



4



ECONOMY

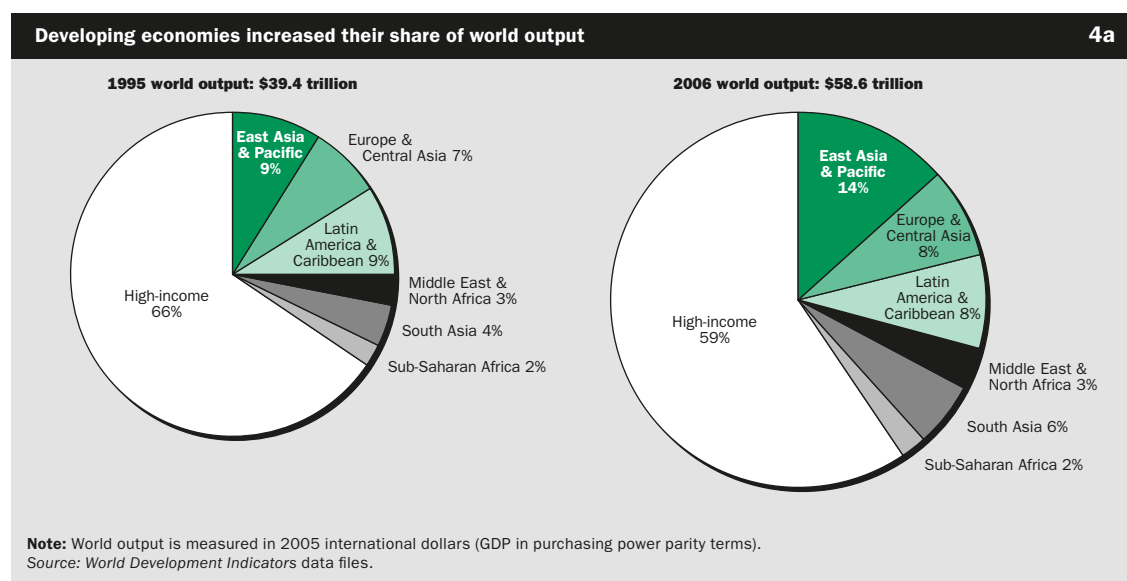
A

portrait of the global economy

The world's output grew 4.8 percent in 2006, half a percentage point faster than in 2005, to reach nearly \$59 trillion. That was an increase of almost 50 percent since 1995, measured in purchasing power parity and 2005 prices (figure 4a). Low- and middle-income economies—whose share of global output increased from 34 percent to 41 percent—grew faster on average than high-income economies. Setting the pace were East Asia and Pacific, whose developing economies more than doubled their output and increased their share of global output from 9 percent to 14 percent, and South Asia, whose share increased from 4 percent to 6 percent. Dominating the growth in these two regions were China and India. Growing less rapidly, Europe and Central Asia gained a percentage point, Sub-Saharan Africa and the Middle East and North Africa saw their shares stay the same, while Latin America and the Caribbean saw its share of global output decline from 9 percent to 8 percent.

The statistics in this section measure the size and structure of the world's economies and how they are managed. The national accounts record the sources of economic growth. The balance of payments tracks the flow of goods and services between countries. The fiscal and monetary accounts, interest rates, and exchange rates reflect the domestic and international forces acting on the economy and the responses of politicians and policymakers.

Viewed over time, macroeconomic statistics show the health of an economy and the quality of macroeconomic management. Viewed across countries, they reveal the many varied patterns of development. Together they inform citizens, businesses, and governments of the results of their efforts and guide them in their future choices.

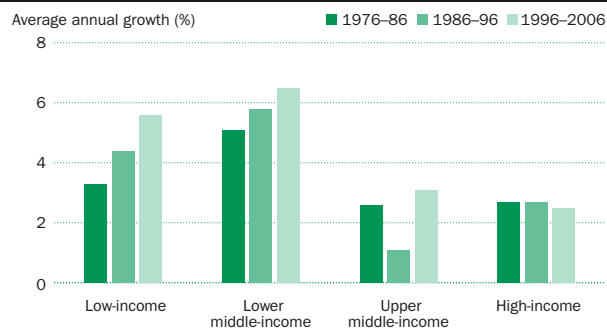


Long-term trends

Developing economies are expected to continue growing faster than high-income economies thanks to labor surpluses, higher returns to physical capital, and ready access to technology already developed and amortized in high-income economies. With adequate investment in physical and human capital, developing economies should close the gap with richer economies in the long run.

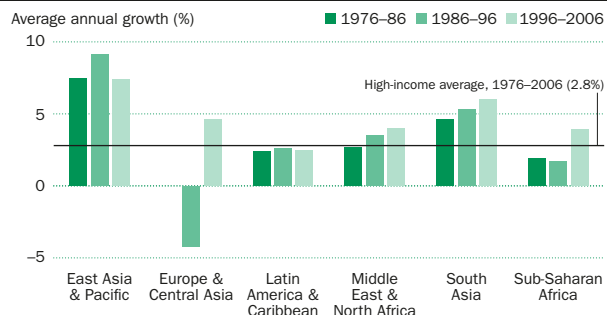
Average growth of low- and lower middle-income economies has been rising, surpassing that of upper middle-income and high-income economies in the last three decades (figure 4b). Since 2000 annual GDP growth in low-income economies has averaged 6.5 percent, compared with 5.6 percent in middle-income economies and 2.3 percent in high-income economies. A few large countries drive these averages: China, India, and the Russian Federation, which have performed exceptionally well and carry large weights in the aggregates. Growth remains uneven across regions (figure 4c) and economies. In the last decade 20, mostly small, economies graduated from the World Bank's low- and middle-income economies classification. Some of the most successful economies are now classified as high-income. But poverty traps, exclusion from global markets, internal conflicts, resource constraints, poor policies, and market failures have limited growth and poverty reduction in low-income economies, especially in Africa.

Low- and lower middle-income economies have had the strongest growth 4b



Source: World Development Indicators data files.

Patterns of regional growth vary widely 4c



Source: World Development Indicators data files.

Better policies to achieve macroeconomic stability

Developing economies are running lower fiscal and external deficits, accumulating larger reserves, and pursuing more prudent monetary and fiscal policies. These policies mean less vulnerability and volatility and increased investor confidence. Since the high inflation and the debt crises of the 1970s and 1980s—and the rapid inflation in Europe and Central Asia after the Soviet Union's collapse—better fiscal, monetary, and exchange rate policies have reduced inflation in most developing countries. These shocks also revealed the importance of reliable, publicly available data for monitoring governments and private agents. The number of countries with double-digit inflation dropped from 61 in the 1990s to 27 in 2000–06, and inflation averaged less than 9 percent in all developing regions in 2006 (table 4d). But higher prices for oil and other commodities pushed inflation back up in three regions in 2006.

Better macroeconomic management has also lowered real interest rates in many developing economies, encouraging investment and faster growth. For the poorest and most indebted, Heavily Indebted Poor Country and Multilateral Debt Relief Initiatives led by the World Bank and International Monetary Fund have reduced debt burdens. Reforms under these programs have improved Sub-Saharan Africa's growth prospects.

Inflation is now less than 9 percent in all developing regions 4d

Region	1975	1985	1995	2000	2005	2006
East Asia & Pacific	..	3	8	3	6	5
Europe & Central Asia	..	..	56	13	7	8
Latin America & Caribbean	15	16	12	7	6	7
Middle East & North Africa	5	4	8	7	6	7
South Asia	24	7	9	4	6	6
Sub-Saharan Africa	11	10	10	6	8	7

Source: World Development Indicators data files.

Real interest rates have fallen in many developing economies 4e

Economy	1985	1990	1995	2000	2005	2006
Argentina	..	..	14	10	-2	-4
Algeria	..	..	-8	-12	-7	-1
Brazil	..	..	..	48	45	45
China	-2	3	-1	4	1	2
India	9	5	6	8	6	5
Indonesia	..	12	8	-2	-1	2
Nigeria	6	17	-23	-12	-6	8
Russian Federation	..	..	72	-10	-7	-5
South Africa	4	5	7	5	6	4
Ukraine	..	..	-57	15	-7	1

Source: World Development Indicators and International Monetary Fund data files.

The contribution of trade

Globalization has elevated the importance of trade for developing economies. The rapid industrialization of many large developing economies has increased demand for primary commodities. The prices of oil, metals, and minerals have increased rapidly since 2002, allowing commodity producers to invest and produce more (figure 4f).

