in kind (such as food and housing), to employees in return for services rendered, and government contributions to social insurance schemes such as social security and pensions that provide benefits to employees.
- **Interest payments** are payments made to nonresidents, to residents, and to other general government units for the use of borrowed money. (Repayment of principal is shown as a financing item, and commission charges are shown as purchases of services.)
- **Subsidies and other transfers** include all unrequited, nonrepayable transfers on current account to private and public enterprises; grants to foreign governments, international organizations, and other government units; and social security, social assistance benefits, and employer social benefits in cash and in kind.
- **Other expense** is spending on dividends, rent, and other miscellaneous expenses, including provision for consumption of fixed capital.

4.11a

Interest payments are a large part of government expenditure for some developing economies

Central government interest payments as share of total expense (%)



Interest payments accounted for over 20 percent of total expense in 2004 for 12 countries.

Note: Data for 2004 refer to the most recent year for which data are available in 2002–04. For Lebanon and Madagascar data for 1995 refer to 2000. And no data for 1995 are available for Republic of Congo, Argentina, Ghana, St. Kitts and Nevis, and Colombia.

Source: International Monetary Fund, Government Finance Statistics data files.

Data sources

Data on central government expenses are from the IMF's *Government Finance Statistics Yearbook, 2005* and IMF data files. Each country's accounts are reported using the system of common definitions and classifications in the IMF's *Government Finance Statistics Manual 2001*. See these sources for complete and authoritative explanations of concepts, definitions, and data sources.

4.12 Central government revenues

	Taxes on income, profits, and capital gains		Taxes on goods and services		Taxes on international trade		Other taxes		Social contributions		Grants and other revenue	
	% of revenue		% of revenue		% of revenue		% of revenue		% of revenue		% of revenue	
	1995	2004	1995	2004	1995	2004	1995	2004	1995	2004	1995	2004
Afghanistan	..	3	..	3	..	18	..	1	..	1	..	75
Albania ^a	8	..	39	..	14	..	1	..	15	..	22	..
Algeria ^a	65	66	10	9	18	13	1	1	..	..	5	11
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	..	19	..	29	..	16	..	14	..	17	..	5
Armenia ^a	..	15	..	31	..	3	..	25	..	14	..	12
Australia	..	62	..	25	..	2	..	2	..	..	..	9
Austria	24	25	24	25	0	0	4	4	42	40	6	6
Azerbaijan ^a	31	..	34	..	33	..	2	..	..	..	0	..
Bangladesh ^a	..	12	..	29	..	33	..	4	..	..	..	22
Belarus ^a	16	8	33	36	6	7	11	10	31	35	3	4
Belgium	37	35	23	23	..	..	2	1	35	34	3	7
Benin	..	..	..	..	..	..	..	..	..	..	..	..
Bolivia	..	7	..	38	..	3	..	13	..	8	..	31
Bosnia and Herzegovina	..	2	..	36	..	10	..	6	..	34	..	12
Botswana ^a	21	..	4	..	15	..	0	..	..	..	59	..
Brazil ^a	14	..	24	..	2	..	4	..	31	..	26	..
Bulgaria ^a	17	15	28	40	8	2	3	0	21	27	23	16
Burkina Faso	..	..	..	..	..	..	..	..	..	..	..	..
Burundi ^a	14	..	30	..	20	..	1	..	5	..	30	..
Cambodia	..	6	..	38	..	24	..	0	..	..	..	33
Cameroon	24	..	23	..	22	..	4	..	4	..	21	..
Canada ^a	50	52	17	18	2	1	..	..	22	23	10	6
Central African Republic	..	..	..	..	..	..	..	..	..	..	..	..
Chad	..	..	..	..	..	..	..	..	..	..	..	..
Chile	..	18	..	45	..	2	..	6	..	6	..	22
China	9	21	61	79	7	-8	0	1	..	..	22	7
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	..	35	..	35	..	5	..	5	..	0	..	20
Congo, Dem. Rep. ^a	21	25	12	24	21	27	5	1	1	..	41	23
Congo, Rep. ^a	..	4	..	16	..	7	..	1	..	4	..	69
Costa Rica ^a	11	15	32	38	15	5	1	2	28	32	12	8
Côte d'Ivoire	15	8	14	18	58	46	3	13	5	8	5	7
Croatia ^a	11	7	42	47	9	2	1	1	33	34	4	9
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	20	..	27	..	0	..	1	..	45	..	6
Denmark	34	38	40	44	..	..	7	2	5	4	14	12
Dominican Republic ^a	16	24	34	41	36	21	1	2	4	3	9	9
Ecuador	50	..	26	..	11	..	1	..	..	..	12	..
Egypt, Arab Rep. ^a	17	..	13	..	10	..	10	..	10	..	41	..
El Salvador	..	21	..	41	..	7	..	1	..	14	..	16
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia ^a	19	13	39	41	0	0	0	..	31	35	10	11
Ethiopia ^a	..	15	..	12	..	27	..	0	..	5	..	41
Finland	21	21	34	35	0	0	2	2	32	30	12	11
France	23	23	26	24	0	0	3	4	40	41	7	7
Gabon	..	..	..	..	..	..	..	..	..	..	..	..
Gambia, The	..	..	..	..	..	..	..	..	..	..	..	..
Georgia ^a	7	2	48	47	10	8	..	0	13	23	22	21
Germany	16	16	20	22	..	..	0	..	58	59	6	3
Ghana	15	22	31	22	24	29	..	2	..	..	9	26
Greece	20	..	30	..	0	..	3	..	30	..	16	..
Guatemala ^a	19	25	46	58	23	10	3	1	2	2	6	4
Guinea	11	..	20	..	36	..	0	..	..	..	32	..
Guinea-Bissau	..	..	..	..	..	..	..	..	..	..	..	..
Haiti	..	..	..	..	..	..	..	..	..	..	..	..

Central government revenues

4.12

ECONOMY

	Taxes on income, profits, and capital gains		Taxes on goods and services		Taxes on international trade		Other taxes		Social contributions		Grants and other revenue	
	% of revenue		% of revenue		% of revenue		% of revenue		% of revenue		% of revenue	
	1995	2004	1995	2004	1995	2004	1995	2004	1995	2004	1995	2004
Honduras	..	..	..	..	..	..	..	..	..	..	..	..
Hungary	..	19	..	36	..	2	..	2	..	33	..	8
India ^a	23	35	28	31	24	14	0	0	0	0	25	19
Indonesia ^a	46	28	33	32	4	3	1	4	6	3	9	30
Iran, Islamic Rep. ^a	12	9	5	2	9	8	1	1	6	13	66	66
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland ^a	38	..	35	..	..	..	3	..	14	..	10	..
Israel	..	29	..	29	..	1	..	6	..	17	..	18
Italy	33	31	23	24	..	0	6	6	33	34	5	5
Jamaica ^a	..	30	..	34	..	9	..	7	..	7	..	0
Japan	35	..	14	..	1	..	5	..	26	..	18	..
Jordan ^a	10	8	23	32	22	11	9	10	..	1	36	38
Kazakhstan ^a	11	40	28	40	3	5	5	0	48	..	6	15
Kenya ^a	34	34	36	50	15	3	1	0	0	0	14	12
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep. ^a	31	25	32	31	7	4	10	7	8	15	12	18
Kuwait ^a	1	0	0	..	2	2	0	0	..	..	97	97
Kyrgyz Republic ^a	26	16	56	55	5	2	1	..	..	..	11	26
Lao PDR	..	..	..	..	..	..	..	..	..	..	..	..
Latvia ^a	7	12	41	36	3	1	0	0	35	31	13	20
Lebanon	..	10	..	46	..	8	..	12	..	1	..	24
Lesotho ^a	15	20	12	17	49	45	1	0	..	..	24	17
Liberia	..	..	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	..	22	..	36	..	0	..	0	..	32	..	9
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..	..	..
Madagascar	..	6	..	16	..	27	..	4	..	..	..	46
Malawi	..	..	..	..	..	..	..	..	..	..	..	..
Malaysia ^a	37	47	26	21	12	6	5	0	1	..	19	26
Mali	..	..	..	..	..	..	..	..	..	..	..	..
Mauritania	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius ^a	12	13	25	43	34	20	6	5	6	4	16	16
Mexico ^a	27	..	54	..	4	..	2	..	14	..	16	..
Moldova ^a	6	3	38	48	5	5	1	0	38	27	2	17
Mongolia	..	16	..	35	..	6	..	0	..	16	..	27
Morocco ^a	20	..	40	..	15	..	3	..	9	..	13	..
Mozambique	..	..	..	..	..	..	..	..	..	..	..	..
Myanmar	20	16	26	22	12	2	..	..	..	..	42	60
Namibia ^a	27	38	32	20	28	32	2	2	..	1	11	8
Nepal	10	11	33	30	26	22	4	5	..	..	27	33
Netherlands	..	23	..	29	..	1	..	3	..	37	..	8
New Zealand	..	53	..	29	..	3	..	0	..	0	..	15
Nicaragua ^a	8	18	46	41	6	4	0	0	10	16	29	21
Niger	..	..	..	..	..	..	..	..	..	..	..	..
Nigeria	..	..	..	..	..	..	..	..	..	..	..	..
Norway	..	31	..	26	..	0	..	1	..	20	..	22
Oman ^a	21	21	1	1	3	3	2	2	..	..	74	73
Pakistan ^a	18	20	27	33	24	11	7	9	..	..	24	27
Panama ^a	20	15	17	9	11	9	3	4	16	20	34	44
Papua New Guinea ^a	40	50	8	13	27	26	2	3	0	0	23	8
Paraguay ^a	15	12	36	39	18	12	4	3	6	6	22	30
Peru ^a	15	24	49	53	10	7	8	4	11	9	10	12
Philippines ^a	33	40	26	25	29	18	4	3	..	..	8	15
Poland ^a	..	14	..	34	..	1	..	0	..	40	..	11
Portugal	23	23	32	32	0	0	2	2	29	31	14	12
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



4.12

Central government revenues

	Taxes on income, profits, and capital gains		Taxes on goods and services		Taxes on international trade		Other taxes		Social contributions		Grants and other revenue	
	% of revenue		% of revenue		% of revenue		% of revenue		% of revenue		% of revenue	
	1995	2004	1995	2004	1995	2004	1995	2004	1995	2004	1995	2004
Romania ^a	..	9	..	33	..	3	..	1	..	42	..	13
Russian Federation	..	4	..	26	..	19	..	0	..	27	..	24
Rwanda	11	..	25	..	23	..	3	..	2	..	36	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal ^a	17	20	19	30	36	33	2	4	..	..	26	13
Serbia and Montenegro ^a	..	13	..	39	..	7	..	4	..	29	..	9
Sierra Leone	15	..	34	..	39	..	0	..	..	..	12	..
Singapore ^a	26	28	20	24	1	0	15	11	..	..	38	38
Slovak Republic	..	17	..	29	..	1	..	0	..	40	..	13
Slovenia ^a	13	15	33	33	9	1	0	4	42	38	3	10
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa ^a	..	51	..	35	..	3	..	4	..	2	..	5
Spain	26	23	23	15	0	0	0	0	40	41	10	22
Sri Lanka ^a	12	14	49	56	17	12	4	1	1	1	18	16
Sudan ^a	17	..	41	..	27	..	1	..	..	..	14	..
Swaziland ^a	..	29	..	15	..	50	..	0	..	..	..	6
Sweden	15	5	26	34	0	..	12	12	35	38	13	10
Switzerland ^a	11	16	21	30	1	1	2	3	49	39	17	11
Syrian Arab Republic ^a	23	..	37	..	13	..	8	..	0	..	19	..
Tajikistan ^a	6	3	63	54	12	11	0	1	13	12	5	18
Tanzania	..	..	..	..	..	..	..	..	..	..	..	..
Thailand	..	32	..	40	..	8	..	1	..	5	..	14
Togo	..	..	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago ^a	50	..	26	..	6	..	1	..	2	..	15	..
Tunisia ^a	16	23	20	35	28	7	4	4	15	18	17	12
Turkey ^a	31	..	39	..	4	..	3	..	..	..	23	..
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda ^a	10	12	45	24	7	16	2	0	..	..	37	48
Ukraine ^a	..	15	..	21	..	5	..	0	..	38	..	20
United Arab Emirates ^a	..	..	15	..	..	..	..	..	1	..	84	..
United Kingdom	39	36	31	32	..	..	6	6	19	22	5	4
United States	..	51	..	4	..	1	..	1	..	40	..	3
Uruguay ^a	10	10	32	49	4	5	10	6	31	19	8	12
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB ^a	38	13	33	23	9	4	0	8	4	2	19	50
Vietnam	..	..	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep. ^a	17	..	10	..	18	..	3	..	..	..	51	..
Zambia ^a	27	..	22	..	36	..	0	..	0	..	15	..
Zimbabwe ^a	36	..	22	..	17	..	3	..	2	..	19	..
World	.. m	.. m	.. m	.. m	.. m	.. m	.. m	.. m	.. m	.. m	.. m	.. m
Low income	..	..	..	..	..	..	..	..	..	..	..	..
Middle income	..	..	..	..	..	..	..	..	..	..	..	..
Lower middle income	..	..	..	..	..	..	..	..	..	..	..	..
Upper middle income	..	15	..	34	..	4	..	2	..	..	..	12
Low & middle income	..	..	..	..	..	..	..	..	..	..	..	..
East Asia & Pacific	..	..	..	..	..	..	..	..	..	..	..	..
Europe & Central Asia	..	10	..	36	..	5	..	0	..	33	..	15
Latin America & Carib.	16	..	29	..	12	7	3	..	..	10	14	..
Middle East & N. Africa	17	..	13	..	15	..	3	..	..	..	36	..
South Asia	11	12	28	29	24	18	2	1	..	..	26	33
Sub-Saharan Africa	..	..	..	..	..	..	..	..	..	..	..	..
High income	..	..	..	28	..	..	..	..	..	..	..	11
Europe EMU	23	24	24	24	0	0	3	3	35	37	7	7

Note: Components may not sum to 100 percent because of missing data or adjustment to tax revenue.

a. Data were reported on a cash basis and have been adjusted to the accrual framework.

About the data

The International Monetary Fund (IMF) classifies government revenues as taxes, grants, and property income. Taxes are classified by the base on which the tax is levied, grants by the source, and property income by type (for example, interest, dividends, or rent). The most important source of revenue is taxes. Grants are unrequited, nonrepayable, non-compulsory receipts from other government units and foreign governments or from international organizations. Transactions are generally recorded on an accrual basis.

The IMF's *Government Finance Statistics Manual 2001* describes taxes as compulsory, unrequited payments made to governments by individuals, businesses, or institutions. Taxes are classified in six major groups by the base on which the tax is levied: income, profits, and capital gains; payroll and workforce; property; goods and services; international trade and transactions; and other taxes. However, the distinctions are not always clear. Taxes levied on the income and profits of individuals and corporations are classified as direct taxes, and taxes and duties levied on goods and services are classified as indirect taxes. This distinction may be a useful simplification, but it has no particular analytical significance except with respect to the capacity to fix tax rates. Direct taxes tend to be progressive, whereas indirect taxes are proportional.

Social security taxes do not reflect compulsory payments made by employers to provident funds or other agencies with a like purpose. Similarly, expenditures from such funds are not reflected in government expenses (see table 4.11). For further discussion of taxes and tax policies, see *About the data* for table 5.6. For further discussion of government revenues and expenditures, see *About the data* for tables 4.10 and 4.11.

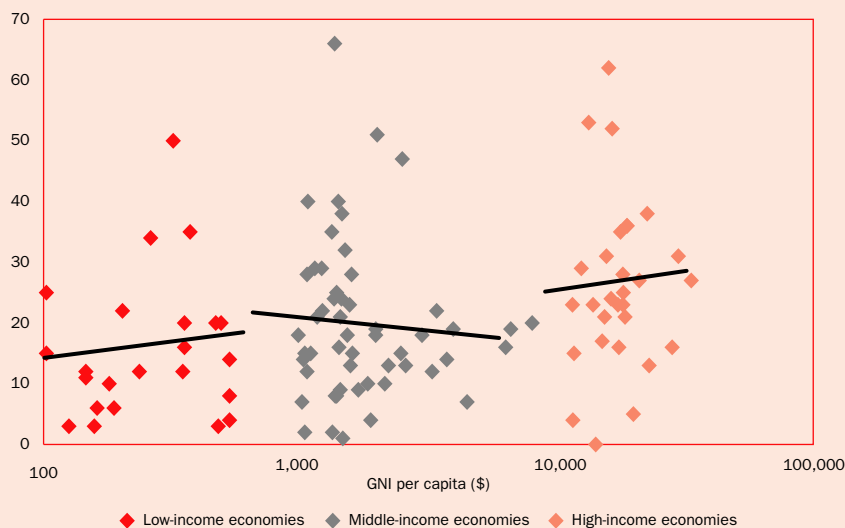
Definitions

- **Taxes on income, profits, and capital gains** are levied on the actual or presumptive net income of individuals, on the profits of corporations and enterprises, and on capital gains, whether realized or not, on land, securities, and other assets. Intragovernmental payments are eliminated in consolidation.
- **Taxes on goods and services** include general sales and turnover or value added taxes, selective excises on goods, selective taxes on services, taxes on the use of goods or property, taxes on extraction and production of minerals, and profits of fiscal monopolies.
- **Taxes on international trade** include import duties, export duties, profits of export or import monopolies, exchange profits, and exchange taxes.
- **Other taxes** include employer payroll or labor taxes, taxes on property, and taxes not allocable to other categories, such as penalties for late payment or nonpayment of taxes.
- **Social contributions** include social security contributions by employees, employers, and self-employed individuals, and other contributions whose source cannot be determined. They also include actual or imputed contributions to social insurance schemes operated by governments.
- **Grants and other revenue** include grants from other foreign governments, international organizations, and other government units; interest; dividends; rent; required, nonrepayable receipts for public purposes (such as fines, administrative fees, and entrepreneurial income from government ownership of property); and voluntary, unrequited, nonrepayable receipts other than grants.