As a result, many primary commodity-exporting economies have experienced strong GDP growth, while oil- and metal-importing economies have seen price increases (figure 4g).

Such changes in the terms of trade affect the real growth of GDP. When export prices rise faster than import prices, the terms of trade improve, an economy's capacity to import rises, and the real value of its output increases.

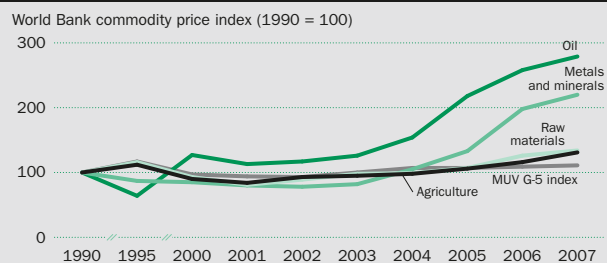
One commonly used measure of the terms of trade effect is the difference between the value of exports deflated by the import price index and the value of exports in constant prices. Adding the terms of trade adjustment to GDP in constant prices yields real gross domestic income (GDI).

For some countries the terms of trade effect can be quite large. The terms of trade adjustment accounted for 33 percent of Zambia's GDI between 2000 and 2006 (table 4h). Real growth rates, taking account of the terms of trade effect, may differ substantially from constant price growth rates. Tajikistan's GDP increased 9.1 percent a year from 2000 to 2006, but the real growth of GDI was only 0.6 percent. This represented a terms-of-trade loss of 8.5 percent, the largest of any economy over the period.

Most oil-exporting economies have seen rising terms of trade in recent years. Some metal-exporting economies, such as Chile and Zambia, have also experienced favorable terms of trade thanks to recent increases in copper prices. But some oil-importing economies have weathered the worsening terms of trade by rapidly expanding manufactured goods exports (China) or services (India). Of 147 economies with data, 65 experienced a loss in income due to the terms of trade effect (6 greater than 2 percent), 68 economies gained (18 more than 2 percent), and 14 economies had no appreciable terms of trade effect.

Oil, metal, and mineral prices have increased since 1990

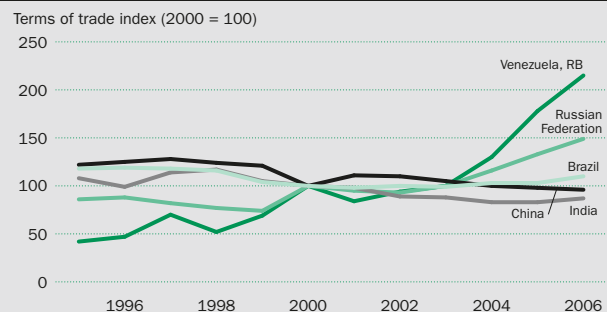
4f



Note: The MUV G-5 index, or the manufacturers unit value index, a proxy for the price of developing country imports of manufactures, is a weighted average of the export prices of the Group of Five economies (France, Germany, Japan, United Kingdom, and United States).
Source: World Development Indicators data files.

Oil-exporting economies have experienced gains

4g



Source: World Development Indicators data files.

Terms of trade, gross domestic product, and gross domestic income growth for selected economies

4h

Economy	Terms of trade		Gross domestic product		Gross domestic income		Terms of trade gain or loss	
	2006	2000-06	2000-06	2000-06	2000-06	2000-06	%	% of GDI
<i>Oil-exporting economies</i>								
Azerbaijan	214	14.2	15.6	23.5	7.9	13.5		
Equatorial Guinea	168	9.3	19.4	30.1	10.7	16.1		
Iran, Islamic Rep.	172	11.1	5.6	8.7	3.1	7.6		
Russian Federation	149	7.8	6.4	10.7	4.4	6.9		
Venezuela, RB	215	15.8	3.4	8.9	5.4	18.5		
<i>Metal- and primary commodity-exporting economies</i>								
Burkina Faso	96	-1.5	6.2	6.0	-0.2	-0.8		
Chile	174	10.2	4.3	8.6	4.3	5.5		
Côte d'Ivoire	82	-3.0	0.1	-2.3	-2.3	-17.7		
Tajikistan	42	-11.7	9.1	0.6	-8.5	1.7		
Zambia	142	4.7	5.0	15.7	10.8	32.8		
<i>Oil-importing economies</i>								
China	87	-2.7	9.8	8.5	-1.3	-2.9		
Costa Rica	87	-2.4	4.8	3.4	-1.4	-2.5		
Brazil	110	1.5	3.0	3.2	0.2	-3.5		
India	87	-2.8	7.4	6.9	-0.5	0.3		
South Africa	113	2.0	4.1	4.7	0.6	1.7		

Source: World Development Indicators data files.



4.a

Recent economic performance of selected developing countries

	Gross domestic product		Exports of goods and services		Imports of goods and services		GDP deflator		Current account balance		Gross international reserves	
	average annual % growth		average annual % growth		average annual % growth		% growth		% of GDP		\$ millions	months of import coverage
	2006	2007 ^a	2006	2007 ^a	2006	2007 ^a	2006	2007 ^a	2006	2007 ^a			2007	2007^{a}
Algeria	3.0	3.0	..	-0.1	..	38.8	9.1	7.8	..	23.6	110,600	41.3
Angola	18.6	23.4	..	..	..	..	14.7	0.2	23.7	6.4	..	..
Argentina	8.5	8.5	7.4	..	15.2	..	13.5	12.8	3.8	2.6	44,779	12.0
Armenia	13.3	13.7	-4.3	2.0	6.7	25.0	4.6	3.9	-1.8	-5.0	1,657	5.1
Azerbaijan	34.5	25.0	29.3	37.4	12.3	19.8	5.3	7.7	18.7	30.1	4,273	5.8
Bangladesh	6.6	6.5	25.8	27.0	18.2	23.6	5.2	5.6	1.9	1.4	5,077	3.3
Belarus	9.9	8.1	9.9	8.2	9.9	6.1	10.8	11.1	-4.1	-6.6	4,182	1.7
Bolivia	4.6	4.2	9.6	-3.2	4.2	2.7	12.2	14.0	11.8	9.1	4,636	11.8
Bosnia and Herzegovina	6.0	6.0	13.7	12.6	-6.9	14.2	6.5	2.5	-10.1	12.1	5,621	17.3
Botswana	2.1	4.3	8.0	12.6	-4.4	16.5	13.5	8.4	18.3	20.4	9,907	24.4
Brazil	3.7	5.3	4.6	6.3	18.1	20.0	4.3	4.4	1.3	0.3	179,433	13.4
Bulgaria	6.1	6.0	9.0	6.0	15.2	11.0	8.1	8.0	-15.9	-20.2	15,876	6.0
Cameroon	3.8	2.7	1.9	7.7	10.4	39.9	3.7	1.8	..	-1.4	1,896	16.9
Chile	4.0	5.2	4.2	8.1	9.4	15.1	11.7	5.5	3.6	3.8	..	..
China	10.7	11.4	23.3	21.2	14.3	16.5	3.6	5.2	9.4	11.0	8,249	17.8
Colombia	6.8	6.6	7.8	15.2	20.8	27.3	5.4	5.1	-2.0	-3.9	20,955	5.6
Congo, Dem. Rep.	4.9	6.5	2.5	9.9	5.7	9.2	13.1	17.0	0.0	-7.8	522	1.5
Congo, Rep.	6.4	3.7	..	..	..	..	15.2	-16.4	..	..	2,362	5.8
Costa Rica	8.2	6.8	9.9	14.2	8.9	11.8	10.1	9.0	-5.0	-5.9	4,114	3.6
Côte d'Ivoire	0.9	1.7	-1.6	-0.4	2.4	2.6	5.6	1.7	3.0	2.3	..	..
Croatia	4.8	5.8	6.9	6.9	7.3	7.4	3.4	3.2	-7.5	-8.2	12,210	4.7
Dominican Republic	10.7	8.0	5.8	7.6	12.6	6.7	7.6	7.0	-2.5	-2.0	2,946	1.8
Ecuador	3.9	2.2	8.6	2.6	9.2	6.5	7.2	4.7	3.6	3.3	3,521	3.5
Egypt, Arab Rep.	6.8	7.1	21.3	23.3	21.8	28.8	7.4	10.5	2.5	2.1	28,589	7.3
El Salvador	4.2	4.2	8.1	7.8	8.4	9.6	4.9	4.1	-4.6	5.9	2,158	3.0
Gabon	1.2	5.6	-9.7	4.2	8.6	118.3	7.9	1.1	..	13.2	1,689	5.2
Ghana	6.2	6.3	10.3	10.0	8.9	14.0	14.6	13.0	-8.1	-13.6	2,500	2.7
Guatemala	4.5	5.7	6.5	12.5	5.2	7.5	6.3	5.4	-4.5	-5.1	4,320	4.0
Honduras	6.0	6.0	4.8	7.9	13.5	15.6	5.1	9.4	-2.1	-10.0	2,733	3.1
Hungary	3.9	1.7	18.9	15.5	14.5	13.2	3.7	6.4	-6.6	-4.9	24,121	2.9
India	9.2	8.7	8.6	6.4	11.4	6.4	5.9	4.5	-1.0	-1.4	295,000	12.0
Indonesia	5.5	6.3	9.2	8.4	7.6	7.4	13.6	10.5	2.7	2.5	56,920	5.7
Iran, Islamic Rep.	4.6	6.2	36.7	3.3	38.9	-6.5	11.0	21.4	..	11.1	78,112	14.2
Jamaica	2.5	1.4	..	..	..	..	6.3	6.6	-11.7	-17.0	1,878	3.8
Jordan	5.7	6.5	6.7	4.1	-0.2	0.0	5.8	4.4	-13.5	-13.8	7,585	6.0
Kazakhstan	10.7	8.7	6.9	9.3	12.1	9.6	21.6	18.6	-2.2	-7.3	17,392	4.9
Kenya	6.1	5.5	0.7	12.5	18.1	9.6	7.1	-0.6	-2.3	-13.3	3,015	3.7
Latvia	11.9	11.9	5.3	9.5	17.5	22.1	11.1	12.3	-22.5	-24.8	5,758	4.6
Lebanon	0.0	1.0	8.5	13.2	-4.9	15.7	5.6	3.4	-5.9	-15.0	14,649	15.4
Lesotho	7.2	4.9	7.9	6.6	1.8	19.7	4.2	6.2	4.5	1.7	829	6.3