4.12a

Rich countries rely more on direct taxes

Taxes on income and capital gains as a share of revenue, 2002–04 (%)



High-income economies prefer to tax income and property. Low-income economies tend to rely on indirect taxes on international trade and goods and services. But in all groups there are exceptions.

Source: International Monetary Fund, Government Finance Statistics data files and World Bank data files.

Data sources

Data on central government revenues are from the IMF's *Government Finance Statistics Yearbook, 2005* and IMF data files. Each country's accounts are reported using the system of common definitions and classifications in the IMF's *Government Finance Statistics Manual 2001*. The IMF receives additional information from the Organisation for Economic Co-operation and Development on the tax revenues of some of its members. See the IMF sources for complete and authoritative explanations of concepts, definitions, and data sources.



4.13

Monetary indicators

	Money and quasi money		Claims on private sector		Claims on governments and other public entities		Interest rate					
	annual % growth		Annual growth % of M2		Annual growth % of M2		Deposit		Lending %		Real	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	..	13.1	..	4.2	..	2.0	18.5	6.6	20.6	11.8	-65.5	5.7
Algeria	11.4	11.3	12.2	2.6	3.2	-11.5	8.0	2.5	..	8.0	..	-2.0
Angola	..	37.0	..	19.9	..	-15.0	..	15.4	..	82.3	..	28.3
Argentina	1,113.3	21.4	1,444.7	5.4	1,573.2	5.8	1,517.9	2.6	..	6.8	..	-2.2
Armenia	1,076.8	22.3	92.0	16.9	534.3	-1.1	..	4.9	..	18.6	..	17.9
Australia	12.8	11.7	13.8	14.8	-2.2	0.5	13.5	3.6	17.9	8.9	13.9	5.2
Austria ^a	..	..	..	..	..	..	3.4	..	..	..	..	..
Azerbaijan	825.8	46.1	134.1	28.2	574.2	-1.2	..	9.2	..	15.7	..	8.8
Bangladesh	10.4	16.3	9.2	11.5	-0.1	3.8	12.0	7.1	16.0	14.8	9.1	10.1
Belarus	..	45.6	..	42.6	..	3.5	65.1	12.7	71.6	16.9	-85.1	-4.0
Belgium ^a	..	..	..	..	..	..	6.1	1.6	13.0	6.7	9.9	4.3
Benin	28.6	-9.3	-1.3	3.3	12.4	-0.4	7.0	3.5	16.0	..	14.2	..
Bolivia	52.8	2.2	40.8	-3.3	17.5	0.8	23.8	7.4	41.8	14.5	22.0	5.5
Bosnia and Herzegovina	..	22.4	..	13.7	..	0.3	..	3.7	..	10.3	..	7.2
Botswana	-14.0	16.0	12.6	10.8	-51.9	9.2	6.1	9.9	7.9	15.8	1.5	10.4
Brazil	1,306.0	19.4	1,841.5	13.4	3,178.2	-1.0	9,394.3	15.4	..	54.9	..	43.2
Bulgaria	51.7	24.0	37.5	27.5	43.1	-6.6	39.5	3.0	52.5	8.8	-53.3	4.4
Burkina Faso	-0.5	-8.3	3.6	6.4	-1.5	-4.6	7.0	3.5	16.0	..	14.4	..
Burundi	9.6	17.8	15.4	1.5	-6.9	34.2	4.0	..	12.3	18.3	6.0	11.2
Cambodia	..	30.4	..	14.5	..	-2.4	..	1.8	..	17.6	..	11.7
Cameroon	-1.7	6.4	0.9	1.1	-3.0	-1.5	7.5	5.0	18.5	18.0	16.6	17.5
Canada	7.8	10.2	9.2	13.1	0.5	0.8	9.9	0.8	14.1	4.0	10.5	0.9
Central African Republic	-3.7	14.2	-1.6	9.0	2.3	4.7	7.5	5.0	18.5	18.0	15.9	20.2
Chad	-2.4	3.5	1.3	3.3	-17.3	-0.8	7.5	5.0	18.5	18.0	9.7	4.1
Chile	24.2	8.3	21.7	23.7	16.3	-0.4	40.4	1.9	48.9	5.1	22.8	-1.4
China	28.9	14.8	26.5	8.6	1.5	1.6	8.6	2.3	9.4	5.6	3.5	-1.2
Hong Kong, China	8.5	7.3	7.9	2.2	-1.0	0.7	6.7	0.0	10.0	5.0	0.5	8.0
Colombia	33.0	18.2	8.7	7.7	-7.5	5.1	36.4	7.8	45.2	15.1	15.2	7.5
Congo, Dem. Rep.	195.4	72.6	18.0	16.1	429.7	-15.9	..	..	..	66.8	..	31.5
Congo, Rep.	18.5	17.4	5.1	-0.7	-12.6	3.9	7.5	5.0	18.5	18.0	19.7	10.4
Costa Rica	27.5	33.8	7.3	15.5	8.2	9.8	21.2	9.5	32.6	23.4	11.8	10.6
Côte d'Ivoire	-2.6	9.6	-3.9	4.9	-3.0	-3.9	7.0	3.5	16.0	..	21.5	..
Croatia	..	8.2	..	11.1	..	0.3	658.5	1.9	1,157.8	11.7	81.0	8.1
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	4.4	..	5.3	..	-5.0	7.0	1.3	14.1	6.0	-3.6	2.9
Denmark	6.5	11.0	3.0	26.5	-3.1	-5.4	7.9	2.4	14.1	7.1	10.1	5.4
Dominican Republic	42.5	9.0	19.1	-1.2	1.1	21.2	20.0	21.1	35.3	32.6	-14.5	-12.3
Ecuador	50.3	24.2	9.3	23.4	-26.5	-11.7	43.5	4.1	37.5	9.6	29.9	5.3
Egypt, Arab Rep.	28.7	14.4	6.3	2.1	25.3	8.7	12.0	7.7	19.0	13.4	0.5	1.7
El Salvador	-17.5	1.6	-24.2	4.5	10.2	0.7	18.0	..	21.2	..	15.7	..
Eritrea	..	11.6	..	3.7	..	11.3	..	..	..	..	..	..
Estonia	76.5	15.8	27.6	36.2	-7.4	-2.0	..	2.2	30.5	5.7	-86.6	2.5
Ethiopia	19.9	19.3	0.3	4.5	21.8	10.9	3.6	3.4	6.0	7.0	2.5	-2.3
Finland ^a	..	..	..	..	..	..	7.5	1.0	11.6	3.7	4.9	2.9
France ^a	..	..	..	..	..	..	4.5	2.3	10.6	6.6	8.2	4.9
Gabon	3.3	11.4	0.7	-8.5	-20.6	-14.5	7.5	5.0	18.5	18.0	2.7	10.3
Gambia, The	8.4	18.3	7.8	-3.9	-35.4	-13.2	11.3	22.0	26.5	36.5	13.0	18.6
Georgia	..	42.4	..	20.3	..	-4.5	..	7.2	..	31.2	..	19.7
Germany ^a	..	..	..	..	..	..	7.1	2.7	11.6	9.7	8.1	8.1
Ghana	13.3	27.4	4.9	13.0	9.9	23.2	21.3	13.6	25.6	..	-5.9	..
Greece ^a	..	..	..	..	..	..	19.5	2.3	27.6	6.8	5.7	3.2
Guatemala	25.8	9.4	15.0	8.8	0.5	-5.2	18.2	4.2	23.3	13.8	-12.3	5.2
Guinea	-17.4	36.5	13.1	1.8	2.9	19.2	21.0	8.9	21.2	..	-2.2	..
Guinea-Bissau	574.6	42.8	90.5	-1.3	460.7	-17.7	32.7	3.5	45.8	..	11.9	..
Haiti	2.5	5.2	-0.6	1.2	0.4	0.2	..	10.8	..	34.1	..	2.9

Monetary indicators

4.13

ECONOMY

	Money and quasi money		Claims on private sector		Claims on governments and other public entities		Interest rate					
	annual % growth		Annual growth % of M2		Annual growth % of M2		Deposit		Lending		Real	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Honduras	21.4	20.7	13.0	11.0	-10.9	-3.2	8.8	11.1	17.1	19.9	-3.4	11.3
Hungary	29.2	8.9	23.0	16.7	69.4	-2.9	24.7	9.1	28.8	12.8	2.5	7.9
India	15.1	16.7	5.9	15.3	10.5	0.8	..	..	16.5	10.9	5.4	5.4
Indonesia	44.6	8.2	66.9	11.7	-6.7	0.7	17.5	6.4	20.8	14.1	12.2	6.6
Iran, Islamic Rep.	18.0	23.0	14.7	27.6	5.8	-4.3	..	11.7	..	16.7	..	0.1
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland ^a	..	..	..	..	..	..	6.3	0.0	11.3	2.6	12.1	-0.9
Israel	19.4	3.6	18.5	3.9	4.9	-3.9	14.4	3.6	26.4	7.4	9.1	7.6
Italy ^a	..	..	..	..	..	..	6.8	0.9	14.1	5.0	5.4	2.0
Jamaica	21.5	14.0	12.5	7.3	-16.0	-18.7	23.9	8.0	30.5	18.1	4.3	4.9
Japan	8.2	1.6	9.7	-1.9	1.5	0.5	3.6	0.1	7.0	1.8	4.4	4.0
Jordan	8.3	10.5	4.7	9.4	1.0	2.9	8.2	2.5	10.3	8.3	-1.0	2.9
Kazakhstan	..	69.3	..	58.9	..	-17.1	..	..	..	..	..	..
Kenya	20.1	13.7	8.0	14.5	21.5	-1.2	13.7	2.4	18.8	12.5	7.3	5.2
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	17.2	-0.6	36.1	1.6	-1.2	1.4	10.0	3.9	10.0	5.9	-0.5	3.2
Kuwait	4.8	12.1	0.4	13.9	-1.6	-9.7	7.4	2.7	8.4	5.6	10.3	-14.2
Kyrgyz Republic	..	32.1	..	18.1	..	-30.6	..	6.7	..	29.3	..	23.4
Lao PDR	7.8	21.6	3.6	4.9	7.0	-0.2	30.0	7.9	26.0	29.3	11.4	17.2
Latvia	..	26.7	..	47.3	..	-2.9	34.8	3.3	86.4	7.4	21.3	0.3
Lebanon	55.1	10.1	27.6	1.7	18.5	5.8	16.9	7.4	39.9	10.8	21.2	7.7
Lesotho	8.4	3.3	6.8	1.9	-14.9	-23.3	13.0	4.2	20.4	12.4	10.8	10.5
Liberia	21.1	45.7	19.0	15.8	31.8	204.7	6.8	3.8	13.8	18.1	10.2	15.7
Libya	19.0	17.9	2.0	-0.1	15.0	-115.9	5.5	2.1	7.0	6.1	0.4	-11.5
Lithuania	..	24.1	..	26.0	..	1.7	88.3	1.2	91.8	5.7	-52.8	2.4
Macedonia, FYR	..	16.1	..	14.3	..	-0.3	..	6.5	..	12.4	..	10.8
Madagascar	4.5	25.2	23.8	13.9	-14.8	-13.2	20.5	15.2	25.8	25.5	12.9	9.8
Malawi	11.1	29.7	15.5	11.5	-12.9	10.2	12.1	13.7	21.0	36.8	9.3	22.7
Malaysia	10.6	19.3	20.8	22.5	-1.2	-4.5	5.7	3.0	8.8	6.0	4.8	-0.2
Mali	-4.9	-2.6	0.1	4.1	-13.4	1.7	7.0	3.5	16.0	..	10.6	..
Mauritania	11.5	10.5	20.2	18.7	1.5	-15.8	5.0	8.0	10.0	21.0	7.2	10.8
Mauritius	21.2	13.2	10.8	7.6	0.8	8.9	12.6	8.1	18.0	21.0	6.6	14.2
Mexico	83.8	10.7	48.4	3.8	7.3	3.3	30.4	2.7	17.7	7.2	7.5	1.1
Moldova	358.0	39.8	53.3	13.6	447.0	9.8	..	15.1	..	20.9	..	12.0
Mongolia	31.6	20.5	40.2	24.2	29.8	-8.5	300.0	14.2	300.0	25.4	10.4	6.1
Morocco	21.5	7.8	12.4	4.4	-4.9	-1.6	8.5	3.6	9.0	11.5	2.1	9.9
Mozambique	37.2	5.8	22.0	1.6	-6.8	-13.7	..	9.9	..	22.1	..	8.4
Myanmar	37.7	32.4	12.8	5.6	23.9	29.3	5.9	9.5	8.0	15.0	-8.9	-6.2
Namibia	30.3	20.7	15.4	30.3	-4.7	9.5	12.8	6.4	23.4	11.4	17.9	8.2
Nepal	18.5	12.6	5.7	..	7.3	2.4	11.9	2.7	14.4	8.5	3.2	3.8
Netherlands ^a	..	..	..	..	..	..	3.3	2.3	11.8	2.8	9.3	1.5
New Zealand	12.5	5.6	4.2	14.6	-1.6	0.5	11.7	5.8	16.0	10.4	13.3	6.4
Nicaragua	7,677.8	17.2	4,932.9	15.2	..	-6.0	9.5	4.7	22.0	13.5	-97.6	3.0
Niger	-4.1	19.7	-5.1	9.5	1.4	10.7	7.0	3.5	16.0	..	17.9	..
Nigeria	32.7	14.0	7.8	15.7	26.3	-38.1	19.8	13.7	25.3	19.2	16.9	-0.6
Norway	5.6	3.4	5.0	10.4	-0.1	-5.4	9.7	1.5	14.2	4.0	9.9	-0.8
Oman	10.0	4.0	9.6	7.0	-10.9	-4.2	8.3	2.3	9.7	7.6	-12.1	-1.4
Pakistan	11.6	20.5	5.0	18.6	7.6	4.1	..	..	..	..	..	..
Panama	36.6	8.4	0.8	6.6	-25.7	4.8	8.4	2.2	12.0	8.8	11.4	8.3
Papua New Guinea	4.3	12.4	-1.1	-2.0	8.6	3.9	8.7	1.7	15.5	13.3	10.9	12.5
Paraguay	54.4	14.2	32.0	6.6	-9.2	-1.4	22.9	5.1	31.0	33.5	-3.9	22.3
Peru	6,384.9	3.1	2,123.7	-0.2	2,127.1	-4.8	2,439.6	3.0	4,774.5	14.5	-29.7	8.3
Philippines	22.4	9.9	15.6	5.0	3.4	5.9	19.5	6.2	24.1	10.1	9.9	3.7
Poland	160.1	6.9	158.7	2.5	-20.6	-1.2	41.7	3.8	504.2	7.6	-0.4	4.5
Portugal ^a	..	..	..	..	..	..	14.0	..	21.8	..	7.6	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



4.13

Monetary indicators

	Money and quasi money		Claims on private sector		Claims on governments and other public entities		Interest rate					
	annual % growth		Annual growth % of M2		Annual growth % of M2		Deposit		% Lending		Real	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Romania	26.4	39.9	..	12.8	51.2	-10.5	..	..	..	..	..	..
Russian Federation	..	33.7	..	33.7	..	-16.9	..	3.8	..	11.4	..	-5.6
Rwanda	5.6	15.4	-10.0	8.4	26.8	13.3	6.9	8.1	13.2	..	-0.3	..
Saudi Arabia	4.6	17.3	-4.5	20.6	4.2	-10.3	8.0	1.7	..	..	..	..
Senegal	-4.8	12.2	-8.4	5.5	-5.3	-3.1	7.0	3.5	16.0	..	14.6	..
Serbia and Montenegro	..	..	..	..	..	..	..	..	..	..	..	..
Sierra Leone	74.0	20.1	4.9	9.2	228.7	-10.5	40.5	10.1	52.5	22.1	-10.6	5.3
Singapore	20.0	6.2	13.7	4.0	-4.9	-2.1	4.7	0.4	7.4	5.3	2.8	1.7
Slovak Republic	..	6.8	..	3.2	..	3.2	8.0	4.1	14.4	9.1	-11.0	4.3
Slovenia	123.0	7.6	96.1	15.4	-10.4	2.7	682.5	3.8	824.6	8.7	374.3	5.5
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	11.4	13.7	13.7	13.7	1.8	-0.2	18.9	6.6	21.0	11.3	4.7	5.1
Spain ^a	..	..	..	..	..	..	10.7	2.5	16.0	4.3	8.1	-0.1
Sri Lanka	19.9	19.6	16.2	15.8	4.4	6.3	19.4	5.1	13.0	9.5	-5.9	0.1
Sudan	48.8	30.8	12.6	19.3	29.4	-9.5	..	..	..	..	..	..
Swaziland	0.6	10.4	20.5	23.0	-13.1	4.8	8.7	4.6	14.5	11.3	-0.4	5.7
Sweden	0.8	2.4	13.6	13.4	-12.2	16.0	9.9	1.0	16.7	4.0	7.3	3.2
Switzerland	0.8	2.9	11.7	4.7	1.0	0.0	8.3	0.4	7.4	3.2	2.9	2.7
Syrian Arab Republic	26.1	7.8	3.4	3.0	11.4	2.5	4.0	4.0	9.0	9.0	-8.7	10.6
Tajikistan	..	9.8	..	102.8	..	-13.8	..	9.7	..	20.3	..	2.9
Tanzania	41.9	19.2	22.6	10.2	80.6	-2.5	17.0	4.2	31.0	13.9	8.6	9.5
Thailand	26.7	5.1	30.0	4.4	-4.0	0.6	12.3	1.0	14.4	5.5	8.2	2.1
Togo	9.5	18.1	1.8	2.8	6.9	-3.7	7.0	3.5	16.0	..	12.6	..
Trinidad and Tobago	6.2	14.1	2.7	14.5	-1.9	-19.8	6.0	2.8	12.9	9.3	-2.3	-2.8
Tunisia	7.6	11.3	5.9	10.9	1.8	2.3	7.4	..	4.8	..	-3.7	..
Turkey	53.2	22.1	42.9	18.5	0.1	6.0	47.5	24.3	..	..	..	..
Turkmenistan	..	23.8	..	3.4	..	-10.3	..	..	..	..	..	..
Uganda	60.2	11.1	23.3	3.5	0.8	-4.6	31.3	7.7	38.7	20.6	-4.0	13.8
Ukraine	1,809.2	32.8	78.3	22.4	1,554.7	-2.0	148.6	7.8	184.3	17.4	-91.7	2.0
United Arab Emirates	-8.2	23.8	1.3	19.7	-4.8	-0.3	..	3.6	..	8.1	..	18.4
United Kingdom	10.5	10.3	13.1	14.1	1.9	0.7	12.5	..	14.8	4.4	6.7	2.2
United States	4.9	3.0	-0.4	8.9	1.4	-0.5	..	..	10.0	4.3	5.9	1.7
Uruguay	118.5	-1.7	56.2	-11.9	25.5	1.5	147.5	6.2	163.8	23.7	27.5	15.1
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	64.9	46.9	17.6	37.6	45.3	-8.2	27.8	12.6	35.5	18.5	-4.4	-9.7
Vietnam	12.3	31.1	19.6	32.6	23.7	-6.5	22.0	6.6	32.2	9.5	12.6	2.6
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	11.3	14.6	1.4	5.9	10.2	-2.4	..	13.0	..	18.5	..	3.6
Zambia	47.9	32.1	22.8	16.4	195.2	13.0	25.7	11.5	35.1	30.7	-34.5	8.7
Zimbabwe	15.1	229.3	13.5	103.2	5.0	180.7	8.8	103.2	11.7	278.9	-2.6	-15.8

a. As members of the European Monetary Union, these countries share a single currency, the euro.

About the data

Money and the financial accounts that record the supply of money lie at the heart of a country's financial system. There are several commonly used definitions of the money supply. The narrowest, M1, encompasses currency held by the public and demand deposits with banks. M2 includes M1 plus time and savings deposits with banks that require a notice for withdrawal. M3 includes M2 as well as various money market instruments, such as certificates of deposit issued by banks, bank deposits denominated in foreign currency, and deposits with financial institutions other than banks. However defined, money is a liability of the banking system, distinguished from other bank liabilities by the special role it plays as a medium of exchange, a unit of account, and a store of value.

The banking system's assets include its net foreign assets and net domestic credit. Net domestic credit includes credit extended to the private sector and general government and credit extended to the nonfinancial public sector in the form of investments in short- and long-term government securities and loans to state enterprises; liabilities to the public and private sectors in the form of deposits with the banking system are netted out. Net domestic credit also includes credit to banking and nonbank financial institutions.

Domestic credit is the main vehicle through which changes in the money supply are regulated, with central bank lending to the government often playing the most important role. The central bank can regulate lending to the private sector in several ways—for example, by adjusting the cost of the refinancing facilities it provides to banks, by changing market interest rates through open market operations, or by controlling the availability of credit through changes in the reserve requirements imposed on banks and ceilings on the credit provided by banks to the private sector.

Monetary accounts are derived from the balance sheets of financial institutions—the central bank, commercial banks, and nonbank financial intermediaries. Although these balance sheets are usually reliable, they are subject to errors of classification, valuation, and timing and to differences in accounting practices. For example, whether interest income is recorded on an accrual or a cash basis can make a substantial difference, as can the treatment of nonperforming assets. Valuation errors typically arise with respect to foreign exchange transactions, particularly in countries with flexible exchange rates or in those that have undergone a currency devaluation during the

reporting period. The valuation of financial derivatives and the net liabilities of the banking system can also be difficult. The quality of commercial bank reporting also may be adversely affected by delays in reports from bank branches, especially in countries where branch accounts are not computerized. Thus the data in the balance sheets of commercial banks may be based on preliminary estimates subject to constant revision. This problem is likely to be even more serious for nonbank financial intermediaries.

Many interest rates coexist in an economy, reflecting competitive conditions, the terms governing loans and deposits, and differences in the position and status of creditors and debtors. In some economies interest rates are set by regulation or administrative fiat. In economies with imperfect markets, or where reported nominal rates are not indicative of effective rates, it may be difficult to obtain data on interest rates that reflect actual market transactions. Deposit and lending rates are collected by the International Monetary Fund (IMF) as representative interest rates offered by banks to resident customers. The terms and conditions attached to these rates differ by country, however, limiting their comparability. Real interest rates are calculated by adjusting nominal rates by an estimate of the inflation rate in the economy. A negative real interest rate indicates a loss in the purchasing power of the principal. The real interest rates in the table are calculated as $(i - P) / (1 + P)$, where i is the nominal lending interest rate and P is the inflation rate (as measured by the GDP deflator).

Definitions

- **Money and quasi money** comprise the sum of currency outside banks, demand deposits other than those of the central government, and the time, savings, and foreign currency deposits of resident sectors other than the central government. This definition of the money supply, often called M2, corresponds to lines 34 and 35 in the IMF's *International Financial Statistics* (IFS). The change in money supply is measured as the difference in end-of-year totals relative to M2 in the preceding year.
- **Claims on private sector** (IFS line 32d) include gross credit from the financial system to individuals, enterprises, nonfinancial public entities not included under net domestic credit, and financial institutions not included elsewhere.
- **Claims on governments and other public entities** (IFS line 32an + 32b + 32bx + 32c) usually comprise direct credit for specific purposes, such as financing the government budget deficit; loans to state enterprises; advances against future credit authorizations; and purchases of treasury bills and bonds, net of deposits by the public sector. Public sector deposits with the banking system also include sinking funds for the service of debt and temporary deposits of government revenues.
- **Deposit interest rate** is the rate paid by commercial or similar banks for demand, time, or savings deposits.
- **Lending interest rate** is the rate charged by banks on loans to prime customers.
- **Real interest rate** is the lending interest rate adjusted for inflation as measured by the GDP deflator.

Data sources

Monetary and financial data are published by the IMF in its monthly *International Financial Statistics* and annual *International Financial Statistics Yearbook*. The IMF collects data on the financial systems of its member countries. The World Bank receives data from the IMF in electronic files that may contain more recent revisions than the published sources. The discussion of monetary indicators draws from an IMF publication by Marcello Caiola, *A Manual for Country Economists* (1995). Also see the IMF's *Monetary and Financial Statistics Manual* (2000) for guidelines for the presentation of monetary and financial statistics. World Bank data on the GDP deflator are used to derive real interest rates.



4.14

Exchange rates and prices

	Official exchange rate		Purchasing power parity (PPP) conversion factor		Ratio of PPP conversion factor to official exchange rate	Real effective exchange rate	GDP implicit deflator		Consumer price index		Wholesale price index	
	local currency units to \$		local currency units to international \$			Index 2000 = 100	average annual % growth		average annual % growth		average annual % growth	
	2004	2005	1990	2004	2004	2004	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04
Afghanistan	47.85	541.20	..	..	..	..	..	8.5	..	..	..	..
Albania	102.78	94.58 ^a	2.0	49.5	0.5	..	23.9	4.2	17.3	3.5	..	..
Algeria	72.06	73.28	5.0	29.0	0.4	85.9	14.1	6.0	11.6	2.8	0.5	0.4
Angola	83.54	85.64 ^a	0.0	52.1	0.6	..	459.4	94.1	446.2	97.7	..	..
Argentina	2.92	2.90	0.3	0.9	0.3	..	5.2	13.3	7.1	12.0	7.0	26.9
Armenia	533.45	457.69	0.0	147.1	0.3	80.7	102.5	3.0	31.4	2.4	3.1	1.0
Australia	1.36	1.31	1.4	1.4	1.0	121.9	2.0	3.1	2.4	3.1	1.3	1.6
Austria ^b	0.81	0.80	0.9	0.9	1.1	105.6	1.5	1.6	2.0	1.9	0.7	1.6
Azerbaijan	4,913.48	4,727.10	..	1,211.5	0.2	..	100.6	4.5	76.8	3.1	..	..
Bangladesh	59.51	64.33	9.5	12.7	0.2	..	3.7	4.2	4.9	3.7	..	..
Belarus	2,160.26	2,153.82	0.0	728.2	0.3	..	224.9	41.6	163.7	36.3	168.6	41.7
Belgium ^b	0.81	0.80	0.9	0.9	1.1	106.5	1.8	1.9	1.9	1.9	1.6	0.9
Benin	528.29	527.47	159.8	277.2	0.5	..	6.7	3.2	6.0	2.2	..	..
Bolivia	7.94	8.07	1.3	2.9	0.4	80.1	7.0	4.8	6.6	2.5	..	..
Bosnia and Herzegovina	1.58	1.57	..	0.5	0.3	..	3.3	3.6	..	..	..	..
Botswana	4.69	5.11	1.2	2.5	0.5	..	8.4	6.2	9.4	7.9	..	..
Brazil	2.93	2.43	0.0	1.2	0.4	..	102.7	10.6	98.3	9.6	105.4	18.3
Bulgaria	1.58	1.57	0.0	0.6	0.4	121.6	67.5	4.0	75.1	5.1	60.7	3.8
Burkina Faso	528.29	527.47	135.5	169.1	0.3	..	4.5	3.0	4.3	2.2	..	..
Burundi	1,100.91	1,106.17 ^a	49.4	145.9	0.1	63.2	11.7	6.6	13.9	5.7	..	..
Cambodia	4,016.25	4,092.50	..	576.9	0.1	..	2.9	2.1	4.0	2.0	..	..
Cameroon	528.29	527.47	171.0	221.6	0.4	112.7	4.1	2.3	5.5	..	..	..
Canada	1.30	1.21	1.3	1.3	1.0	111.1	1.7	2.1	1.9	2.4	2.2	0.5
Central African Republic	528.29	527.47	135.9	158.3	0.3	111.7	3.7	2.2	4.1	2.3	6.0	5.3
Chad	528.29	527.47	107.3	113.3	0.2	..	6.5	5.3	5.6	2.3	..	..
Chile	609.37	560.09	148.7	312.9	0.5	83.0	7.0	5.0	6.7	2.5	6.7	6.1
China	8.28	8.19	1.3 ^c	1.9 ^c	0.2 ^c	95.0	5.5	2.7	5.5	1.0	..	..
Hong Kong, China	7.79	7.78	6.4	6.0	0.8	..	1.1	-3.9	3.0	-2.1	0.0	-0.8
Colombia	2,628.61	2,320.75	117.9	793.5	0.3	88.4	16.9	7.1	16.1	6.8	13.9	7.2
Congo, Dem. Rep.	401.04	441.74 ^a	0.0	66.6	0.2	32.0	523.0	55.8	496.4	53.0	..	..
Congo, Rep.	528.29	527.47	385.8	606.3	1.1	..	7.5	-2.8	6.7	1.6	..	..
Costa Rica	437.91	477.79	32.8	202.3	0.5	91.0	14.4	9.2	13.7	10.3	12.6	10.5
Côte d'Ivoire	528.29	527.47	167.1	320.7	0.6	117.6	6.7	2.9	5.6	3.1	..	..
Croatia	6.04	5.95	0.0	3.8	0.6	104.7	46.4	3.3	19.7	2.3	44.3	1.4
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	25.70	23.96	7.4	13.9	0.5	115.8	9.1	3.2	5.6	2.1	5.8	1.4
Denmark	5.99	6.00	8.3	8.4	1.4	109.5	2.0	1.9	2.2	2.1	1.3	0.9
Dominican Republic	42.12	30.41	2.5	12.1	0.3	79.3	10.2	20.6	9.8	20.7	..	..
Ecuador	1.00	1.00	0.4	0.6	0.6	146.4	4.0	11.9	36.0	13.6	38.5	5.9
Egypt, Arab Rep.	6.20	5.78	0.8	1.6	0.3	..	6.7	4.9	6.8	4.8	5.6	9.7
El Salvador	8.75	8.75	2.4	4.0	0.5	..	4.9	2.7	6.2	2.8	..	1.8
Eritrea	13.79	13.79 ^a	1.0	2.7	0.2	..	10.8	15.8	..	..	..	..
Estonia	12.60	12.58	0.1	7.3	0.6	..	31.5	3.7	13.3	3.2	4.9	1.6
Ethiopia	8.64	8.64 ^a	0.7	1.2	0.1	..	5.1	1.9	4.0	4.4	..	..
Finland ^b	0.81	0.80	1.0	1.0	1.2	106.1	2.0	1.1	1.6	1.3	1.0	-0.1
France ^b	0.81	0.80	1.0	0.9	1.1	107.8	1.3	1.8	1.6	2.0	..	0.9
Gabon	528.29	527.47	339.4	413.9	0.8	108.2	4.9	1.2	3.3	1.2	..	..
Gambia, The	30.03	29.81 ^a	1.8	4.3	0.1	51.1	6.9	18.9	4.8	10.9	..	..
Georgia	1.92	1.81	0.0	0.7	0.4	..	156.4	5.8	13.9	5.2	..	..
Germany ^b	0.81	0.80	1.0	0.9	1.2	108.1	1.3	1.0	1.7	1.5	0.8	1.3
Ghana	9,004.63	9,072.54	95.6	1,592.3	0.2	100.4	26.0	25.0	26.3	21.3	..	..
Greece ^b	0.81	0.80	0.3	0.7	0.8	111.3	7.1	3.6	6.8	3.4	3.4	2.8
Guatemala	7.95	7.63	1.4	4.1	0.5	..	9.1	7.2	8.8	7.1	..	..
Guinea	2,225.03	2,550.00 ^a	223.9	493.6	0.2	..	5.8	8.7	..	..	..	..
Guinea-Bissau	528.29	527.47	11.0	133.9	0.3	..	20.5	0.0	22.1	0.7	..	..
Haiti	38.35	40.45	1.1	9.7	0.3	..	19.0	15.1	19.7	21.6	..	..