	Gross domestic product		Exports of goods and services		Imports of goods and services		GDP deflator		Current account balance		Gross international reserves	
	average annual % growth		average annual % growth		average annual % growth		% growth		% of GDP		\$ millions	months of import coverage
	2006	2007 ^a	2006	2007 ^a	2006	2007 ^a	2006	2007 ^a	2006	2007 ^a		
Lithuania	7.7	8.7	12.2	8.6	13.8	16.0	6.6	6.1	-10.8	-14.0	7,721	3.8
Macedonia, FYR	3.0	5.1	12.9	16.5	12.0	12.1	2.7	4.2	-0.4	-2.3	2,239	5.3
Malawi	7.4	7.4	-11.8	15.8	-13.1	5.7	18.5	7.6	..	-16.3	215	2.5
Malaysia	5.9	5.7	7.4	6.0	8.6	5.0	4.1	2.6	16.9	15.9	92,791	6.5
Mauritius	3.5	4.9	8.0	6.2	9.0	5.6	4.1	5.0	-9.6	-7.4	1,273	3.0
Mexico	4.8	3.2	11.1	5.1	12.2	7.7	4.4	2.0	-0.2	-0.8	77,990	3.3
Moldova	4.0	5.0	3.0	28.0	16.7	32.0	12.6	10.9	-11.5	-9.7	1,334	3.0
Morocco	8.0	2.0	10.5	3.5	6.7	11.0	1.9	2.0	2.8	1.0	24,760	8.3
Montenegro	16.2	7.5	..	15.2	..	38.1	2.6	2.4	..	-45.9	515	2.0
Nicaragua	3.7	3.8	10.5	8.9	6.1	8.1	10.6	12.5	-16.1	-15.8	930	2.5
Nigeria	5.2	6.3	..	..	..	..	7.9	4.8	..	0.9	51,000	11.0
Pakistan	6.9	6.4	9.9	0.4	18.7	1.3	9.3	7.8	-5.4	-4.9	14,287	4.4
Panama	8.1	9.5	11.1	8.6	10.0	10.5	2.1	3.7	-3.2	-6.2	1,628	1.2
Papua New Guinea	2.6	6.2	..	18.8	..	19.2	9.7	2.4	..	4.3	2,109	4.7
Paraguay	4.3	6.4	14.2	..	33.3	..	10.8	8.6	-2.3	5.1	2,462	4.2
Peru	7.7	8.5	1.1	6.0	11.8	19.0	7.3	0.6	2.8	1.0	27,720	17.0
Philippines	5.4	6.5	11.2	5.4	1.9	2.5	5.2	3.3	5.0	4.6	30,249	5.3
Poland	6.1	6.5	14.5	11.7	15.8	12.3	1.0	1.4	-3.3	-5.1	61,236	3.8
Romania	7.7	6.1	10.3	8.0	8.6	18.6	10.1	6.8	-10.5	-14.6	39,423	6.5
Russian Federation	6.7	8.1	7.2	7.4	21.7	-30.4	16.1	12.8	9.6	6.0	476,391	20.3
Senegal	2.3	5.0	-8.6	3.6	1.0	3.0	2.9	5.9	..	-8.1	1,686	4.1
Serbia	5.7	7.5	5.7	33.2	2.8	32.5	15.6	8.9	..	-16.1	14,218	8.0
Seychelles	5.3	5.3	17.8	-8.8	11.9	16.9	2.2	7.3	-21.2	-38.7	41	0.4
Slovak Republic	8.3	10.3	20.7	16.6	17.8	12.6	2.7	3.6	..	-4.0	22,148	4.3
South Africa	5.0	4.8	5.5	7.0	18.4	7.6	6.9	8.1	-6.5	-6.7	28,613	3.3
Sri Lanka	7.4	6.5	4.8	5.9	8.3	5.8	10.3	11.5	-4.9	-4.2	3,238	2.8
Sudan	11.8	10.5	0.4	15.5	8.2	-4.1	7.0	3.8	-12.6	-11.8	1,000	1.0
Swaziland	2.1	2.3	6.0	10.0	5.5	15.0	5.7	8.3	3.7	-0.7	637	3.4
Syrian Arab Republic	5.1	3.9	-10.0	2.5	-4.5	8.4	9.1	3.8	2.8	2.5	2,689	2.1
Thailand	5.0	4.3	8.6	6.5	1.6	3.2	5.0	3.0	1.1	2.2	92,574	6.5
Tunisia	5.2	5.7	3.9	4.2	1.4	5.3	3.0	1.8	-2.1	-1.4	7,348	4.5
Turkey	6.1	5.0	8.5	11.2	7.1	10.7	11.5	7.0	-8.1	-7.7	74,692	5.9
Uganda	5.4	6.2	4.0	15.6	7.0	12.8	7.3	8.9	-2.5	-6.8	2,160	6.0
Ukraine	7.1	7.3	-4.9	3.3	6.5	15.2	13.7	21.4	-1.5	-3.2	32,500	5.6
Uruguay	7.0	7.3	7.6	19.0	16.0	16.0	6.8	9.5	-2.3	-1.7	4,121	7.4
Uzbekistan	7.3	9.5	2.0	17.6	1.2	10.0	21.5	23.9	..	21.1	6,500	14.9
Venezuela, RB	10.3	8.4	-4.2	-5.3	31.4	31.9	16.9	23.4	14.9	11.1	33,477	5.7
Vietnam	8.2	8.5	22.7	21.1	21.5	34.0	7.3	8.2	..	-9.0	21,565	4.3
Zambia	6.2	5.7	21.0	10.8	14.3	20.0	12.2	10.1	8.8	-4.0	1,080	3.6

a. Data are preliminary estimates.

Source: World Development Indicators data files.