Exchange rates and prices

4.14

ECONOMY

	Official exchange rate		Purchasing power parity (PPP) conversion factor		Ratio of PPP conversion factor to official exchange rate	Real effective exchange rate	GDP implicit deflator		Consumer price index		Wholesale price index	
	local currency units to \$		local currency units to international \$			Index 2000 = 100	average annual % growth		average annual % growth		average annual % growth	
	2004	2005	1990	2004	2004	2004	1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04
Honduras	18.21	18.83	1.3	6.7	0.4	..	15.4	7.3	15.7	8.2	..	..
Hungary	202.75	199.58	20.9	120.6	0.6	131.4	15.4	7.4	15.9	6.2	12.7	1.9
India	45.32	44.10	4.8	9.2	0.2	..	6.6	3.9	7.5	3.9	6.3	4.7
Indonesia	8,938.85	9,704.74	639.3	2,953.7	0.3	..	16.1	7.9	13.5	9.1	15.2	5.9
Iran, Islamic Rep.	8,613.99	8,963.96	179.5	2,775.3	0.3	122.1	24.3	18.9	22.0	14.4	22.1	9.3
Iraq	0.31	..	..	..	..	..	..	0.3	..	..	..	..
Ireland ^b	0.81	0.80	0.8	0.9	1.1	118.5	3.8	3.6	2.8	3.9	1.4	-0.9
Israel	4.48	4.49	1.5	3.2	0.7	77.2	7.5	1.7	7.1	2.0	6.4	3.5
Italy ^b	0.81	0.80	0.7	0.8	1.0	111.0	3.3	2.9	3.2	2.5	2.5	1.3
Jamaica	61.20	62.28	4.9	46.8	0.8	..	18.1	10.6	17.3	9.3	..	..
Japan	108.19	110.22	186.2	132.5	1.2	81.6	-0.5	-1.5	0.3	-0.5	-1.0	-1.1
Jordan	0.71	0.71	0.3	0.3	0.5	..	2.5	2.0	2.8	2.1	..	..
Kazakhstan	136.04	132.88	0.0	49.4	0.4	..	104.4	9.2	33.6	6.7	12.6	6.1
Kenya	79.17	75.55	9.0	35.8	0.5	..	12.2	4.0	12.0	6.9	..	..
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	1,145.32	1,024.12	543.9	793.8	0.7	..	4.5	2.9	4.4	3.4	2.9	1.7
Kuwait	0.30	0.29	0.4	0.3	1.0	..	3.0	4.8	1.8	1.1	1.2	2.0
Kyrgyz Republic	42.65	41.01	0.0	9.6	0.2	..	63.7	4.2	14.7	3.7	25.0	6.9
Lao PDR	10,585.54	10,655.17	174.2	2,296.5	0.2	..	27.9	11.1	29.0	11.5	..	..
Latvia	0.54	0.56	0.0	0.3	0.5	..	27.9	3.9	17.0	3.2	6.9	3.3
Lebanon	1,507.50	1,507.50	305.4	1,354.5	0.9	..	11.1	2.7	..	..	..	..
Lesotho	6.46	6.36	1.0	1.9	0.3	88.7	9.0	6.3	8.7	11.1	..	..
Liberia	54.91	57.10	..	..	..	..	49.7	12.9	..	..	..	..
Libya	1.31	1.31	..	..	..	..	..	16.3	1.9	-5.9	..	..
Lithuania	2.78	2.77	0.0	1.4	0.5	..	40.1	0.4	16.7	0.2	12.9	-0.5
Macedonia, FYR	49.41	49.28	0.0	19.6	0.4	98.5	42.9	2.4	6.3	2.0	5.5	0.5
Madagascar	1,868.86	2,003.03	102.7	553.1	0.3	..	15.3	9.6	15.1	8.3	..	..
Malawi	108.90	108.94 ^a	1.4	27.9	0.3	74.6	29.9	15.0	29.7	14.0	..	..
Malaysia	3.80	3.79	1.5	1.8	0.5	91.9	3.4	2.8	3.0	1.4	2.9	3.8
Mali	528.29	527.47	140.7	209.0	0.4	..	5.7	4.7	4.0	1.5	..	..
Mauritania	265.23 ^a	..	36.0	55.2	0.2	..	6.9	7.0	5.6	5.7	..	..
Mauritius	27.50	29.50	6.5	11.3	0.4	..	5.8	5.3	6.3	5.1	..	..
Mexico	11.29	10.90	1.4	7.5	0.7	..	15.8	7.0	15.7	5.1	15.0	6.6
Moldova	12.33	12.60	0.0	4.4	0.4	97.6	70.0	11.4	17.0	9.5	..	..
Mongolia	1,185.28	1,211.77 ^a	2.3	352.7	0.3	..	34.6	10.8	26.3	4.7	..	..
Morocco	8.87	8.87	3.2	3.5	0.4	92.9	2.1	0.8	2.9	1.5	2.2	-0.6
Mozambique	22,581.34	23,060.98	316.9	5,312.1	0.2	..	23.7	13.5	23.4	13.4	..	..
Myanmar	5.75	5.76	..	..	..	..	24.6	..	25.7	31.8	..	..
Namibia	6.46	6.36	1.0	2.7	0.4	..	9.8	6.5	..	..	..	..
Nepal	73.67	71.37	6.8	13.2	0.2	..	6.6	3.8	7.0	3.7	..	..
Netherlands ^b	0.81	0.80	0.9	0.9	1.1	111.9	2.4	3.1	2.6	2.7	1.6	2.0
New Zealand	1.51	1.42	1.6	1.6	1.1	128.5	1.9	2.4	1.9	2.3	1.8	1.3
Nicaragua	15.94	16.73	0.0	3.7	0.2	82.6	26.5	6.5	20.4	5.9	..	..
Niger	528.29	527.47	121.2	160.7	0.3	..	4.9	1.9	4.6	1.1	..	..
Nigeria	132.89	132.36 ^a	3.7	61.6	0.5	107.2	23.2	15.3	24.5	14.9	..	..
Norway	6.74	6.44	8.2	9.6	1.4	106.0	3.2	1.4	2.2	1.8	1.3	0.6
Oman	0.39	0.38	0.3	0.2	0.6	..	1.2	1.8	0.1	-0.5	..	..
Pakistan	58.26	59.51	6.2	16.5	0.3	91.3	10.2	5.1	7.7	4.0	8.4	5.4
Panama	1.00	1.00	0.6	0.6	0.6	..	2.6	0.9	1.1	0.9	0.8	-0.2
Papua New Guinea	3.22	3.14 ^a	0.5	0.9	0.3	99.2	7.5	7.4	10.3	10.1	..	..
Paraguay	5,974.58	6,177.96	400.1	1,513.4	0.3	73.6	11.3	12.4	11.5	9.7	12.2	15.9
Peru	3.41	3.30	0.1	1.5	0.4	..	16.3	2.3	16.6	1.9	14.6	1.5
Philippines	56.04	55.09	5.6	12.8	0.2	79.6	7.5	4.5	6.7	4.5	7.9	8.1
Poland	3.66	3.24	0.2	1.8	0.5	99.8	16.6	2.0	17.5	2.6	13.6	2.9
Portugal ^b	0.81	0.80	0.4	0.7	0.8	109.9	4.6	3.5	3.9	3.4	..	1.5
Puerto Rico	..	..	0.7	..	..	..	3.1	..	..	..	..	..



4.14

Exchange rates and prices

	Official exchange rate		Purchasing power parity (PPP) conversion factor		Ratio of PPP conversion factor to official exchange rate	Real effective exchange rate	GDP implicit deflator		Consumer price index		Wholesale price index	
	local currency units to \$		local currency units to international \$				Index 2000 = 100	average annual % growth		average annual % growth		average annual % growth
	2004	2005	1990	2004	2004	2004		1990-2000	2000-04	1990-2000	2000-04	1990-2000	2000-04
Romania	32,636.57	29,136.53	6.6	13,095.7	0.4	109.9	71.8	23.3	72.3	20.4	69.5	24.0
Russian Federation	28.81	28.28	0.0	11.9	0.4	136.5	94.7	15.8	59.4	15.3	37.9	-13.3
Rwanda	574.62	555.94	31.9	95.0	0.2	..	10.3	5.0	11.7	5.7	..	..
Saudi Arabia	3.75	3.75	2.8	2.9	0.8	82.3	2.2	4.0	0.5	0.1	0.9	0.8
Senegal	528.29	527.47	185.1	222.0	0.4	..	4.0	1.9	3.9	1.4	..	..
Serbia and Montenegro	..	..	..	..	..	..	51.3	29.3	..	..	..	..
Sierra Leone	2,701.30	2,889.59	29.5	653.4	0.2	74.4	25.8	13.1	20.9	4.4	..	..
Singapore	1.69	1.66	1.8	1.5	0.9	92.8	0.6	0.5	1.3	0.6	0.0	0.8
Slovak Republic	32.26	31.02	5.9	16.9	0.5	97.4	8.9	4.3	8.1	6.5	7.8	5.1
Slovenia	192.38	192.71	16.0	149.2	0.8	..	19.2	6.4	9.7	6.3	7.5	4.9
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	6.46	6.36	1.0	2.7	0.4	107.8	9.0	7.1	7.7	5.9	7.3	6.4
Spain ^b	0.81	0.80	0.6	0.8	0.9	111.6	3.8	4.2	3.4	3.2	2.2	1.7
Sri Lanka	101.19	100.50	10.2	25.0	0.2	..	8.9	8.5	9.5	9.1	7.6	8.9
Sudan	257.91	243.61	0.7	78.4	0.3	..	43.8	8.3	46.1	8.0	..	..
Swaziland	6.46	6.36	0.8	2.8	0.4	..	11.9	10.5	9.2	8.7	..	..
Sweden	7.35	7.47	9.1	9.6	1.3	100.7	1.9	1.8	1.7	1.8	2.2	1.0
Switzerland	1.24	1.25	2.0	1.8	1.5	105.4	0.9	1.0	1.3	0.7	-0.3	0.2
Syrian Arab Republic	11.23	11.23	10.2	16.5	1.5	..	6.6	3.2	4.9	..	3.2	..
Tajikistan	2.97	3.12	0.0	0.8	0.3	..	136.2	23.9	..	..	..	..
Tanzania	1,089.34	1,128.93	75.7	488.8	0.4	..	16.5	5.9	14.9	2.4	..	..
Thailand	40.22	40.22	10.8	12.9	0.3	..	3.2	1.8	3.9	1.6	3.6	3.5
Togo	528.29	527.47	93.8	127.5	0.2	112.8	5.0	0.7	6.1	1.5	..	..
Trinidad and Tobago	6.30	6.28	3.1	5.0	0.8	101.5	5.2	3.6	5.1	4.2	2.3	1.3
Tunisia	1.25	1.30	0.4	0.5	0.4	90.3	3.8	2.4	3.8	2.7	3.1	2.6
Turkey	1.43 ^d	1.34 ^d	1,560.9	778,515.9	0.5	..	65.0	31.9	68.4	32.6	..	..
Turkmenistan	..	..	0.0	1,931.0	..	..	329.1	..	..	..	..	..
Uganda	1,810.31	1,780.67	109.1	327.9	0.2	82.7	8.3	3.8	7.4	3.3	..	..
Ukraine	5.32	5.12	0.0	1.1	0.2	81.7	133.5	8.9	73.3	5.9	75.5	8.9
United Arab Emirates	3.67	3.67	3.4	..	..	..	2.7	2.7	..	..	..	..
United Kingdom	0.55	0.55	0.5	0.6	1.2	100.8	2.7	2.8	2.7	2.3	1.7	0.9
United States	1.00	1.00	1.0	1.0	1.0	92.6	1.9	2.1	2.6	2.3	1.4	2.3
Uruguay	28.70	24.48	0.6	11.8	0.4	59.6	22.4	13.4	23.9	12.6	22.1	24.8
Uzbekistan	..	..	0.0	251.3	..	..	144.3	33.1	..	..	..	..
Venezuela, RB	1,891.33	2,089.75	24.4	1,323.1	0.7	66.2	38.3	27.8	39.3	22.7	37.6	35.2
Vietnam	15,509.58	15,776.00 ^a	641.1	3,209.5	0.2	..	10.9	5.1	3.0	3.5	..	..
West Bank and Gaza	..	..	..	..	..	..	8.9	10.9	..	..	..	..
Yemen, Rep.	184.78	185.58 ^a	20.3	135.1	0.7	..	18.1	8.0	20.8	11.7	..	..
Zambia	4,778.88	4,463.50	18.6	2,653.0	0.6	109.5	39.4	20.9	42.4	21.0	..	..
Zimbabwe	5,068.66	22,363.64	0.9	..	..	..	53.7	207.2	36.1	..	25.9	..

Note: Inconsistencies in the growth rates of the GDP deflator and the consumer and wholesale price indexes are due mainly to uneven coverage of the time period.

a. Latest quarterly or monthly data available. b. As members of the European Monetary Union, these countries share a single currency, the euro. c. Based on a 1986 bilateral comparison of China and the United States (Rouen and Kai 1995), employing a different methodology than that used for other countries. This interim methodology will be revised in the next few years. d. New liras per dollar.

Exchange rates and prices

About the data

In a market-based economy the choices that households, producers, and governments make about the allocation of resources are influenced by relative prices, including the real exchange rate, real wages, real interest rates, and a host of other prices in the economy. Relative prices also reflect, to a large extent, the choices of these agents. Thus relative prices convey vital information about the interaction of economic agents in an economy and with the rest of the world.

The exchange rate is the price of one currency in terms of another. Official exchange rates and exchange rate arrangements are established by governments. (Other exchange rates fully recognized by governments include market rates, which are determined largely by legal market forces, and for countries maintaining multiple exchange arrangements, principal rates, secondary rates, and tertiary rates.) Also see *Statistical methods* for information on alternative conversion factors used in the *World Bank Atlas* method of calculating gross national income (GNI) per capita in U.S. dollars.

The official or market exchange rate is often used to compare prices in different currencies. Since exchange rates reflect at best the relative prices of tradable goods, the volume of goods and services that a U.S. dollar buys in the United States may not correspond to what a U.S. dollar converted to another country's currency at the official exchange rate would buy in that country. Since identical volumes of goods and services in different countries correspond to different values (and vice versa) when official exchange rates are used, an alternative method of comparing prices across countries has been developed. In this method national currency estimates of GNI are converted to a common unit of account by using conversion factors that reflect equivalent purchasing power. Purchasing power parity (PPP) conversion factors are based on price and expenditure surveys conducted by the International Comparison Program and represent the conversion factors applied to equalize price levels across countries. See *About the data* for table 1.1 for further discussion of the PPP conversion factor.

The ratio of the PPP conversion factor to the official exchange rate (also referred to as the national price level) makes it possible to compare the cost of the bundle of goods that make up gross domestic product (GDP) across countries. These national price levels vary systematically, rising with GNI per capita.

Real effective exchange rates represent a nominal effective exchange rate index adjusted for relative movements in national price or cost indicators of the home country, selected countries, and the euro area. A nominal effective exchange rate index represents the ratio (expressed on the base 2000 = 100) of an index of a currency's period-average exchange rate to a weighted geometric average of exchange rates for currencies of selected countries and the euro area. For most high-income countries, weights are derived from trade in manufactured goods among industrial countries. The data are compiled from the nominal

effective exchange rate index and a cost indicator of relative normalized unit labor costs in manufacturing. For selected other countries the nominal effective exchange rate index is based on each country's trade in both manufactured goods and primary products with its partner or competitor countries. For these countries the real effective exchange rate index is derived from the nominal index adjusted for relative changes in consumer prices. An increase in the real effective exchange rate represents an appreciation of the local currency. Because of conceptual and data limitations, changes in real effective exchange rates should be interpreted with caution.

Controlling inflation is one of the primary goals of monetary policy and is intimately linked to the growth in money supply. Inflation is measured by the rate of increase in a price index, but actual price change can be negative. Which index is used depends on which set of prices in the economy is being examined. The GDP deflator reflects changes in prices for total gross domestic product. The most general measure of the overall price level, it takes into account changes in government consumption, capital formation (including inventory appreciation), international trade, and the main component, household final consumption expenditure. The GDP deflator is usually derived implicitly as the ratio of current to constant price GDP, resulting in a Paasche index. It is defective as a general measure of inflation for use in policy because of the long lags in deriving estimates and because it is often only an annual measure.

Consumer price indexes are produced more frequently and so are more current. They are also constructed explicitly, based on surveys of the cost of a defined basket of consumer goods and services. Nevertheless, consumer price indexes should be interpreted with caution. The definition of a household, the basket of goods chosen, and the geographic (urban or rural) and income group coverage of consumer price surveys can all vary widely across countries. In addition, the weights are derived from household expenditure surveys, which, for budgetary reasons, tend to be conducted infrequently in developing countries, leading to poor comparability over time. Although useful for measuring consumer price inflation within a country, consumer price indexes are of less value in making comparisons across countries. Food price indexes, like consumer price indexes, should be interpreted with caution because of the high variability across countries in the items covered.

Wholesale price indexes are based on the prices of commodities that have some significance in the output or consumption of the country at the first commercial transaction. The prices are farm gate prices for agricultural commodities and ex-factory prices for industrial goods. Preference should be given to indexes that provide the broadest coverage of the economy.

The least-squares method is used to calculate the growth rates of the GDP implicit deflator, consumer price index, and wholesale price index.

Definitions

- **Official exchange rate** is the exchange rate determined by national authorities or the rate determined in the legally sanctioned exchange market. It is calculated as an annual average based on monthly averages (local currency units relative to the U.S. dollar).
- **Purchasing power parity (PPP) conversion factor** is the number of units of a country's currency required to buy the same amount of goods and services in the domestic market as a U.S. dollar would buy in the United States.
- **Ratio of PPP conversion factor to official exchange rate** is the result obtained by dividing the PPP conversion factor by the official exchange rate.
- **Real effective exchange rate** is the nominal effective exchange rate (a measure of the value of a currency against a weighted average of several foreign currencies) divided by a price deflator or index of costs.
- **GDP implicit deflator** measures the average annual rate of price change in the economy as a whole for the periods shown.
- **Consumer price index** reflects changes in the cost to the average consumer of acquiring a basket of goods and services that may be fixed or may change at specified intervals, such as yearly. The Laspeyres formula is generally used.
- **Wholesale price index** refers to a mix of agricultural and industrial goods at various stages of production and distribution, including import duties. The Laspeyres formula is generally used.

Data sources

Data on official and real effective exchange rates and consumer and wholesale price indexes are from the International Monetary Fund's *International Financial Statistics*. PPP conversion factors and GDP deflators are from the World Bank's data files.



Balance of payments current account

	Goods and services				Net income		Net current transfers		Current account balance		Total reserves ^a	
	\$ millions				\$ millions		\$ millions		\$ millions		\$ millions	
	1990	Exports 2004	1990	Imports 2004	1990	2004	1990	2004	1990	2004	1990	2004
Afghanistan	261	..	727	..	12	..	311	..	-143	..	638	..
Albania	354	1,167	485	2,586	-2	170	15	842	-118	-407	..	1,388
Algeria	13,462	..	10,106	..	-2,268	..	333	..	1,420	..	2,703	45,692
Angola	3,992	13,798	3,385	10,635	-765	-2,484	-77	7	-236	686	..	1,374
Argentina	14,800	39,702	6,846	28,152	-4,400	-8,884	998	688	4,552	3,353	6,222	19,660
Armenia	..	985	..	1,514	..	37	..	330	..	-162	1	576
Australia	49,843	112,514	53,056	131,417	-13,176	-20,487	439	-269	-15,950	-39,658	19,319	36,926
Austria	63,694	161,062	61,580	155,304	-942	-2,237	-6	-2,756	1,166	765	17,228	12,188
Azerbaijan	..	4,235	..	6,312	..	-701	..	188	..	-2,589	..	1,090
Bangladesh	2,064	9,234	3,960	13,089	-116	-371	1,613	3,948	-398	-279	660	3,222
Belarus	..	15,666	..	17,019	..	26	..	285	..	-1,043	..	837
Belgium	138,605 ^b	297,953	135,098 ^b	284,718	2,316 ^b	5,631	-2,197 ^b	-6,952	3,627 ^b	11,914	23,789	13,991
Benin	364	713	454	1,073	-25	-38	97	66	-18	-331	69	640
Bolivia	977	2,546	1,086	2,319	-249	-385	159	444	-199	285	511	1,271
Bosnia and Herzegovina	..	2,914	..	7,111	..	446	..	1,833	..	-1,918	..	2,408
Botswana	2,005	3,689	1,987	2,780	-106	-716	69	290	-19	483	3,331	5,661
Brazil	35,170	109,059	28,184	80,069	-11,608	-20,520	799	3,268	-3,823	11,738	9,200	52,935
Bulgaria	6,950	13,975	8,027	16,465	-758	-658	125	1,094	-1,710	-2,053	670	9,337
Burkina Faso	349	..	758	..	0	..	332	..	-77	..	305	669
Burundi	89	43	318	175	-15	-17	174	124	-69	-25	112	66
Cambodia	314	3,243	507	3,663	-21	-239	120	442	-93	-217	..	1,118
Cameroon	2,508	..	2,475	..	-558	..	-26	..	-551	..	37	842
Canada	149,538	377,646	149,118	336,733	-19,388	-19,167	-796	254	-19,764	22,000	23,530	34,476
Central African Republic	220	..	410	..	-22	..	123	..	-89	..	123	153
Chad	271	..	488	..	-21	..	192	..	-46	..	132	227
Chile	10,221	37,981	9,166	29,542	-1,737	-8,101	198	1,051	-485	1,390	6,784	15,997
China [†]	57,374	655,827	46,706	606,543	1,055	-3,523	274	22,898	11,997	68,659	34,476	622,949
Hong Kong, China	..	314,438	..	299,591	..	3,491	..	-1,981	..	16,357	24,656	123,569
Colombia	8,679	19,496	6,858	19,929	-2,305	-4,183	1,026	3,650	542	-967	4,869	13,537
Congo, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	261	..
Congo, Rep.	1,488	1,546	1,282	995	-460	-546	3	-8	-251	-3	10	124
Costa Rica	1,963	8,610	2,346	9,140	-233	-517	192	216	-424	-831	525	1,919
Côte d'Ivoire	3,503	7,650	3,445	6,181	-1,091	-705	-181	-462	-1,214	303	21	1,694
Croatia	..	17,828	..	20,180	..	-772	..	1,483	..	-1,641	167	8,758
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	76,569	..	76,966	..	-5,433	..	235	..	-5,595	..	28,451
Denmark	48,902	111,355	41,415	98,925	-5,708	-2,330	-408	-4,159	1,372	5,941	11,226	40,021
Dominican Republic	1,832	9,283	2,233	9,049	-249	-1,332	371	2,498	-280	1,399	69	806
Ecuador	3,262	8,734	2,519	9,306	-1,210	-1,479	107	1,894	-360	-157	1,009	1,440
Egypt, Arab Rep.	9,895	26,516	14,091	26,915	-1,022	-246	7,545	4,567	2,327	3,922	3,620	15,339
El Salvador	973	4,301	1,624	7,029	-132	-459	631	2,576	-152	-612	595	1,938
Eritrea	..	..	..	..	..	..	..	..	..	..	..	35
Estonia	664	8,794	711	9,674	-13	-718	97	165	36	-1,432	198	1,792
Ethiopia	597	1,684	1,271	3,778	-69	-29	449	1,372	-294	-751	55	1,497
Finland	31,180	71,099	33,456	60,636	-3,735	238	-952	-1,003	-6,962	9,698	10,415	13,010
France	285,389	531,488	283,238	526,635	-3,896	8,540	-8,199	-21,775	-9,944	-8,382	68,291	77,353
Gabon	2,730	3,351	1,812	1,882	-617	-713	-134	-181	168	575	279	449
Gambia, The	168	..	192	..	-11	..	59	..	23	..	55	84
Georgia	..	1,631	..	2,491	..	97	..	414	..	-349	..	383
Germany	473,670	1,051,303	427,621	912,587	20,593	283	-21,954	-35,229	44,688	103,770	104,547	97,170
Ghana	983	3,487	1,506	5,356	-111	-198	411	1,831	-223	-236	309	1,750
Greece	13,018	48,824	19,564	61,380	-1,709	-5,097	4,718	4,504	-3,537	-13,148	4,721	2,708
Guatemala	1,568	4,608	1,812	8,483	-196	-319	227	3,006	-213	-1,188	362	3,522
Guinea	829	811	953	964	-149	-27	70	18	-203	-162	145	263
Guinea-Bissau	26	71	88	102	-22	-9	39	39	-45	0	18	73
Haiti	318	469	515	1,375	-18	-14	193	907	-22	-13	10	115
[†] Data for Taiwan, China	74,172	198,943	67,015	187,757	4,362	11,245	-596	-3,826	10,923	18,606	77,653	247,699

Balance of payments current account

4.15

ECONOMY

	Goods and services				Net income		Net current transfers		Current account balance		Total reserves ^a	
	\$ millions				\$ millions		\$ millions		\$ millions		\$ millions	
	Exports		Imports		1990	2004	1990	2004	1990	2004	1990	2004
Honduras	1,032	3,066	1,127	4,430	-237	-279	280	1,230	-51	-413	47	1,980
Hungary	12,035	66,351	11,017	69,425	-1,427	-6,086	787	317	379	-8,842	1,185	15,951
India	22,911	82,735	29,527	93,918	-3,257	-4,451	2,837	22,488	-7,036	6,853	5,637	131,631
Indonesia	29,295	89,789	27,511	79,116	-5,190	-8,704	418	1,139	-2,988	3,108	8,657	36,311
Iran, Islamic Rep.	19,741	..	22,292	..	378	..	2,500	..	327	..	..	..
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	26,786	152,172	24,576	124,724	-4,955	-29,269	2,384	397	-361	-1,423	5,362	2,908
Israel	17,312	51,445	20,228	52,040	-1,981	-4,162	5,060	6,230	163	1,474	6,598	27,094
Italy	219,971	435,871	218,573	423,241	-14,712	-18,204	-3,164	-9,563	-16,479	-15,137	88,595	62,386
Jamaica	2,217	3,899	2,390	5,272	-430	-583	291	1,446	-312	-509	168	1,846
Japan	323,692	636,610	297,306	542,380	22,492	85,703	-4,800	-7,875	44,078	172,059	87,828	844,667
Jordan	2,511	5,983	3,569	9,407	-214	190	1,045	3,216	-227	-18	1,139	5,447
Kazakhstan	..	22,602	..	18,800	..	-2,784	..	-488	..	530	..	9,277
Kenya	2,228	4,202	2,705	5,115	-418	-114	368	649	-527	-378	236	1,520
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	73,297	299,174	76,373	269,782	-88	725	1,150	-2,504	-2,014	27,613	14,916	199,195
Kuwait	8,268	33,543	7,169	18,510	7,738	6,400	-4,951	-2,548	3,886	18,884	2,929	9,354
Kyrgyz Republic	..	942	..	1,135	..	-90	..	209	..	-75	..	565
Lao PDR	102	..	212	..	-1	..	56	..	-55	..	8	275
Latvia	1,090	6,001	997	8,180	2	-272	96	685	191	-1,766	..	2,021
Lebanon	..	..	..	..	..	..	..	..	..	..	4,210	15,774
Lesotho	100	771	754	1,398	433	303	286	248	65	-76	72	503
Liberia	..	..	..	..	..	..	..	..	..	..	1	19
Libya	11,468	17,862	8,960	10,532	174	-1,301	-481	-2,324	2,201	3,705	7,225	27,714
Lithuania	..	11,751	..	13,321	..	-612	..	458	..	-1,725	107	3,594
Macedonia, FYR	..	2,080	..	3,247	..	-39	..	791	..	-415	..	991
Madagascar	471	1,126	809	1,654	-161	-79	234	299	-265	-309	92	504
Malawi	443	472	549	795	-80	-38	99	161	-86	-201	142	139
Malaysia	32,665	118,577	31,765	96,820	-1,872	-5,928	102	-2,447	-870	13,381	10,659	66,897
Mali	420	1,152	830	1,471	-37	-160	225	207	-221	-271	198	861
Mauritania	471	..	520	..	-46	..	86	..	-10	..	59	420
Mauritius	1,722	3,460	1,916	3,603	-23	-14	97	49	-119	-107	761	1,633
Mexico	48,805	202,003	51,915	216,589	-8,316	-9,812	3,975	17,044	-7,451	-7,354	10,217	64,202
Moldova	..	1,331	..	2,122	..	357	..	365	..	-69	2	470
Mongolia	493	1,211	1,096	1,405	-44	-11	7	269	-640	63	23	250
Morocco	6,239	16,632	7,783	19,860	-988	-671	2,336	4,868	-196	970	2,338	16,647
Mozambique	229	1,759	996	2,381	-97	-300	448	314	-415	-607	232	1,159
Myanmar	319	3,181	603	2,458	-192	-745	39	134	-436	112	410	773
Namibia	1,220	2,310	1,584	2,495	37	151	354	669	28	634	50	345
Nepal	422	1,224	834	2,186	14	-15	109	1,173	-289	197	354	1,529
Netherlands	159,304	388,899	147,652	341,622	-620	15,088	-2,943	-7,952	8,089	54,414	34,401	21,050
New Zealand	11,683	28,305	11,699	28,791	-1,576	-5,793	138	79	-1,453	-6,199	4,129	5,294
Nicaragua	392	1,653	682	2,851	-217	-192	202	619	-305	-772	166	668
Niger	533	415	728	681	-54	-26	14	73	-236	-219	226	258
Nigeria	14,550	26,993	6,909	16,064	-2,738	-916	85	2,252	4,988	12,264	4,129	17,257
Norway	47,078	109,104	38,910	73,557	-2,700	1,544	-1,476	-2,645	3,992	34,445	15,788	44,308
Oman	5,577	14,175	3,342	10,613	-254	-1,293	-874	-1,826	1,106	443	1,784	3,598
Pakistan	6,835	16,079	10,205	22,057	-1,084	-2,362	2,794	7,532	-1,661	-808	1,046	10,718
Panama	4,438	8,859	4,193	9,172	-255	-1,042	219	228	209	-1,127	344	631
Papua New Guinea	1,381	..	1,509	..	-103	..	156	..	-76	..	427	660
Paraguay	2,514	3,397	2,169	3,540	2	-31	43	194	390	20	675	1,168
Peru	4,120	14,530	4,087	12,581	-1,733	-3,421	281	1,461	-1,419	-11	1,891	12,665
Philippines	11,430	42,829	13,967	50,492	-872	147	714	9,596	-2,695	2,080	2,036	16,234
Poland	19,037	95,333	15,095	99,935	-3,386	-11,399	2,511	5,644	3,067	-10,357	4,674	36,773
Portugal	21,554	51,899	27,146	65,411	-96	-3,095	5,507	3,449	-181	-13,158	20,579	11,684
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



	Goods and services				Net income		Net current transfers		Current account balance		Total reserves ^a	
	\$ millions				\$ millions		\$ millions		\$ millions		\$ millions	
	1990	Exports 2004	1990	Imports 2004	1990	2004	1990	2004	1990	2004	1990	2004
Romania	6,380	27,099	9,901	34,029	161	-1,766	106	3,107	-3,254	-5,589	1,374	16,095
Russian Federation	..	203,741	..	130,144	..	-13,000	..	-677	..	59,920	..	126,258
Rwanda	143	201	354	493	-16	-27	143	314	-85	-6	44	315
Saudi Arabia	47,381	131,849	43,880	66,746	7,968	478	-15,616	-13,655	-4,147	51,926	13,437	29,304
Senegal	1,453	1,826	1,840	2,657	-129	-136	153	530	-363	-437	22	1,386
Serbia and Montenegro	..	..	..	..	..	..	..	..	..	..	..	..
Sierra Leone	210	215	215	342	-71	-67	7	119	-69	-74	5	125
Singapore	67,489	238,522	64,953	206,796	1,006	-2,686	-421	-1,144	3,122	27,897	27,748	112,232
Slovak Republic	..	25,241	..	25,649	..	-119	..	245	..	-282	..	14,912
Slovenia	7,900	19,519	6,930	19,927	-38	-300	46	38	978	-670	112	8,900
Somalia	68	..	468	..	-84	..	328	..	-157	..	23	..
South Africa	27,160	56,734	21,017	57,888	-4,271	-4,343	-321	-1,485	1,552	-6,982	2,583	14,886
Spain	83,595	269,030	100,870	307,365	-3,533	-16,985	2,799	-60	-18,009	-55,380	57,238	19,759
Sri Lanka	2,293	7,284	2,965	9,108	-167	-204	541	1,380	-298	-648	447	2,205
Sudan	499	3,822	877	4,651	-136	-1,113	141	1,123	-372	-818	11	1,626
Swaziland	658	2,438	768	2,448	59	32	102	92	51	114	216	324
Sweden	70,560	163,934	70,490	134,855	-4,473	3,224	-1,936	-4,818	-6,339	27,485	20,324	24,740
Switzerland	97,033	181,568	96,389	146,291	7,878	30,974	-2,398	-6,005	6,124	60,246	61,284	74,568
Syrian Arab Republic	5,030	8,175	2,955	7,915	-401	-729	88	679	1,762	210	535	..
Tajikistan	..	1,220	..	1,445	..	-58	..	226	..	-57	..	172
Tanzania	538	2,179	1,474	3,196	-185	-39	562	618	-559	-437	193	2,296
Thailand	29,229	114,019	35,870	107,512	-853	-2,022	213	2,148	-7,281	6,632	14,258	49,847
Togo	663	693	847	959	-32	-23	132	128	-84	-162	358	360
Trinidad and Tobago	2,289	5,890	1,427	4,283	-397	-681	-6	59	459	985	513	3,195
Tunisia	5,203	13,308	6,039	14,099	-455	-1,298	828	1,534	-463	-555	867	4,031
Turkey	21,042	91,048	25,524	102,199	-2,508	-5,519	4,365	1,127	-2,625	-15,543	7,626	37,304
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda	178	1,153	686	2,154	-48	-172	293	974	-263	-200	44	1,308
Ukraine	..	39,719	..	34,846	..	-645	..	2,576	..	6,804	469	9,526
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	4,891	18,530
United Kingdom	239,226	533,167	264,090	604,562	-5,154	48,582	-8,794	-19,697	-38,811	-42,511	43,146	49,740
United States	535,260	1,151,448	616,120	1,769,031	28,560	30,440	-26,660	-80,931	-78,960	-668,074	173,094	190,465
Uruguay	2,158	4,008	1,659	3,673	-321	-527	8	89	186	-103	1,446	2,512
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	18,806	39,846	9,451	22,042	-774	-3,885	-302	-89	8,279	13,830	12,733	23,408
Vietnam	..	19,654	..	21,458	..	-721	..	1,921	..	-604	..	7,041
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	1,490	5,045	2,170	4,918	-372	-1,346	1,790	1,444	739	225	441	5,687
Zambia	1,360	..	1,897	..	-437	..	380	..	-594	..	201	337
Zimbabwe	2,012	..	2,001	..	-263	..	112	..	-140	..	295	132
World	4,323,913	t 11,238,500	t 4,305,881	t 11,096,960	t	t	t	t	t	t	t	t
Low income	84,525	224,181	104,291	247,585								
Middle income	629,219	2,682,381	584,802	2,466,936								
Lower middle income	302,952	1,477,304	303,741	1,362,939								
Upper middle income	330,225	1,212,867	280,527	1,108,946								
Low & middle income	714,917	2,954,236	689,885	2,775,051								
East Asia & Pacific	167,280	1,105,736	166,172	1,026,871								
Europe & Central Asia ^c	..	764,285	..	729,833								
Latin America & Carib.	170,341	541,417	147,342	502,855								
Middle East & N. Africa	..	..	105,814	..								
South Asia	34,864	114,362	48,099	131,775								
Sub-Saharan Africa	78,044	166,824	72,993	166,946								
High income	3,593,864	8,314,172	3,592,267	8,352,618								
Europe EMU	1,523,198	3,491,397	1,484,793	3,286,395								

a. International reserves including gold valued at London gold price. b. Includes Luxembourg.