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	2000-06	1990-2000	2000-06	1990-2000	2000-06	1990-2000	2000-06	1990-2000	2000-06
Afghanistan	..	10.7	..	0.4	..	21.1	..	13.8	..	21.9
Albania	3.5	5.3	4.3	1.4	-0.5	2.9	..	-0.2	6.9	7.6
Algeria	1.9	5.0	3.6	7.3	1.8	4.4	-2.1	2.4	1.8	5.2
Angola ^a	1.6	11.5	-1.4	13.8	4.4	12.2	-0.3	17.1	-2.2	6.7
Argentina	4.3	3.6	3.5	3.0	3.8	5.3	2.7	5.0	4.5	2.4
Armenia	-1.9	12.5	0.5	7.8	-7.8	16.4	-4.3	7.7	6.4	13.4
Australia	4.0	3.2	3.7	1.7	2.8	2.7	2.1	1.1	4.4	3.6
Austria	2.4	1.7	1.6	0.0	2.7	2.2	2.7	1.3	2.3	1.6
Azerbaijan	-6.3	15.6	-2.1	5.9	-0.8	20.1	-12.0	8.8	-2.3	12.2
Bangladesh	4.8	5.6	2.9	2.8	7.3	7.7	7.2	7.3	4.5	5.8
Belarus	-1.7	8.1	-4.0	6.5	-1.8	11.5	-0.7	11.6	-0.4	6.1
Belgium	2.1	1.7	2.7	1.0	1.8	0.8	3.1	0.4	1.9	2.0
Benin ^a	4.8	3.8	5.8	4.6	4.1	3.8	5.8	2.7	4.2	3.2
Bolivia	4.0	3.3	2.9	3.7	4.1	3.7	3.8	3.7	4.3	2.3
Bosnia and Herzegovina	..	5.1	..	4.6	..	6.6	..	7.3	..	3.6
Botswana	6.0	5.1	-1.2	-1.6	5.8	4.8	4.4	2.1	7.8	5.4
Brazil	2.7	3.0	3.6	4.2	2.4	2.9	2.0	3.0	3.8	3.1
Bulgaria	-1.8	5.5	3.0	-1.1	-5.0	5.1	..	6.0	-5.2	5.9
Burkina Faso	5.5	6.2	5.9	6.2	5.9	7.3	5.9	6.3	3.9	5.5
Burundi	-2.9	2.5	-1.9	-1.5	-4.3	-6.2	-8.7	..	-2.8	10.4
Cambodia	7.0	9.5	3.7	5.2	14.3	14.6	18.6	14.2	7.5	10.0
Cameroon	1.7	3.6	5.5	3.8	-0.9	2.6	1.4	5.0	0.2	7.3
Canada	3.1	2.6	1.1	1.7	3.2	1.3	4.5	-0.1	3.0	3.0
Central African Republic	2.0	-0.7	3.8	0.3	0.7	-0.4	-0.2	-0.1	0.2	-2.6
Chad	2.2	14.1	4.9	3.4	0.6	41.7	..	..	0.8	8.5
Chile	6.6	4.3	2.2	6.2	5.6	3.7	4.4	4.0	6.9	4.3
China ^a	10.6	9.8	4.1	4.2	13.7	11.2	12.9	11.1	10.2	10.1
Hong Kong, China	4.1	4.8	..	-1.1	..	-3.0	..	-4.2	..	4.1
Colombia	2.8	3.9	-2.6	1.6	1.5	5.5	-2.5	4.9	4.5	3.1
Congo, Dem. Rep.	-4.9	4.7	1.4	0.8	-8.0	9.3	-8.7	5.7	-12.3	6.2
Congo, Rep. ^a	1.0	4.4	0.7	..	1.7	..	-2.4	..	-0.7	..
Costa Rica	5.3	4.8	4.1	3.0	6.2	5.2	6.8	5.2	4.7	5.3
Côte d'Ivoire ^a	3.2	0.1	3.5	1.1	6.3	-1.3	5.5	-3.0	2.0	0.1
Croatia	0.6	4.8	-2.1	1.1	-1.1	5.9	-3.5	5.5	1.3	4.6
Cuba ^a	4.2	3.4	..	..	..	..	..	..	..	..
Czech Republic	1.1	4.2	0.0	2.9	0.2	5.8	4.3	7.1	1.2	3.5
Denmark	2.7	1.6	4.6	2.8	2.5	0.6	2.5	-0.4	2.7	1.5
Dominican Republic ^a	6.0	3.9	3.9	3.8	7.0	1.0	4.9	1.7	6.0	5.6
Ecuador ^a	1.9	5.3	-1.7	4.8	2.6	6.1	1.5	5.2	2.4	4.8
Egypt, Arab Rep.	4.4	4.0	3.1	3.3	5.1	3.6	6.4	3.5	4.1	4.6
El Salvador	4.8	2.5	1.2	2.2	5.1	2.2	5.2	2.2	4.0	2.7
Eritrea	5.7	2.7	1.5	2.0	15.0	4.1	10.6	6.6	5.7	3.5
Estonia	0.2	8.6	-3.4	-0.1	-3.3	9.4	5.9	10.5	3.1	8.7
Ethiopia	4.0	5.7	2.4	5.0	4.5	7.0	4.0	4.4	5.5	5.7
Finland	2.6	2.9	-1.1	-0.2	4.1	4.2	6.4	4.0	2.5	1.8
France	1.9	1.7	2.0	-0.3	1.0	1.3	..	1.1	2.2	1.8
Gabon ^a	2.3	1.7	2.0	0.8	1.6	1.3	3.0	3.5	3.1	2.1
Gambia, The	3.0	3.9	3.3	2.5	1.0	5.9	0.9	4.2	3.7	5.4
Georgia	-7.1	7.8	-11.0	1.9	-8.1	13.0	..	7.7	-0.3	8.3
Germany	1.8	0.8	0.1	1.0	-0.1	1.0	0.2	1.2	2.9	1.0
Ghana ^a	4.3	5.3	3.4	3.6	2.7	7.5	-4.5	..	5.6	6.1
Greece	2.2	4.4	0.5	-3.1	1.0	2.9	..	1.2	2.6	4.8
Guatemala ^a	4.2	2.7	2.8	2.6	4.3	2.0	2.8	1.8	4.7	3.1
Guinea	4.4	2.9	4.3	4.0	4.9	3.4	4.0	2.2	3.6	1.8
Guinea-Bissau	1.2	0.4	3.9	4.4	-3.1	3.7	-2.0	3.7	-0.6	0.6
Haiti	-1.5	-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	2000–06	1990–2000	2000–06	1990–2000	2000–06	1990–2000	2000–06	1990–2000	2000–06
Honduras	3.2	4.0	2.2	3.7	3.6	4.0	4.0	4.3	3.8	4.7
Hungary	1.5	4.3	-2.4	8.2	3.6	3.7	7.9	7.0	1.3	4.1
India	5.9	7.4	3.2	2.7	6.1	8.0	6.7	7.7	7.7	8.9
Indonesia ^a	4.2	4.9	2.0	3.1	5.2	4.0	6.7	5.1	4.0	6.5
Iran, Islamic Rep.	3.1	5.6	3.2	5.5	2.6	6.7	5.1	9.3	3.8	5.1
Iraq	..	-11.4	..	-3.6	..	-17.0	..	-12.8	..	5.9
Ireland	7.5	5.1	0.8	-1.8	12.7	4.9	..	..	8.1	5.6
Israel	5.4	2.6	..	..	..	..	..	..	..	..
Italy	1.5	0.7	2.1	-0.4	0.8	-0.3	1.4	-1.2	1.7	1.1
Jamaica	1.8	1.8	-0.3	-1.3	-1.0	1.8	-2.2	-0.2	2.3	1.8
Japan	1.1	1.5	-1.3	-1.9	-0.3	0.9	..	1.9	2.0	1.6
Jordan	5.0	6.1	-3.0	9.4	5.2	8.8	5.6	10.8	5.0	5.5
Kazakhstan	-4.1	10.1	-8.0	4.7	0.6	11.4	2.7	8.8	0.3	10.8
Kenya	2.2	3.9	1.9	3.2	1.2	4.6	1.3	3.8	3.2	3.5
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	5.8	4.6	1.6	0.1	6.0	6.4	7.3	7.3	5.6	3.7
Kuwait ^a	4.9	7.3	1.0	15.1	0.3	1.9	-0.1	2.5	3.5	10.2
Kyrgyz Republic	-4.1	3.8	1.5	2.3	-10.3	-0.7	-7.5	-1.9	-4.9	7.7
Lao PDR	6.5	6.4	4.8	2.6	11.1	12.9	11.7	10.2	6.6	6.8
Latvia	-1.5	8.6	-5.2	3.2	-8.3	8.4	-7.3	7.1	2.7	9.0
Lebanon	6.1	3.7	1.8	0.8	-1.3	4.2	-5.1	3.8	3.7	2.9
Lesotho	3.9	3.4	2.4	-2.7	5.0	5.2	6.6	3.2	4.4	3.9
Liberia ^a	4.1	-4.7	..	..	..	..	..	..	..	..
Libya	..	3.2	..	..	..	..	..	..	..	..
Lithuania	-2.7	8.0	-0.3	3.3	3.3	10.2	7.0	10.1	5.4	6.6
Macedonia, FYR	-0.8	2.2	0.2	0.8	-2.3	1.4	-5.3	0.6	0.5	2.3
Madagascar	2.0	2.7	1.9	1.9	2.4	1.6	2.0	1.6	2.3	2.7