About the data

The balance of payments records an economy's transactions with the rest of the world. Balance of payments accounts are divided into two groups: the current account, which records transactions in goods, services, income, and current transfers, and the capital and financial account, which records capital transfers, acquisition or disposal of nonproduced, nonfinancial assets, and transactions in financial assets and liabilities. The table presents data from the current account with the addition of gross international reserves.

The balance of payments is a double-entry accounting system that shows all flows of goods and services into and out of an economy; all transfers that are the counterpart of real resources or financial claims provided to or by the rest of the world without a quid pro quo, such as donations and grants; and all changes in residents' claims on and liabilities to nonresidents that arise from economic transactions. All transactions are recorded twice—once as a credit and once as a debit. In principle the net balance should be zero, but in practice the accounts often do not balance. In these cases a balancing item, net errors and omissions, is included.

Discrepancies may arise in the balance of payments because there is no single source for balance of payments data and therefore no way to ensure that the data are fully consistent. Sources include customs data, monetary accounts of the banking system, external debt records, information provided by enterprises, surveys to estimate service transactions, and foreign exchange records. Differences in collection methods—such as in timing, definitions

of residence and ownership, and the exchange rate used to value transactions—contribute to net errors and omissions. In addition, smuggling and other illegal or quasi-legal transactions may be unrecorded or misrecorded. For further discussion of issues relating to the recording of data on trade in goods and services, see *About the data* for tables 4.4–4.7.

The concepts and definitions underlying the data in the table are based on the fifth edition of the International Monetary Fund's (IMF) *Balance of Payments Manual* (1993). The fifth edition redefined as capital transfers some transactions previously included in the current account, such as debt forgiveness, migrants' capital transfers, and foreign aid to acquire capital goods. Thus the current account balance now reflects more accurately net current transfer receipts in addition to transactions in goods, services (previously nonfactor services), and income (previously factor income). Many countries maintain their data collection systems according to the fourth edition. Where necessary, the IMF converts data reported in such systems to conform to the fifth edition (see *Primary data documentation*). Values are in U.S. dollars converted at market exchange rates.

The data in this table come from the IMF's Balance of Payments and International Financial Statistics databases, supplemented by estimates by World Bank staff for countries for which the IMF does not collect balance of payments statistics. In addition, World Bank staff make estimates of missing data for the current year for major countries to obtain meaningful aggregates.

Definitions

• **Exports and imports of goods and services** comprise all transactions between residents of an economy and the rest of the world involving a change in ownership of general merchandise, goods sent for processing and repairs, nonmonetary gold, and services. • **Net income** refers to receipts and payments of employee compensation for nonresident workers, and investment income (receipts and payments on direct investment, portfolio investment, and other investments and receipts on reserve assets). Income derived from the use of intangible assets is recorded under business services. • **Net current transfers** are recorded in the balance of payments whenever an economy provides or receives goods, services, income, or financial items without a quid pro quo. All transfers not considered to be capital are current.

• **Current account balance** is the sum of net exports of goods and services, net income, and net current transfers. • **Total reserves** comprise holdings of monetary gold, special drawing rights, reserves of IMF members held by the IMF, and holdings of foreign exchange under the control of monetary authorities. The gold component of these reserves is valued at year-end (31 December) London prices (\$385.00 an ounce in 1990, and \$438.00 an ounce in 2004).

4.15a

Top 15 countries with the largest current account surplus, and top 15 countries with the largest current account deficit in 2003

Country	\$ billions	% of GDP	Country	\$ billions	% of GDP
Japan	136.2	3.2	United States	-519.7	-4.7
Germany	51.3	2.1	Spain	-31.7	-3.6
China	45.9	2.8	Austria	-30.7	-5.8
Switzerland	44.7	13.9	United Kingdom	-27.5	-1.5
Russian Federation	35.4	8.2	Italy	-19.4	-1.3
Netherlands	29.7	5.8	Greece	-12.6	-7.2
Taiwan, China	29.3	10.2	Portugal	-8.7	-5.9
Norway	28.3	12.8	Mexico	-8.6	-1.3
Saudi Arabia	28.1	13.1	Turkey	-8.0	-3.3
Singapore	27.0	29.2	Hungary	-7.2	-8.7
Sweden	22.8	7.6	Czech Republic	-5.8	-6.4
Hong Kong, China	16.5	10.6	Poland	-4.6	-2.2
Malaysia	13.4	12.9	New Zealand	-3.4	-4.2
Canada	13.4	1.6	Romania	-3.3	-5.8
Korea, Rep.	11.9	2.0	South Africa	-2.6	-1.6

Source: International Monetary Fund, Balance of Payments data files.

Data sources

Data on the balance of payments are published in the IMF's *Balance of Payments Statistics Yearbook* and *International Financial Statistics*. The World Bank exchanges data with the IMF through electronic files that in most cases are more timely and cover a longer period than the published sources. More information about the design and compilation of the balance of payments can be found in the IMF's *Balance of Payments Manual*, fifth edition (1993), *Balance of Payments Textbook* (1996a), and *Balance of Payments Compilation Guide* (1995). The IMF's International Financial Statistics and Balance of Payments databases are available on CD-ROM.



4.16

External debt

	Total external debt		Long-term debt		Public and publicly guaranteed debt				Private nonguaranteed external debt		Use of IMF credit	
	\$ millions		\$ millions		\$ millions				\$ millions		\$ millions	
	1990	2004	1990	2004	1990	Total 2004	IBRD loans and IDA credits 1990	IBRD loans and IDA credits 2004	1990	2004	1990	2004
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	..	1,549	..	1,451	..	1,404	..	677	..	46	..	97
Algeria	28,149	21,987	26,688	20,913	26,688	20,249	1,208	909	0	664	670	643
Angola	8,592	9,521	7,604	8,631	7,604	8,631	0	318	0	0	0	0
Argentina	62,233	169,247	48,676	127,661	46,876	103,850	2,609	7,447	1,800	23,811	3,083	14,091
Armenia	..	1,224	..	984	..	961	..	780	..	24	..	218
Australia	..	..	..	..	..	..	..	..	..	..	..	..
Austria	..	..	..	..	..	..	..	..	..	..	..	..
Azerbaijan	..	1,986	..	1,640	..	1,409	..	493	..	230	..	208
Bangladesh	12,439	20,344	11,658	19,171	11,658	19,171	4,159	8,895	0	0	626	231
Belarus	..	3,717	..	772	..	744	..	73	..	29	..	9
Belgium	..	..	..	..	..	..	..	..	..	..	..	..
Benin	1,292	1,916	1,218	1,827	1,218	1,827	326	791	0	0	18	65
Bolivia	4,275	6,096	3,864	5,663	3,687	4,645	587	1,750	177	1,019	257	307
Bosnia and Herzegovina	..	3,202	..	2,734	..	2,644	..	1,454	..	90	..	109
Botswana	553	524	547	488	547	488	169	11	0	0	0	0
Brazil	119,964	222,026	94,427	171,729	87,756	97,865	8,427	8,668	6,671	73,864	1,821	25,029
Bulgaria	..	15,661	..	11,241	..	7,434	..	1,498	..	3,807	..	1,183
Burkina Faso	834	1,967	750	1,823	750	1,823	282	1,027	0	0	0	115
Burundi	907	1,385	851	1,325	851	1,325	398	793	0	0	43	41
Cambodia	1,845	3,377	1,683	3,016	1,683	3,016	0	467	0	0	27	97
Cameroon	6,657	9,496	5,577	8,557	5,347	7,924	871	1,200	230	632	121	333
Canada	..	..	..	..	..	..	..	..	..	..	..	..
Central African Republic	698	1,078	624	926	624	926	265	455	0	0	37	44
Chad	529	1,701	469	1,582	469	1,582	186	910	0	0	31	96
Chile	19,226	44,058	14,687	36,351	10,425	9,426	1,874	445	4,263	26,925	1,156	0
China	55,301	248,934	45,515	131,342	45,515	90,815	5,881	21,705	0	40,527	469	0
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	17,222	37,732	15,784	32,391	14,671	23,372	3,874	3,494	1,113	9,019	0	0
Congo, Dem. Rep.	10,259	11,841	8,994	10,532	8,994	10,532	1,161	1,993	0	0	521	818
Congo, Rep.	4,947	5,829	4,200	5,051	4,200	5,051	239	269	0	0	11	29
Costa Rica	3,756	5,700	3,367	4,013	3,063	3,859	412	72	304	154	11	0
Côte d'Ivoire	17,251	11,739	13,223	10,837	10,665	9,828	1,920	2,383	2,558	1,010	431	311
Croatia	..	31,548	..	29,338	..	11,668	..	856	..	17,670	..	0
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	..	45,561	..	28,470	..	12,020	..	52	..	16,450	..	0
Denmark	..	..	..	..	..	..	..	..	..	..	..	..
Dominican Republic	4,372	6,965	3,518	5,815	3,419	5,815	258	390	99	0	72	204
Ecuador	12,107	16,868	10,029	15,062	9,865	10,629	848	851	164	4,433	265	290
Egypt, Arab Rep.	33,017	30,291	28,439	27,353	27,439	27,353	2,401	1,968	1,000	0	125	0
El Salvador	2,149	7,250	1,938	5,470	1,913	5,384	164	361	26	86	0	0
Eritrea	..	681	..	666	..	666	..	352	..	0	..	0
Estonia	..	10,008	..	7,009	..	562	..	49	..	6,447	..	0
Ethiopia	8,630	6,574	8,479	6,351	8,479	6,351	851	3,488	0	0	6	183
Finland	..	..	..	..	..	..	..	..	..	..	..	..
France	..	..	..	..	..	..	..	..	..	..	..	..
Gabon	3,983	4,150	3,150	3,800	3,150	3,800	69	38	0	0	140	100
Gambia, The	369	674	308	622	308	622	102	247	0	0	45	25
Georgia	..	2,082	..	1,710	..	1,611	..	678	..	99	..	266
Germany	..	..	..	..	..	..	..	..	..	..	..	..
Ghana	3,734	7,035	2,670	5,861	2,637	5,861	1,423	4,312	33	0	745	469
Greece	..	..	..	..	..	..	..	..	..	..	..	..
Guatemala	2,849	5,532	2,368	3,916	2,241	3,796	293	478	127	120	67	0
Guinea	2,476	3,538	2,253	3,188	2,253	3,188	420	1,287	0	0	52	122
Guinea-Bissau	692	765	630	738	630	738	146	301	0	0	5	16
Haiti	910	1,225	772	1,186	772	1,186	324	504	0	0	38	11

	Total external debt		Long-term debt		Public and publicly guaranteed debt				Private nonguaranteed external debt		Use of IMF credit	
	\$ millions		\$ millions		\$ millions				\$ millions		\$ millions	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Honduras	3,718	6,332	3,487	5,692	3,420	5,124	635	1,380	66	568	32	195
Hungary	21,202	63,159	17,931	50,829	17,931	20,725	1,512	220	0	30,103	330	0
India	83,628	122,723	72,462	115,199	70,974	88,699	20,996	28,507	1,488	26,499	2,623	0
Indonesia	69,872	140,649	58,242	106,463	47,982	72,917	10,385	9,939	10,261	33,546	494	9,686
Iran, Islamic Rep.	9,020	13,622	1,797	10,103	1,797	9,985	86	316	0	118	0	0
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	..	..	..	..	..	..	..	..	..	..	..	..
Israel	..	..	..	..	..	..	..	..	..	..	..	..
Italy	..	..	..	..	..	..	..	..	..	..	..	..
Jamaica	4,752	6,399	4,049	5,269	4,015	5,171	672	439	34	98	357	1
Japan	..	..	..	..	..	..	..	..	..	..	..	..
Jordan	8,333	8,175	7,202	7,234	7,202	7,234	593	1,018	0	0	94	338
Kazakhstan	..	32,310	..	28,738	..	3,209	..	1,275	..	25,528	..	0
Kenya	7,055	6,826	5,639	5,988	4,759	5,978	2,056	2,883	880	10	482	103
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Kuwait	..	..	..	..	..	..	..	..	..	..	..	..
Kyrgyz Republic	..	2,100	..	1,885	..	1,740	..	579	..	145	..	207
Lao PDR	1,768	2,056	1,758	2,013	1,758	2,013	131	616	0	0	8	38
Latvia	..	12,661	..	5,008	..	1,587	..	187	..	3,421	..	0
Lebanon	1,779	22,177	358	18,206	358	17,460	34	387	0	746	0	0
Lesotho	396	764	378	726	378	726	112	284	0	0	15	38
Liberia	1,849	2,706	1,116	1,168	1,116	1,168	248	263	0	0	322	347
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	..	9,475	..	5,683	..	2,507	..	197	..	3,176	..	26
Macedonia, FYR	..	2,044	..	1,901	..	1,537	..	605	..	364	..	63
Madagascar	3,689	3,462	3,320	3,232	3,320	3,232	797	2,269	0	0	144	226
Malawi	1,558	3,418	1,385	3,297	1,382	3,297	854	2,076	3	0	115	93
Malaysia	15,328	52,145	13,422	40,713	11,592	25,560	1,102	638	1,830	15,153	0	0
Mali	2,468	3,316	2,337	3,132	2,337	3,132	498	1,441	0	0	69	145
Mauritania	2,113	2,297	1,806	2,046	1,806	2,046	264	694	0	0	70	90
Mauritius	984	2,294	910	941	762	859	195	88	148	82	22	0
Mexico	104,442	138,689	81,809	129,600	75,974	77,193	11,030	9,564	5,835	52,407	6,551	0
Moldova	..	1,868	..	1,168	..	754	..	386	..	415	..	126
Mongolia	..	1,517	..	1,306	..	1,306	..	287	..	0	..	44
Morocco	25,004	17,672	23,847	17,461	23,647	14,863	3,138	2,545	200	2,598	750	0
Mozambique	4,650	4,651	4,231	4,108	4,211	3,157	268	1,475	19	951	74	197
Myanmar	4,695	7,239	4,466	5,647	4,466	5,647	716	774	0	0	0	0
Namibia	..	..	..	..	..	..	..	..	..	..	..	..
Nepal	1,640	3,354	1,572	3,332	1,572	3,332	668	1,491	0	0	44	22
Netherlands	..	..	..	..	..	..	..	..	..	..	..	..
New Zealand	..	..	..	..	..	..	..	..	..	..	..	..
Nicaragua	10,745	5,145	8,313	4,403	8,313	4,125	299	1,167	0	278	0	248
Niger	1,726	1,950	1,487	1,811	1,226	1,772	461	1,106	261	39	85	135
Nigeria	33,439	35,890	31,935	31,304	31,545	31,304	3,321	1,994	391	0	0	0
Norway	..	..	..	..	..	..	..	..	..	..	..	..
Oman	2,736	3,872	2,400	2,565	2,400	1,209	52	0	0	1,356	0	0
Pakistan	20,663	35,687	16,643	32,566	16,506	31,029	3,922	9,278	138	1,537	836	1,876
Panama	6,493	9,469	3,842	9,047	3,842	7,305	462	246	0	1,742	272	36
Papua New Guinea	2,594	2,149	2,461	1,976	1,523	1,445	349	344	938	531	61	64
Paraguay	2,105	3,433	1,732	2,765	1,713	2,453	320	268	19	312	0	0
Peru	20,044	31,296	13,959	28,679	13,629	23,500	1,188	2,834	330	5,179	755	104
Philippines	30,580	60,550	25,241	54,748	24,040	35,564	4,044	3,531	1,201	19,184	912	756
Poland	49,364	99,190	39,261	82,343	39,261	36,595	55	1,912	0	45,748	509	0
Portugal	..	..	..	..	..	..	..	..	..	..	..	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