Malawi	3.7	2.4	8.6	-0.8	2.0	3.9	0.5	1.5	1.6	3.6
Malaysia ^a	7.0	5.0	0.3	3.6	8.6	4.9	9.5	5.7	7.3	5.3
Mali	4.1	5.7	2.6	5.0	6.4	4.8	-1.4	5.3	3.0	6.3
Mauritania	2.9	5.0	-0.2	-0.4	3.4	4.0	5.8	-2.5	4.9	7.2
Mauritius	5.2	4.0	-0.5	1.1	5.5	1.4	5.3	0.2	6.4	5.9
Mexico	3.1	2.3	1.5	1.9	3.8	1.3	4.3	0.8	2.9	2.8
Moldova	-9.6	6.8	-11.2	1.8	-13.6	1.2	-7.1	5.8	0.7	10.1
Mongolia	1.0	7.1	2.5	2.7	-2.5	7.9	-9.7	7.5	0.7	8.6
Morocco ^a	2.4	5.1	-0.4	8.7	3.2	4.1	2.6	3.4	3.1	4.7
Mozambique	5.7	8.2	4.9	7.9	12.8	9.6	10.2	12.4	2.8	7.8
Myanmar ^a	6.9	9.2	5.7	..	10.5	..	7.9	..	7.2	..
Namibia	4.0	4.8	3.8	1.5	2.4	6.0	2.6	3.4	4.5	5.4
Nepal	4.9	3.3	2.4	3.6	7.2	2.4	8.9	0.6	6.4	3.4
Netherlands	3.2	1.3	1.8	1.5	1.7	0.1	2.6	0.1	3.6	1.8
New Zealand	3.2	3.3	2.9	0.3	2.4	3.2	2.2	2.6	3.5	4.0
Nicaragua	3.7	3.3	4.7	3.0	5.5	4.2	5.3	5.2	5.0	3.4
Niger ^a	2.4	3.9	3.0	6.4	2.0	3.1	2.6	3.9	1.9	3.7
Nigeria	2.5	6.0	3.4	5.8	1.0	5.5	1.1	8.8	3.3	6.5
Norway	3.9	2.3	2.6	4.4	3.8	0.8	1.5	2.8	3.9	2.7
Oman ^a	4.5	4.2	5.0	2.2	3.9	-0.5	6.0	9.3	5.0	7.5
Pakistan	3.8	5.5	4.4	2.5	4.1	7.9	3.8	10.0	4.4	6.1
Panama	4.7	5.0	3.1	4.4	6.0	2.7	2.7	-0.4	4.5	5.6
Papua New Guinea	4.3	1.9	4.0	2.2	5.6	-3.6	5.5	-1.1	1.5	1.4
Paraguay ^a	2.2	2.9	3.3	4.9	0.6	1.8	1.4	1.4	2.5	2.5
Peru	4.7	4.9	5.5	3.5	5.4	5.8	3.8	5.4	4.0	4.5
Philippines ^a	3.3	4.9	1.7	3.8	3.5	3.5	3.0	4.5	4.0	6.3
Poland	4.7	3.7	0.5	3.4	7.1	4.3	9.9	7.0	5.1	3.2
Portugal	2.8	0.7	-0.3	-0.9	3.1	-0.8	3.6	0.0	2.4	1.4
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	2000-06	1990-2000	2000-06	1990-2000	2000-06	1990-2000	2000-06	1990-2000	2000-06
Romania	-0.6	6.0	-1.9	8.1	-1.2	5.6	..	..	0.9	5.4
Russian Federation	-4.7	6.4	-4.9	3.9	-7.1	6.0	..	..	-1.7	6.6
Rwanda ^a	-0.3	5.0	2.6	3.6	-3.7	6.2	-6.0	3.0	-1.2	6.2
Saudi Arabia ^a	2.1	4.4	1.6	1.5	2.2	4.9	5.6	6.0	2.2	4.2
Senegal	3.0	4.5	2.4	1.6	3.8	3.9	3.1	1.7	3.0	5.5
Serbia	..	5.3	..	..	..	..	..	..	..	..
Sierra Leone	-5.1	12.3	-13.0	..	-4.5	..	6.1	..	-2.9	..
Singapore	7.6	5.0	-2.4	1.8	7.8	4.6	7.0	6.5	7.8	5.3
Slovak Republic ^a	2.1	5.1	0.4	10.0	3.8	9.6	9.3	10.7	5.3	2.1
Slovenia	2.7	3.7	0.0	0.0	1.3	4.0	1.1	4.4	3.4	2.0
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	2.1	4.1	1.0	-0.2	1.1	3.1	1.6	2.9	2.7	4.8
Spain	2.7	3.3	3.1	-1.7	2.3	2.6	..	0.7	2.7	3.5
Sri Lanka	5.3	4.8	1.8	1.2	6.9	4.4	8.1	3.5	5.7	6.3
Sudan	5.6	7.0	7.4	1.7	8.6	14.2	8.9	8.8	1.9	6.2
Swaziland	3.3	2.4	1.2	0.7	3.7	1.9	2.8	1.9	3.6	2.8
Sweden	2.1	2.7	-1.1	2.0	4.2	4.3	8.6	4.4	1.9	2.1
Switzerland	1.0	1.3	-2.0	-1.7	0.4	1.1	1.2	0.8	1.2	0.9
Syrian Arab Republic	5.1	4.2	6.0	3.8	9.2	2.2	..	16.1	1.5	7.3
Tajikistan	-10.4	9.1	-6.9	9.4	-10.8	11.2	-10.0	9.8	-12.6	7.4
Tanzania ^b	2.9	6.5	3.2	4.9	3.1	9.6	2.7	8.0	2.7	6.2
Thailand ^a	4.2	5.4	1.0	2.4	5.7	6.8	6.9	7.0	3.7	4.6
Timor-Leste	..	-0.7	..	4.3	..	-5.3	..	-0.2	..	-1.8
Togo ^a	3.5	2.6	4.0	2.8	1.8	8.1	1.8	7.5	3.9	-0.7
Trinidad and Tobago	3.2	9.5	2.7	-5.6	3.2	13.3	4.9	9.5	3.2	5.7
Tunisia ^a	4.7	4.6	2.3	3.4	4.6	3.2	5.5	3.1	5.3	5.6
Turkey	3.8	5.6	1.3	1.6	4.6	6.4	4.7	6.7	3.9	5.2
Turkmenistan	-4.8	..	-5.7	..	-3.4	..	..	..	-5.4	..
Uganda	7.1	5.6	3.7	4.3	12.2	7.5	14.1	5.6	8.2	7.6
Ukraine	-9.3	7.8	-5.6	3.2	-12.6	6.3	-11.2	11.4	-8.1	7.3
United Arab Emirates	4.8	8.2	13.2	2.9	3.0	5.6	11.9	8.5	7.2	9.3
United Kingdom	2.7	2.5	-0.3	0.6	1.5	0.1	1.3	-0.4	3.2	3.4
United States	3.5	2.6	3.7	2.5	3.7	1.5	..	2.2	3.4	2.7
Uruguay	3.4	2.3	2.8	6.3	1.1	2.5	-0.1	4.2	3.7	1.2
Uzbekistan	-0.2	5.7	0.5	6.9	-3.4	4.3	0.7	1.8	0.4	5.7
Venezuela, RB	1.6	3.4	1.2	3.0	1.2	1.6	4.5	2.5	-0.1	4.9
Vietnam ^a	7.9	7.6	4.3	3.9	11.9	10.3	11.2	11.7	7.5	7.2
West Bank and Gaza ^a	7.3	0.2	..	..	..	..	..	..	..	..
Yemen, Rep.	6.0	3.9	5.6	0.3	8.2	-0.1	5.7	3.0	5.0	8.1
Zambia	0.5	5.0	4.2	2.1	-4.2	9.2	0.8	5.4	2.5	5.9
Zimbabwe	2.1	-5.7	4.3	-8.5	0.4	-10.0	0.4	-12.0	2.9	-10.0
World	2.9 w	3.0 w	2.0 w	2.5 w	2.4 w	2.6 w	.. w	2.9 w	3.1 w	2.8 w
Low income	4.7	6.5	3.3	3.1	4.9	7.6	5.9	7.7	5.8	7.6
Middle income	3.8	5.6	2.0	3.7	4.6	6.6	6.3	6.9	4.0	5.4
Lower middle income	6.2	7.6	2.7	4.0	8.0	8.7	8.6	9.4	6.0	7.7
Upper middle income	2.2	3.9	0.8	3.3	1.6	3.9	3.8	3.8	3.0	3.8
Low & middle income	3.9	5.7	2.4	3.6	4.6	6.7	6.2	6.9	4.2	5.7
East Asia & Pacific	8.5	8.6	3.4	3.9	11.0	9.7	10.9	9.8	8.1	8.8
Europe & Central Asia	-0.9	5.8	-1.8	3.6	-2.9	6.2	..	..	0.9	5.4
Latin America & Carib.	3.2	3.1	2.1	3.2	3.1	2.9	2.9	2.8	3.6	3.1
Middle East & N. Africa	3.8	4.2	2.9	4.7	4.1	2.5	3.8	5.7	3.5	5.0
South Asia	5.5	7.0	3.3	2.7	6.0	7.9	6.4	7.8	6.9	8.2
Sub-Saharan Africa	2.5	4.7	3.3	3.5	1.7	5.4	2.1	3.4	2.5	4.7
High income	2.7	2.3	1.4	0.5	1.9	1.4	..	1.8	2.9	2.4
Euro area	2.1	1.5	1.6	-0.4	1.0	1.2	2.2	0.6	2.5	1.7