4.16

External debt

	Total external debt		Long-term debt		Public and publicly guaranteed debt				Private nonguaranteed external debt		Use of IMF credit	
	\$ millions		\$ millions		\$ millions				\$ millions		\$ millions	
	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Romania	1,140	30,034	230	24,756	223	13,667	0	2,522	7	11,089	0	443
Russian Federation	..	197,335	..	158,624	..	99,646	..	5,743	..	58,978	..	3,562
Rwanda	712	1,656	664	1,545	664	1,545	340	1,020	0	0	0	92
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal	3,739	3,938	3,003	3,698	2,943	3,553	835	2,040	60	145	314	204
Serbia and Montenegro	..	15,882	..	13,052	..	9,508	..	3,302	..	3,545	..	964
Sierra Leone	1,196	1,723	940	1,520	940	1,520	92	591	0	0	108	196
Singapore	..	..	..	..	..	..	..	..	..	..	..	..
Slovak Republic	..	22,068	..	11,603	..	5,163	..	401	..	6,440	..	0
Slovenia	..	..	..	..	..	..	..	..	..	..	..	..
Somalia	2,370	2,849	1,926	1,949	1,926	1,949	419	444	0	0	159	174
South Africa	..	28,500	..	20,591	..	9,793	0	23	..	10,798	0	0
Spain	..	..	..	..	..	..	..	..	..	..	..	..
Sri Lanka	5,863	10,887	5,049	10,061	4,947	9,765	946	2,168	102	296	410	294
Sudan	14,762	19,332	9,651	12,220	9,155	11,724	1,048	1,300	496	496	956	593
Swaziland	298	470	294	456	294	456	44	27	0	0	0	0
Sweden	..	..	..	..	..	..	..	..	..	..	..	..
Switzerland	..	..	..	..	..	..	..	..	..	..	..	..
Syrian Arab Republic	17,259	21,521	15,108	15,742	15,108	15,742	523	24	0	0	0	0
Tajikistan	..	896	..	773	..	744	..	296	..	29	..	122
Tanzania	6,454	7,799	5,794	6,237	5,782	6,225	1,493	3,916	12	12	140	423
Thailand	28,095	51,307	19,771	39,819	12,460	15,323	2,530	559	7,311	24,496	1	0
Togo	1,281	1,812	1,081	1,597	1,081	1,597	398	716	0	0	87	27
Trinidad and Tobago	2,512	2,926	2,055	1,531	1,782	1,421	41	70	273	110	329	0
Tunisia	7,688	18,700	6,878	16,243	6,660	14,574	1,406	1,854	218	1,669	176	0
Turkey	49,424	161,595	39,924	108,188	38,870	68,212	6,429	6,230	1,054	39,976	0	21,507
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda	2,583	4,822	2,160	4,498	2,160	4,498	969	3,303	0	0	282	192
Ukraine	..	21,652	..	18,279	..	10,729	..	2,168	..	7,551	..	1,605
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	..	..
United Kingdom	..	..	..	..	..	..	..	..	..	..	..	..
United States	..	..	..	..	..	..	..	..	..	..	..	..
Uruguay	4,415	12,376	3,114	7,712	3,045	7,251	359	785	69	462	101	2,684
Uzbekistan	..	5,007	..	4,810	..	4,302	..	317	..	508	..	19
Venezuela, RB	33,171	35,570	28,159	31,218	24,509	25,852	974	294	3,650	5,366	3,012	0
Vietnam	23,270	17,825	21,378	15,412	21,378	15,412	59	3,039	0	0	112	277
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	6,352	5,488	5,160	4,799	5,160	4,799	602	1,701	0	0	0	376
Zambia	6,905	7,279	4,543	6,257	4,541	5,871	813	2,637	2	386	949	890
Zimbabwe	3,279	4,797	2,681	3,604	2,496	3,558	449	983	185	46	7	293
World	.. S	.. S	.. S	.. S	.. S	.. S	.. S	.. S	.. S	.. S	.. S	.. S
Low income	332,618	426,945	285,169	379,869	277,476	346,191	56,639	110,191	7,692	33,678	10,818	10,888
Middle income	1,004,055	2,328,780	813,715	1,785,050	761,412	1,147,246	80,680	120,261	52,304	637,804	23,834	85,156
Lower middle income	553,760	1,140,272	456,404	859,746	423,325	589,496	53,183	84,079	33,079	270,250	8,305	43,131
Upper middle income	450,295	1,188,508	357,311	925,304	338,086	557,750	27,497	36,182	19,225	367,554	15,529	42,024
Low & middle income	1,336,673	2,755,725	1,098,884	2,164,919	1,038,888	1,493,438	137,319	230,452	59,996	671,482	34,652	96,044
East Asia & Pacific	234,078	588,888	194,619	403,085	172,984	269,630	25,307	42,041	21,635	133,455	2,085	10,964
Europe & Central Asia	217,224	794,943	176,378	603,687	171,457	321,739	10,429	32,978	4,921	281,947	1,305	30,735
Latin America & Carib.	444,629	778,970	352,716	639,331	327,698	433,342	35,877	41,926	25,018	205,989	18,298	43,307
Middle East & N. Africa	139,541	163,935	118,031	141,014	116,613	133,862	10,074	10,849	1,418	7,152	1,815	1,378
South Asia	124,396	193,933	107,527	181,227	105,800	152,895	30,717	50,465	1,727	28,332	4,537	2,423
Sub-Saharan Africa	176,805	235,056	149,612	196,576	144,336	181,970	24,916	52,193	5,276	14,606	6,612	7,238
High income												
Europe EMU												

About the data

Data on the external debt of developing countries are gathered by the World Bank through its Debtor Reporting System. World Bank staff calculate the indebtedness of these countries using loan-by-loan reports submitted by them on long-term public and publicly guaranteed borrowing, along with information on short-term debt collected by the countries or collected from creditors through the reporting systems of the Bank for International Settlements and the Organisation for Economic Co-operation and Development. These data are supplemented by information on loans and credits from major multilateral banks, loan statements from official lending agencies in major creditor countries, and estimates by World Bank and International Monetary Fund (IMF) staff. In addition, the table includes data on private nonguaranteed debt for 80 countries either reported to the World Bank or estimated by its staff.

The coverage, quality, and timeliness of debt data vary across countries. Coverage varies for both debt instruments and borrowers. With the widening spectrum of debt instruments and investors and the expansion of private nonguaranteed borrowing, comprehensive coverage of long-term external debt becomes more complex. Reporting countries differ in their capacity to monitor debt, especially private nonguaranteed debt. Even data on public and publicly guaranteed debt are affected by coverage and accuracy in reporting—again because of monitoring capacity and sometimes because of an unwillingness to provide information. A key part often underreported is military debt.

Because debt data are normally reported in the currency of repayment, they have to be converted into U.S. dollars to produce summary tables. Stock figures (amount of debt outstanding) are converted

using end-of-period exchange rates, as published in the IMF's *International Financial Statistics* (line ae). Flow figures are converted at annual average exchange rates (line rf). Projected debt service is converted using end-of-period exchange rates. Debt repayable in multiple currencies, goods, or services and debt with a provision for maintenance of the value of the currency of repayment are shown at book value.

Because flow data are converted at annual average exchange rates and stock data at end-of-period exchange rates, year-to-year changes in debt outstanding and disbursed are sometimes not equal to net flows (disbursements less principal repayments); similarly, changes in debt outstanding, including undisbursed debt, differ from commitments less repayments. Discrepancies are particularly significant when exchange rates have moved sharply during the year. Cancellations and reschedulings of other liabilities into long-term public debt also contribute to the differences.

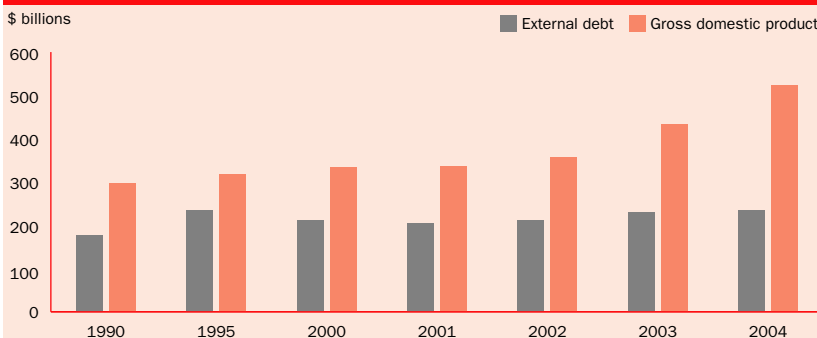
Variations in reporting rescheduled debt also affect cross-country comparability. For example, rescheduling under the auspices of the Paris Club of official creditors may be subject to lags between the completion of the general rescheduling agreement and the completion of the specific bilateral agreements that define the terms of the rescheduled debt. Other areas of inconsistency include country treatment of arrears and of nonresident national deposits denominated in foreign currency.

Definitions

• **Total external debt** is debt owed to nonresidents repayable in foreign currency, goods, or services. It is the sum of public, publicly guaranteed, and private nonguaranteed long-term debt, use of IMF credit, and short-term debt. Short-term debt includes all debt having an original maturity of one year or less and interest in arrears on long-term debt. • **Long-term debt** is debt that has an original or extended maturity of more than one year. It has three components: public, publicly guaranteed, and private nonguaranteed debt. • **Public and publicly guaranteed debt** comprises the long-term external obligations of public debtors, including the national government and political subdivisions (or an agency of either) and autonomous public bodies, and the external obligations of private debtors that are guaranteed for repayment by a public entity. • **IBRD loans and IDA credits** are extended by the World Bank. The International Bank for Reconstruction and Development (IBRD) lends at market rates. The International Development Association (IDA) provides credits at concessional rates. • **Private nonguaranteed external debt** consists of the long-term external obligations of private debtors that are not guaranteed for repayment by a public entity. • **Use of IMF credit** denotes repurchase obligations to the IMF for all uses of IMF resources (excluding those resulting from drawings on the reserve tranche). These obligations, shown for the end of the year specified, comprise purchases outstanding under the credit tranches (including enlarged access resources) and all special facilities (the buffer stock, compensatory financing, extended fund, and oil facilities), trust fund loans, and operations under the structural adjustment and enhanced structural adjustment facilities.

4.16a

GDP is outpacing external debt in Sub-Saharan countries



Source: World Bank data files.

Data sources

The main sources of external debt information are reports to the World Bank through its Debtor Reporting System from member countries that have received IBRD loans or IDA credits. Additional information is from the files of the World Bank and the IMF. Summary tables of the external debt of developing countries are published annually in the World Bank's *Global Development Finance* and on its *Global Development Finance* CD-ROM.



	Present value of debt		Total debt service				Multilateral debt service		Short-term debt			
	% of GNI 2004	% of exports of goods, services, and income 2004	% of GNI		% of exports of goods, services, and income		% of public and publicly guaranteed debt		% of total debt		% of exports of goods, services, and income	
			1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	17	51	..	1.0	..	..	..	49.2	..	0.1	..	..
Algeria	32	80	14.7	7.1	63.4	..	5.0	28.1	2.8	2.0	5.7	..
Angola	68	82	4.0	11.9	8.1	14.8	2.2	0.6	11.5	9.4	24.7	6.4
Argentina	159	510	4.6	8.6	37.0	28.5	16.2	95.7	16.8	16.3	62.9	63.3
Armenia	50	130	..	3.4	..	8.1	..	41.7	..	1.8	..	1.7
Australia	..	..	..	..	..	..	..	..	..	..	..	..
Austria	..	..	..	..	..	..	..	..	..	..	..	..
Azerbaijan	23	45	..	3.0	..	5.3	..	31.5	..	7.0	..	3.1
Bangladesh	26	124	2.4	1.1	25.8	5.2	22.8	65.0	1.3	4.6	5.4	7.3
Belarus	20	30	..	1.4	..	2.1	..	16.9	..	79.0	..	18.6
Belgium	..	..	..	..	..	..	..	..	..	..	..	..
Benin	24 ^a	113 ^a	2.1	1.6	8.2	..	95.7	57.4	4.3	1.3	11.9	..
Bolivia	38 ^a	136 ^a	8.3	6.1	38.6	18.6	67.6	94.6	3.6	2.1	15.5	4.6
Bosnia and Herzegovina	34	63	..	2.0	..	3.7	..	66.5	..	11.2	..	7.5
Botswana	6	12	2.9	0.6	4.4	..	61.3	69.6	1.1	6.8	0.2	..
Brazil	47	258	1.8	9.2	22.2	46.8	43.5	21.4	19.8	11.4	64.4	22.0
Bulgaria	83	143	..	10.4	..	17.1	..	17.7	..	20.7	..	22.6
Burkina Faso	23 ^a	203 ^a	1.1	1.2	6.8	..	73.0	62.5	10.1	1.5	16.6	..
Burundi	15	203	3.8	13.7	43.4	..	51.1	90.3	1.5	1.4	13.7	..
Cambodia	68	99	2.7	0.6	..	0.8	0.0	71.2	7.3	7.8	..	7.7
Cameroon	20 ^a	72 ^a	4.9	4.6	20.5	..	43.5	22.7	14.4	6.4	37.9	..
Canada	..	..	..	..	..	..	..	..	..	..	..	..
Central African Republic	75	599	2.0	1.4	13.2	..	50.0	13.3	5.4	10.0	17.1	..
Chad	33 ^a	79 ^a	0.7	1.7	4.4	..	72.3	76.3	5.6	1.4	10.9	..
Chile	57	141	9.7	10.4	25.9	24.2	35.7	27.8	17.6	17.5	31.6	19.5
China	15	46	2.0	1.2	11.7	3.5	7.6	28.7	16.9	47.2	15.4	17.3
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	49	204	10.2	8.2	40.9	33.0	32.2	38.7	8.4	14.2	15.1	22.9
Congo, Dem. Rep.	36	131	4.1	1.9	..	..	49.6	50.9	7.3	4.1	..	..
Congo, Rep.	331	356	22.9	10.7	35.4	..	12.7	47.5	14.9	12.9	49.0	..
Costa Rica	36	70	9.2	3.8	23.9	7.3	36.1	38.2	10.1	29.6	18.0	17.9
Côte d'Ivoire	90	170	13.7	3.7	35.4	6.9	77.5	32.1	20.9	5.0	101.0	7.5
Croatia	110	194	..	15.8	..	27.2	..	9.1	..	7.0	..	11.3
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	51	71	..	8.2	..	10.5	..	7.1	..	37.5	..	21.6
Denmark	..	..	..	..	..	..	..	..	..	..	..	..
Dominican Republic	39	61	3.4	4.4	10.4	6.4	50.3	25.8	17.9	13.6	35.0	8.0
Ecuador	70	205	11.9	13.0	32.5	36.0	34.8	31.8	15.0	9.0	54.4	14.6
Egypt, Arab Rep.	32	108	7.3	3.0	20.4	7.6	18.7	23.0	13.5	9.7	29.6	9.7
El Salvador	54	123	4.4	4.0	15.3	8.8	60.2	53.4	9.8	24.6	15.5	25.5
Eritrea	53	154	..	2.1	..	..	..	50.3	..	2.1	..	..
Estonia	111	132	..	13.8	..	15.7	..	15.7	..	30.0	..	32.5
Ethiopia	30 ^a	144 ^a	2.8	1.2	39.0	5.3	14.6	77.7	1.7	0.6	24.0	2.1
Finland	..	..	..	..	..	..	..	..	..	..	..	..
France	..	..	..	..	..	..	..	..	..	..	..	..
Gabon	75	117	3.3	3.6	6.4	..	32.6	47.4	17.4	6.0	25.2	..
Gambia, The	108 ^a	231 ^a	12.9	8.6	22.2	..	25.4	65.6	4.3	4.0	9.3	..
Georgia	37	100	..	4.1	..	11.2	..	21.0	..	5.1	..	5.5
Germany	..	..	..	..	..	..	..	..	..	..	..	..
Ghana	32 ^a	76 ^a	6.3	2.7	38.1	6.6	31.2	35.7	8.6	10.0	33.5	19.5
Greece	..	..	..	..	..	..	..	..	..	..	..	..
Guatemala	23	88	3.1	2.0	13.6	7.4	33.4	54.6	14.5	29.2	24.4	22.0
Guinea	45 ^a	186 ^a	6.3	4.5	20.0	19.9	22.1	66.4	7.0	6.5	20.5	26.5
Guinea-Bissau	326 ^a	779 ^a	3.6	16.7	31.0	..	70.2	12.4	8.2	1.5	208.5	..
Haiti	29	76	1.3	3.7	11.0	..	69.2	92.9	11.1	2.3	31.0	..