a. Components are at producer prices. b. Covers 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.

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, less commonly, 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 for nonmarket services, unmeasured technical progress leads to underestimates of the volume of output. Similarly, unmeasured improvements in quality 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.

Informal economic activities pose a particular measurement problem, especially in developing countries, where much economic activity is unrecorded. 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.

Rebasing national accounts

When countries rebase their national accounts, they update the weights assigned to various components to better reflect current patterns of production or uses of output. The new base year should represent normal operation of the economy—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 edition are not comparable with those from earlier editions 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.

Computing growth rates

Growth rates of GDP and its components are calculated using the least squares method and constant price data in the local currency. Constant price U.S. dollar series are used to calculate regional and income group growth rates. Local currency series are converted to constant 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** corresponds to ISIC divisions 10–45, which cover mining, manufacturing (also reported separately), construction, electricity, water, and gas. • **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

Data on national accounts 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 (OECD) data files (see *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 2008 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	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Afghanistan	..	8,399	..	36	..	24	..	15	..	39
Albania	2,424	9,098	56	23	22	22	14	..	22	56
Algeria	41,764	114,727	10	8	50	61	11	6	39	30
Angola ^a	5,040	45,163	7	9	66	70	4	4	26	21
Argentina	258,032	214,241	6	8	28	36	18	22	66	56
Armenia	1,468	6,387	42	20	32	44	25	17	26	37
Australia	384,095	780,531	4	3	28	28	15	11	68	69
Austria	239,560	322,001	3	2	30	31	19	19	67	67
Azerbaijan	3,052	19,851	27	7	34	70	13	6	39	22
Bangladesh	37,940	61,897	26	20	25	28	15	17	49	52
Belarus	13,973	36,945	17	9	37	42	31	33	46	49
Belgium	284,321	394,033	2	1	28	24	20	17	70	75
Benin ^a	2,009	4,775	34	32	15	13	9	8	51	54
Bolivia	6,715	11,162	17	14	33	34	19	15	50	52
Bosnia and Herzegovina	1,867	12,255	21	10	26	25	11	12	54	65
Botswana	4,774	10,598	4	2	51	53	5	4	45	45
Brazil	768,951	1,067,472	6	5	28	31	19	18	67	64
Bulgaria	13,107	31,483	14	9	35	31	24	19	50	60
Burkina Faso	2,380	6,173	35	33	21	22	15	14	44	45
Burundi	1,000	903	48	35	19	20	9	9	33	45
Cambodia	3,441	7,258	48	30	14	26	9	19	38	44
Cameroon	8,733	18,323	24	20	31	33	22	18	45	47
Canada	590,517	1,271,593	3	..	31	..	18	..	66	..
Central African Republic	1,122	1,494	46	56	21	15	10	8	33	29
Chad	1,446	6,541	36	21	14	55	11	5	51	25
Chile	71,349	145,843	9	4	35	48	18	14	55	48
China ^a	728,011	2,644,681	20	12	47	48	34	33	33	40
Hong Kong, China	144,230	189,799	0	0	15	9	8	3	85	91
Colombia	92,503	153,405	15	12	32	36	16	17	53	52
Congo, Dem. Rep.	5,643	8,543	57	46	17	28	9	6	26	27
Congo, Rep. ^a	2,116	7,385	10	4	45	73	8	5	45	22
Costa Rica	11,722	22,229	14	9	30	29	22	22	57	62
Côte d'Ivoire ^a	11,000	17,551	25	23	21	26	15	18	55	51
Croatia	18,808	42,925	11	7	34	32	24	21	55	61
Cuba ^a	..	..	6	..	45	..	38	..	49	..
Czech Republic	55,257	143,018	5	3	38	39	24	27	57	58
Denmark	181,984	275,366	3	2	25	26	17	14	71	72
Dominican Republic ^a	12,585	31,846	13	12	33	26	18	14	55	62
Ecuador ^a	20,206	41,402	17	7	25	35	14	9	58	59
Egypt, Arab Rep.	60,159	107,484	17	14	32	38	17	17	51	48
El Salvador	9,500	18,654	14	11	30	29	23	22	56	60
Eritrea	578	1,085	21	17	17	23	9	9	62	60
Estonia	4,331	16,410	8	3	29	29	18	17	63	68
Ethiopia	7,606	13,315	57	47	10	13	5	5	33	39
Finland	130,605	210,652	4	3	33	32	25	23	63	65
France	1,569,983	2,248,091	3	2	25	21	..	12	72	77
Gabon ^a	4,959	9,546	8	5	52	61	5	4	40	34
Gambia, The	382	511	30	33	13	13	6	5	57	54
Georgia	2,694	7,744	52	13	16	25	17	13	32	62
Germany	2,522,792	2,896,876	1	1	32	30	23	23	67	69
Ghana ^a	6,457	12,906	39	37	24	25	9	8	37	37
Greece	151,184	308,449	8	3	21	21	..	10	71	76
Guatemala ^a	14,657	35,325	24	22	20	19	14	12	56	59
Guinea	3,694	3,317	19	13	29	37	4	4	52	50
Guinea-Bissau	254	304	55	62	12	11	8	7	33	27
Haiti	2,908	4,975	25	..	32	..	20	..	44	..

Structure of output

4.2

ECONOMY

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	\$ millions		% of GDP		% of GDP		% of GDP		% of GDP	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Honduras	3,911	9,235	22	14	31	31	18	20	48	55
Hungary	44,656	112,920	7	4	32	30	24	23	61	66
India	356,299	911,813	26	18	28	28	18	16	46	55
Indonesia ^a	202,132	364,790	17	13	42	47	24	28	41	40
Iran, Islamic Rep.	90,829	217,898	18	10	34	45	12	12	47	45
Iraq	10,114	..	9	..	75	..	1	..	16	..
Ireland	67,105	220,137	7	2	38	36	30	25	55	62
Israel	93,992	140,457	..	..	..	..	..	..	..	..
Italy	1,126,042	1,850,961	3	2	30	27	22	18	66	71
Jamaica	5,813	10,023	9	6	37	33	16	13	54	61
Japan	5,247,610	4,368,435	2	2	34	30	23	21	64	69
Jordan	6,727	14,101	4	3	29	30	15	19	67	67
Kazakhstan	20,374	81,003	13	6	32	42	15	12	55	52
Kenya	9,046	22,779	31	27	16	19	10	11	53	54
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	517,118	888,024	6	3	42	40	28	28	52	57
Kuwait ^a	27,192	80,781	0	..	55	..	4	..	45	..
Kyrgyz Republic	1,661	2,818	44	33	20	20	9	13	37	47
Lao PDR	1,764	3,437	56	42	19	32	14	21	25	26
Latvia	5,236	20,116	9	4	30	21	21	12	61	75
Lebanon	11,719	22,722	7	7	27	24	15	11	66	70
Lesotho	931	1,494	18	16	39	43	16	18	43	40
Liberia ^a	135	631	82	66	5	16	3	12	13	18
Libya	25,541	50,320	..	..	..	..	..	..	..	..
Lithuania	7,621	29,766	11	5	32	35	20	18	56	59
Macedonia, FYR	4,449	6,217	13	13	30	29	23	19	57	58
Madagascar	3,160	5,499	27	28	9	15	8	13	64	57
Malawi	1,397	3,164	30	34	20	20	16	14	50	46
Malaysia ^a	88,832	150,672	13	9	41	50	26	30	46	41
Mali	2,466	5,866	50	37	19	24	8	3	32	39
Mauritania	1,415	2,663	37	13	25	48	8	5	37	39
Mauritius	3,820	6,347	10	6	32	27	23	19	58	68
Mexico	286,698	839,182	6	4	28	27	21	18	66	69
Moldova	1,753	3,356	33	18	32	15	26	14	35	67
Mongolia	1,227	3,132	41	22	29	42	12	4	30	36
Morocco	32,986	65,401	15	16	34	28	19	16	51	57
Mozambique	2,247	6,833	37	28	15	26	8	16	48	46
Myanmar ^a	..	..	60	..	10	..	7	..	30	..
Namibia	3,503	6,566	12	11	28	31	13	14	60	58
Nepal	4,401	8,938	42	34	23	16	10	8	36	49
Netherlands	418,969	662,296	3	2	27	25	17	14	69	73
New Zealand	61,281	104,519	7	..	27	..	19	..	66	..
Nicaragua	3,191	5,301	23	20	27	30	19	18	49	51
Niger ^a	1,881	3,663	40	..	17	..	6	..	43	..
Nigeria	28,109	115,338	32	23	47	57	5	..	22	20
Norway	148,920	334,942	3	2	34	45	13	9	63	54
Oman ^a	13,803	30,835	3	2	46	55	5	8	51	43
Pakistan	60,636	126,836	26	19	24	27	16	19	50	53
Panama	7,906	17,097	8	8	18	19	9	8	74	73
Papua New Guinea	4,601	5,654	32	42	36	39	10	6	31	19
Paraguay ^a	8,066	9,275	21	21	23	18	16	12	56	61
Peru	53,674	92,416	9	7	31	38	17	17	60	55
Philippines ^a	74,120	117,562	22	14	32	32	23	23	46	54
Poland	139,095	338,733	8	5	35	32	21	19	57	64
Portugal	112,960	194,726	6	3	28	25	19	..	66	72
Puerto Rico ^a	42,647	..	1	..	44	..	42	..	55	..



4.2

Structure of output

	Gross domestic product		Agriculture		Industry		Manufacturing		Services	
	\$ millions		% of GDP		% of GDP		% of GDP		% of GDP	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Romania	35,477	121,609	21	11	43	38	29	26	36	52
Russian Federation	395,529	986,940	7	5	37	39	..	19	56	56
Rwanda ^a	1,293	2,494	44	41	16	21	10	8	40	38
Saudi Arabia ^a	142,458	349,138	6	3	49	65	10	9	45	32
Senegal	4,879	9,186	21	16	24	23	17	14	55	61
Serbia	19,681	31,989	..	13	..	26	..	..	..	62
Sierra Leone	871	1,450	43	46	39	25	9	..	18	29
Singapore	84,291	132,158	0	0	35	35	27	29	65	65
Slovak Republic ^a	19,715	55,049	5	4	34	32	24	20	61	65
Slovenia	20,288	37,303	4	2	35	35	26	25	61	63
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	151,113	255,155	4	3	35	31	21	18	61	66
Spain	596,751	1,224,676	5	3	29	30	..	15	66	67
Sri Lanka	13,030	26,964	23	16	27	27	16	14	50	56
Sudan	7,288	37,442	44	32	15	29	9	6	41	39
Swaziland	1,364	2,648	15	11	44	46	36	37	40	43
Sweden	250,640	383,799	3	1	30	29	22	20	67	70
Switzerland	314,799	380,412	2	1	31	28	21	20	66	70
Syrian Arab Republic	11,397	33,407	32	18	20	32	15	7	48	49
Tajikistan	1,232	2,811	38	25	39	27	28	19	22	48
Tanzania ^b	5,255	12,784	47	45	14	17	7	7	38	37
Thailand ^a	167,896	206,338	10	11	41	45	30	35	50	45
Timor-Leste	..	356	..	32	..	13	..	3	..	55
Togo ^a	1,309	2,206	38	44	22	24	10	10	40	32
Trinidad and Tobago	5,329	18,136	2	1	47	62	9	6	51	38
Tunisia ^a	18,031	30,298	11	11	29	28	19	17	59	60
Turkey	169,708	402,710	16	10	27	27	23	22	56	63
Turkmenistan	2,482	10,496	17	20	63	40	40	22	20	40
Uganda	5,756	9,419	49	32	14	18	7	9	36	49
Ukraine	48,214	106,469	15	9	43	35	35	21	42	57
United Arab Emirates	42,807	129,702	3	2	52	56	10	14	45	42
United Kingdom	1,135,785	2,376,984	2	1	32	24	22	14	66	75
United States	7,342,300	13,163,870	2	1	26	23	19	14	72	76
Uruguay	18,348	19,308	9	9	29	32	20	23	62	58
Uzbekistan	13,350	17,178	32	26	28	27	12	11	40	46
Venezuela, RB	74,889	181,862	6	4	41	55	15	18	53	40
Vietnam ^a	20,736	60,999	27	20	29	42	15	21	44	38
West Bank and Gaza ^a	3,220	4,059	..	..	..	..	..	..	..	..
Yemen, Rep.	4,236	19,057	20	..	32	..	14	..	48	..
Zambia	3,478	10,734	18	22	36	33	11	11	46	45
Zimbabwe	7,111	3,418	15	19	29	24	22	14	56	57
World	29,613,549 t	48,461,854 t	4 w	3 w	31 w	28 w	20 w	18 w	65 w	69 w
Low income	665,159	1,618,703	29	20	27	28	16	16	44	52
Middle income	4,510,786	10,059,157	12	8	36	37	23	20	52	54
Lower middle income	1,814,273	4,735,728	18	12	41	44	27	27	41	45
Upper middle income	2,695,409	5,324,615	7	6	31	32	20	19	61	62
Low & middle income	5,177,822	11,678,579	14	10	34	36	22	19	51	54
East Asia & Pacific	1,313,304	3,616,708	19	12	44	47	31	32	37	41
Europe & Central Asia	987,511	2,499,359	12	7	34	33	23	20	54	60
Latin America & Carib.	1,751,110	2,964,189	7	6	29	31	19	18	64	62
Middle East & N. Africa	329,469	734,423	15	12	35	40	14	13	50	48
South Asia	476,196	1,146,716	26	18	27	28	17	17	46	54
Sub-Saharan Africa	320,739	712,731	19	15	32	30	15	14	49	55
High income	24,431,143	36,794,507	2	2	30	26	20	17	68	72
Euro area	7,273,737	10,636,418	3	2	29	27	22	18	68	72

a. Components are at producer prices. b. Covers mainland Tanzania only.

About the data

An economy's gross domestic product (GDP) represents the sum of value added by all producers in the 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 volume 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 climate 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** corresponds to ISIC divisions 10–45, which cover mining, manufacturing (also reported separately), construction, electricity, water, and gas. • **Manufacturing** corresponds 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