	Present value of debt		Total debt service				Multilateral debt service		Short-term debt			
	% of GNI	% of exports of goods, services, and income	% of GNI		% of exports of goods, services, and income		% of public and publicly guaranteed debt		% of total debt		% of exports of goods, services, and income	
		2004	2004	1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Honduras	38	68	13.7	4.7	35.3	7.8	90.7	70.9	5.4	7.0	18.1	10.5
Hungary	76	108	13.4	18.1	34.3	25.2	8.0	4.6	13.9	19.5	23.9	18.1
India	18	95	2.6	2.8	31.9	..	22.5	9.0	10.2	6.1	33.3	..
Indonesia	61	175	9.1	8.2	33.3	22.1	22.5	26.7	15.9	17.4	37.3	26.4
Iran, Islamic Rep.	9	31	0.5	1.2	3.2	..	30.5	5.1	80.1	25.8	35.8	..
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	..	..	..	..	..	..	..	..	..	..	..	..
Israel	..	..	..	..	..	..	..	..	..	..	..	..
Italy	..	..	..	..	..	..	..	..	..	..	..	..
Jamaica	89	141	15.9	9.9	26.9	14.8	38.6	23.0	7.3	17.6	14.1	20.0
Japan	..	..	..	..	..	..	..	..	..	..	..	..
Jordan	72	101	16.5	6.0	20.4	8.2	26.8	49.3	12.4	7.4	33.7	7.1
Kazakhstan	101	182	..	23.1	..	38.0	..	32.9	..	11.1	..	15.5
Kenya	34	136	9.6	2.3	35.4	8.6	44.7	41.8	13.2	10.8	41.8	17.3
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Kuwait	..	..	..	..	..	..	..	..	..	..	..	..
Kyrgyz Republic	82	173	..	7.6	..	14.2	..	90.9	..	0.4	..	0.7
Lao PDR	76	276	1.1	2.3	8.7	..	53.6	74.3	0.1	0.2	2.1	..
Latvia	110	239	..	10.0	..	21.2	..	92.5	..	60.5	..	117.7
Lebanon	121	488	2.9	21.0	..	..	27.8	2.7	79.9	17.9	..	..
Lesotho	44	64	2.3	3.2	4.2	4.5	44.7	44.5	0.7	0.0	0.5	0.0
Liberia	760	2,133	..	0.2	..	..	100.0	..	22.2	44.0	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	53	96	..	8.2	..	14.3	..	22.7	..	39.8	..	30.7
Macedonia, FYR	39	94	..	4.6	..	10.5	..	40.9	..	4.0	..	3.5
Madagascar	38 ^a	170 ^a	7.5	1.9	45.5	..	23.7	67.4	6.1	0.1	46.0	..
Malawi	60 ^a	186 ^a	7.2	3.3	29.3	..	38.2	79.1	3.8	0.8	12.9	..
Malaysia	53	42	10.3	8.2	12.6	..	9.9	3.6	12.4	21.9	5.5	..
Mali	33 ^a	98 ^a	2.8	2.2	12.3	..	54.3	63.8	2.5	1.2	11.3	..
Mauritania	57 ^a	186 ^a	13.5	3.5	29.9	..	73.8	61.3	11.2	7.0	48.7	..
Mauritius	43	69	6.6	4.3	8.8	7.4	51.6	22.4	5.3	59.0	2.9	38.5
Mexico	24	77	4.5	7.7	20.7	22.9	26.0	14.6	15.4	6.6	29.5	4.1
Moldova ^a	75	108	..	8.5	..	12.1	..	40.7	..	30.7	..	28.1
Mongolia	86	108	..	2.6	..	2.9	..	40.5	..	11.0	..	11.7
Morocco	39	91	7.2	6.1	21.6	14.0	39.8	40.4	1.6	1.2	4.9	1.0
Mozambique	17 ^a	54 ^a	3.4	1.4	26.2	4.5	30.6	54.6	7.4	7.4	115.2	18.8
Myanmar	..	176	..	..	18.4	3.8	43.6	2.4	4.9	22.0	69.8	48.2
Namibia	..	..	..	..	..	..	..	..	..	..	..	..
Nepal	37	119	1.9	1.7	15.7	5.5	36.8	72.6	1.5	0.0	5.4	0.0
Netherlands	..	..	..	..	..	..	..	..	..	..	..	..
New Zealand	..	..	..	..	..	..	..	..	..	..	..	..
Nicaragua	35	78	1.6	2.9	3.9	5.8	21.1	55.5	22.6	9.6	602.0	22.7
Niger	25 ^a	156 ^a	4.1	1.7	17.4	..	71.3	83.8	8.9	0.2	27.1	..
Nigeria	71	140	13.0	4.0	22.6	8.2	15.5	20.2	4.5	12.8	10.2	15.6
Norway	..	..	..	..	..	..	..	..	..	..	..	..
Oman	18	29	6.5	4.3	12.3	6.9	5.1	38.8	12.3	33.8	5.6	9.1
Pakistan	35	156	4.6	4.6	21.3	21.2	40.3	65.2	15.4	3.5	35.6	6.2
Panama	94	129	6.8	11.0	6.2	14.3	90.6	16.7	36.6	4.1	42.5	3.9
Papua New Guinea	66	80	17.9	13.6	37.2	..	23.0	40.3	2.8	5.1	4.8	..
Paraguay	52	104	6.0	6.8	12.4	13.5	35.9	55.1	17.7	19.5	14.2	18.0
Peru	57	265	1.9	4.2	10.8	17.1	28.8	34.8	26.6	8.0	121.1	15.7
Philippines	73	124	8.2	12.8	27.0	20.9	28.7	12.4	14.5	8.3	33.3	9.1
Poland	45	121	1.7	14.5	4.9	34.6	9.2	24.6	19.4	17.0	48.9	16.9
Portugal	..	..	..	..	..	..	..	..	..	..	..	..
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



4.17

Debt ratios

	Present value of debt		Total debt service				Multilateral debt service		Short-term debt			
	% of GNI 2004	% of exports of goods, services, and income 2004	% of GNI		% of exports of goods, services, and income		% of public and publicly guaranteed debt		% of total debt		% of exports of goods, services, and income	
			1990	2004	1990	2004	1990	2004	1990	2004	1990	2004
Romania	51	136	0.1	6.6	0.3	17.2	..	28.5	79.8	16.1	13.9	17.6
Russian Federation	46	120	..	3.7	..	9.8	..	8.5	..	17.8	..	16.3
Rwanda	15 ^a	150 ^a	0.8	1.3	14.2	11.2	60.7	55.0	6.6	1.1	31.8	8.5
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal	22 ^a	61 ^a	5.9	4.4	20.0	..	39.8	36.2	11.3	0.9	25.9	..
Serbia and Montenegro	77	209	..	4.1	..	..	..	81.0	..	11.8	..	..
Sierra Leone	37 ^a	188 ^a	3.7	2.5	10.1	10.9	26.1	31.4	12.4	0.4	70.6	3.0
Singapore	..	..	..	..	..	..	..	..	..	..	..	..
Slovak Republic	67	86	..	12.4	..	..	..	26.8	..	47.4	..	..
Slovenia	..	..	..	..	..	..	..	..	..	..	..	..
Somalia	..	..	1.3	..	..	..	100.0	..	12.0	25.5	..	..
South Africa	17	54	..	1.8	..	6.4	..	1.5	..	27.8	..	13.2
Spain	..	..	..	..	..	..	..	..	..	..	..	..
Sri Lanka	50	111	4.9	4.0	13.8	8.5	13.8	22.2	6.9	4.9	14.5	5.9
Sudan	151	625	0.4	1.6	8.7	6.0	100.0	18.3	28.2	33.7	724.8	124.3
Swaziland	27	25	4.9	1.8	5.7	1.7	72.9	50.1	1.5	3.0	0.6	0.5
Sweden	..	..	..	..	..	..	..	..	..	..	..	..
Switzerland	..	..	..	..	..	..	..	..	..	..	..	..
Syrian Arab Republic	101	249	10.0	1.4	21.8	3.5	3.5	33.5	12.5	26.9	39.4	62.5
Tajikistan	41	55	..	5.1	..	6.8	..	11.0	..	0.0	..	0.0
Tanzania	22 ^{a, b}	115 ^{a, b}	4.4	1.1	32.9	5.3	52.7	80.1	8.1	14.6	95.5	50.4
Thailand	35	50	6.3	7.8	16.9	10.6	22.1	42.0	29.6	22.4	26.6	9.8
Togo	83	191	5.4	1.0	11.9	..	40.8	45.7	8.8	10.4	15.6	..
Trinidad and Tobago	31	53	9.6	3.4	19.3	..	4.7	31.6	5.1	47.7	5.5	..
Tunisia	79	147	12.1	7.6	24.5	13.7	26.0	41.8	8.3	13.1	10.8	16.5
Turkey	69	221	4.9	11.3	29.4	35.9	23.3	7.8	19.2	19.7	37.7	33.8
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda	33 ^a	162 ^a	3.4	1.5	81.4	6.9	37.4	87.0	5.4	2.8	78.7	8.9
Ukraine	42	71	..	6.7	..	10.7	..	22.7	..	8.2	..	4.4
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	..	..
United Kingdom	..	..	..	..	..	..	..	..	..	..	..	..
United States	..	..	..	..	..	..	..	..	..	..	..	..
Uruguay	108	351	11.0	12.2	40.8	34.9	16.2	37.3	27.2	16.0	49.7	44.8
Uzbekistan	45	123	..	7.1	..	..	..	13.3	..	3.6	..	..
Venezuela, RB	45	125	10.8	6.2	23.3	16.0	1.6	16.9	6.0	12.2	9.3	10.5
Vietnam	39	65	2.9	1.8	..	..	3.4	10.4	7.7	12.0	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	37	66	3.5	1.9	5.6	3.5	51.0	58.4	18.8	5.7	39.4	4.9
Zambia	36	112	6.7	8.3	14.7	..	41.0	48.2	20.5	1.8	103.8	..
Zimbabwe	33	264	5.5	2.0	23.2	..	24.0	32.9	18.0	18.8	29.0	..
World	..	..	.. W	.. W	.. W	.. W	.. W	.. W	.. W	.. W	.. W	..
Low income	..	..	3.9	3.0	22.4	10.1	27.7	24.8	11.0	8.5	39.9	17.7
Middle income	..	..	4.7	6.0	19.4	15.0	18.1	20.9	16.6	19.7	29.0	17.3
Lower middle income	..	..	4.1	4.5	24.3	13.1	22.3	26.9	16.1	20.8	30.1	16.5
Upper middle income	..	..	..	8.1	15.6	17.0	13.5	14.9	17.2	18.6	27.5	18.3
Low & middle income	..	..	4.5	5.6	19.8	14.5	19.4	21.4	15.2	18.0	30.5	17.3
East Asia & Pacific	..	..	4.8	3.0	17.5	6.8	17.7	23.0	16.0	29.7	20.5	16.8
Europe & Central Asia	..	..	..	8.9	..	19.6	10.0	14.3	18.2	20.2	36.0	19.8
Latin America & Carib.	..	..	4.2	8.1	23.8	26.4	27.6	24.4	16.6	12.4	39.7	16.2
Middle East & N. Africa	..	..	6.3	4.4	21.4	10.6	13.1	24.3	14.1	13.1	22.5	12.9
South Asia	..	..	2.9	2.9	27.6	12.4	25.3	21.2	9.9	5.3	30.1	6.1
Sub-Saharan Africa	..	..	..	2.9	13.5	7.9	30.0	23.0	11.6	13.3	..	18.0
High income	..	..	..	..	..	..	..	..	..	..	..	..
Europe EMU	..	..	..	..	..	..	..	..	..	..	..	..

a. Data are from debt sustainability analyses undertaken as part of the Heavily Indebted Poor Countries Initiative. Present value estimates for these countries are for public and publicly guaranteed debt only. b. Data refer to mainland Tanzania only.

About the data

The indicators in the table measure the relative burden on developing countries of servicing external debt. The present value of external debt provides a measure of future debt service obligations that can be compared with the current value of such indicators as gross national income (GNI) and exports of goods and services. The table shows the present value of total debt service both as a percentage of GNI in 2004 and as a percentage of exports in 2004. The ratios compare total debt service obligations with the size of the economy and its ability to obtain foreign exchange through exports. The ratios shown here may differ from those published elsewhere because estimates of exports and GNI have been revised to incorporate data available as of February 1, 2006. Exports refer to exports of goods, services, and income. Workers' remittances are not included here, though they are included with income receipts in other World Bank publications such as *Global Development Finance*.

The present value of external debt is calculated by discounting the debt service (interest plus amortization) due on long-term external debt over the life of existing loans. Short-term debt is included at its face value. The data on debt are in U.S. dollars converted at official exchange rates (see *About the data* for table 4.16). The discount rate applied to long-term debt is determined by the currency of repayment of the loan and is based on reference rates for commercial interest established by the Organisation for Economic Co-operation and Development. Loans from the International Bank for Reconstruction and Development (IBRD) and credits from the International Development Association (IDA) are discounted using a special drawing

rights reference rate, as are obligations to the International Monetary Fund (IMF). When the discount rate is greater than the interest rate of the loan, the present value is less than the nominal sum of future debt service obligations.

The ratios in the table are used to assess the sustainability of a country's debt service obligations, but there are no absolute rules to determine what values are too high. Empirical analysis of the experience of developing countries and their debt service performance has shown that debt service difficulties become increasingly likely when the ratio of the present value of debt to exports reaches 200 percent. Still, what constitutes a sustainable debt burden varies from one country to another. Countries with fast-growing economies and exports are likely to be able to sustain higher debt levels.

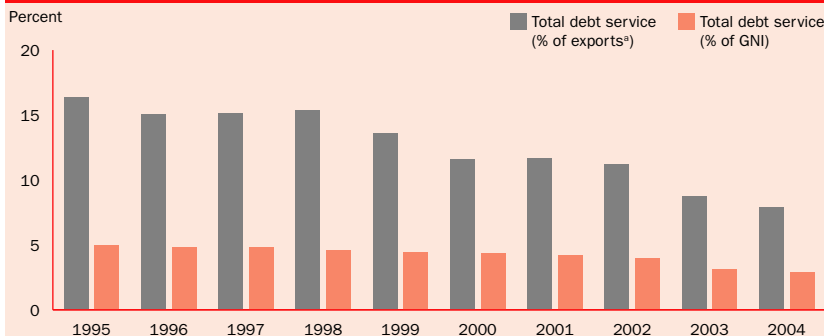
The most indebted low-income countries may be eligible for debt relief under special programs, such as the Heavily Indebted Poor Countries Debt Initiative. Indebted countries may also apply to the Paris and London Clubs for renegotiation of obligations to public and private creditors. The World Bank no longer classifies countries by their level of indebtedness for the purposes of developing debt management strategies.

Definitions

- **Present value of debt** is the sum of short-term external debt plus the discounted sum of total debt service payments due on public, publicly guaranteed, and private nonguaranteed long-term external debt over the life of existing loans.
- **Exports of goods, services, and income** refer to international transactions involving a change in ownership of general merchandise, goods sent for processing and repairs, nonmonetary gold, services, receipts of employee compensation for nonresident workers, and investment income.
- **Total debt service** is the sum of principal repayments and interest actually paid on total long-term debt (public and publicly guaranteed and private nonguaranteed), use of IMF credit, and interest on short-term debt.
- **Multilateral debt service** is the repayment of principal and interest to the World Bank, regional development banks, and other multilateral and intergovernmental agencies.
- **Short-term debt** includes all debt having an original maturity of one year or less and interest in arrears on long-term debt.

4.17a

The debt burden of Sub-Saharan countries has been falling since 1995



a. Includes goods, services, income, and workers' remittances.

Source: World Bank data files.

Data sources

The main sources of external debt information are reports to the World Bank through its Debtor Reporting System from member countries that have received IBRD loans or IDA credits. Additional information is from the files of the World Bank and the IMF. Data on GNI and exports of goods and services are from the World Bank's national accounts files and the IMF's Balance of Payments database. Summary tables of the external debt of developing countries are published annually in the World Bank's *Global Development Finance* and on its *Global Development Finance* CD-ROM.