Data on national accounts 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 (OECD) data files (see *Annual National Accounts for OECD Member Countries: Data from 1970 Onwards*). The complete national accounts time series is available on the *World Development Indicators 2008* 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 ^a		Machinery and transport equipment ^a		Chemicals ^a		Other manufacturing ^b	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1995	2006	1995	2004	1995	2004	1995	2004	1995	2004	1995	2004
Afghanistan		1,053	..	..	..	..	..	..	..	..	..	..
Albania	405	..	..	17	..	27	..	4	..	5	..	48
Algeria	4,366	5,404	..	..	..	..	..	..	..	..	..	..
Angola	202	1,922	..	..	..	..	..	..	..	..	..	..
Argentina	44,502	44,048	30	31	7	6	10	8	15	16	38	39
Armenia	356	985	..	..	..	..	..	..	..	..	..	..
Australia	51,314	74,569	20	19	6	4	11	17	8	7	55	53
Austria	41,681	52,934	11	10	6	3	27	31	2	2	54	54
Azerbaijan	352	1,055	..	..	..	..	..	..	..	..	..	..
Bangladesh	5,586	10,262	28	..	44	..	4	..	11	..	13	..
Belarus	3,909	10,382	..	..	..	..	..	..	..	..	..	..
Belgium	51,721	56,400	13	..	6	..	22	..	8	..	51	..
Benin	174	322	..	..	..	..	..	..	..	..	..	..
Bolivia	1,123	1,286	36	..	5	..	1	..	3	..	55	..
Bosnia and Herzegovina	213	1,176	..	..	..	..	..	..	..	..	..	..
Botswana	242	352	44	20	9	4	6	..	4	..	36	76
Brazil	124,976	169,164	21	18	8	6	23	22	13	12	35	43
Bulgaria	2,015	4,764	..	..	..	..	..	..	..	..	..	..
Burkina Faso	336	775	..	..	..	..	..	..	..	..	..	..
Burundi	83	64	..	..	..	..	..	..	..	..	..	..
Cambodia	315	1,349	..	..	..	..	..	..	..	..	..	..
Cameroon	1,758	3,084	..	..	..	..	..	..	..	..	..	..
Canada	100,393	..	13	13	4	4	23	25	10	8	50	50
Central African Republic	108	106	..	..	..	..	..	..	..	..	..	..
Chad	159	342	..	..	..	..	..	..	..	..	..	..
Chile	10,594	18,654	..	..	..	..	..	..	..	..	..	..
China	244,997	751,172	..	..	..	..	..	..	..	..	..	..
Hong Kong, China	10,524	5,856	..	..	..	..	..	..	..	..	..	..
Colombia	13,506	23,047	..	..	..	..	..	..	..	..	..	..
Congo, Dem. Rep.	510	526	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	172	360	..	..	..	..	..	..	..	..	..	..
Costa Rica	2,339	4,344	..	..	..	..	..	..	..	..	..	..
Côte d'Ivoire	1,655	3,205	..	..	..	..	..	..	..	..	..	..
Croatia	3,666	7,400	..	..	..	..	..	..	..	..	..	..
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	12,124	34,965	..	..	..	..	..	..	..	..	..	..
Denmark	26,924	31,100	20	14	2	2	25	21	1	2	52	60
Dominican Republic	2,286	4,444	..	..	..	..	..	..	..	..	..	..
Ecuador	2,830	3,725	26	32	7	3	4	3	4	3	59	58
Egypt, Arab Rep.	9,829	16,737	19	20	13	10	12	10	18	22	38	38
El Salvador	2,026	3,845	..	..	..	..	..	..	..	..	..	..
Eritrea	47	86	..	..	..	..	..	..	..	..	..	..
Estonia	684	2,410	..	..	..	..	..	..	..	..	..	..
Ethiopia	344	647	..	..	..	..	..	..	..	..	..	..
Finland	28,814	39,106	10	7	3	2	27	37	4	3	57	51
France	..	248,295	13	14	5	2	28	30	12	12	42	41
Gabon	224	391	..	..	..	..	..	..	..	..	..	..
Gambia, The	20	22	65	..	8	..	1	..	9	..	17	..
Georgia	523	862	..	..	..	..	..	..	..	..	..	..
Germany	516,542	584,442	..	9	..	2	..	42	..	10	..	37
Ghana	602	1,093	..	32	..	6	..	1	..	12	..	49
Greece	..	24,626	25	..	15	..	13	..	10	..	38	..
Guatemala	2,069	4,405	..	..	..	..	..	..	..	..	..	..
Guinea	142	116	..	..	..	..	..	..	..	..	..	..
Guinea-Bissau	19	22	..	..	..	..	..	..	..	..	..	..
Haiti	558	..	..	..	..	..	..	..	..	..	..	..

Structure of manufacturing

4.3

ECONOMY

	Manufacturing value added		Food, beverages, and tobacco		Textiles and clothing ^a		Machinery and transport equipment ^a		Chemicals ^a		Other manufacturing ^b	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1995	2006	1995	2004	1995	2004	1995	2004	1995	2004	1995	2004
Honduras	607	1,638	..	..	..	..	..	..	..	..	..	..
Hungary	8,839	22,028	19	16	3	5	10	34	13	10	55	35
India	57,917	134,725	..	10	..	10	..	20	..	17	..	43
Indonesia	48,781	102,323	..	23	..	13	..	18	..	9	..	36
Iran, Islamic Rep.	10,918	25,354	15	10	12	5	18	28	15	13	40	44
Iraq	67	..	..	..	..	..	..	..	..	..	..	..
Ireland	18,096	43,393	..	..	..	..	..	..	..	..	..	..
Israel	..	..	..	..	..	..	..	..	..	..	..	..
Italy	225,513	299,459	9	9	14	11	27	26	8	8	41	46
Jamaica	865	1,163	..	..	..	..	..	..	..	..	..	..
Japan	1,077,348	954,411	11	12	4	3	37	39	10	11	39	35
Jordan	866	2,393	30	24	7	12	5	5	15	16	44	42
Kazakhstan	2,976	9,423	..	..	..	..	..	..	..	..	..	..
Kenya	757	2,316	..	30	..	5	..	5	..	6	..	53
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	128,839	219,771	8	8	10	7	39	46	8	9	34	30
Kuwait	1,032	..	..	..	..	..	..	..	..	..	..	..
Kyrgyz Republic	142	318	..	..	..	..	..	..	..	..	..	..
Lao PDR	245	711	..	..	..	..	..	..	..	..	..	..
Latvia	965	2,101	..	..	..	..	..	..	..	..	..	..
Lebanon	1,577	2,217	..	..	..	..	..	..	..	..	..	..
Lesotho	129	237	..	..	..	..	..	..	..	..	..	..
Liberia	4	66	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	1,351	4,733	..	21	..	12	..	14	..	4	..	49
Macedonia, FYR	873	980	35	..	17	..	9	..	8	..	31	..
Madagascar	233	672	..	42	..	27	..	1	..	2	..	29
Malawi	195	384	..	..	..	..	..	..	..	..	..	..
Malaysia	23,432	44,884	..	8	..	3	..	39	..	10	..	40
Mali	174	167	..	..	..	..	..	..	..	..	..	..
Mauritania	107	84	..	..	..	..	..	..	..	..	..	..
Mauritius	765	1,060	25	24	52	51	2	2	..	..	21	24
Mexico	54,546	135,863	26	..	4	..	22	..	15	..	33	..
Moldova	400	404	..	..	..	..	..	..	..	..	..	..
Mongolia	143	109	23	..	62	..	1	..	1	..	12	..
Morocco	6,056	9,610	..	32	..	18	..	9	..	14	..	28
Mozambique	166	960	..	..	..	..	..	..	..	..	..	..
Myanmar	..	..	..	..	..	..	..	..	..	..	..	..
Namibia	403	826	..	..	..	..	..	..	..	..	..	..
Nepal	393	661	35	45	34	19	2	2	6	10	23	23
Netherlands	65,999	78,537	18	19	3	2	15	14	16	9	48	56
New Zealand	10,517	..	29	..	..	..	..	..	..	..	71	..
Nicaragua	533	859	..	..	..	..	..	..	..	..	..	..
Niger	120	..	..	..	..	..	..	..	..	..	..	..
Nigeria	1,495	..	..	..	..	..	..	..	..	..	..	..
Norway	17,018	28,060	17	..	2	..	24	..	9	..	48	..
Oman	643	2,045	..	..	..	..	..	..	..	..	..	..
Pakistan	8,864	23,178	..	..	..	..	..	..	..	..	..	..
Panama	694	1,204	54	..	7	..	..	..	7	..	32	..
Papua New Guinea	388	249	..	..	..	..	..	..	..	..	..	..
Paraguay	1,280	1,094	..	..	..	..	..	..	..	..	..	..
Peru	8,105	13,743	28	..	9	..	7	..	9	..	48	..
Philippines	17,043	26,916	29	23	6	5	7	13	2	2	57	56
Poland	25,891	56,009	..	..	..	..	..	..	..	..	..	..
Portugal	18,383	..	13	14	22	18	18	17	6	5	41	46
Puerto Rico	17,867	..	..	..	..	..	..	..	..	..	..	..



4.3

Structure of manufacturing

	Manufacturing value added		Food, beverages, and tobacco		Textiles and clothing ^a		Machinery and transport equipment ^a		Chemicals ^a		Other manufacturing ^b	
	\$ millions		% of total		% of total		% of total		% of total		% of total	
	1995	2006	1995	2004	1995	2004	1995	2004	1995	2004	1995	2004
Romania	9,387	26,495	28	13	13	18	19	21	7	5	33	43
Russian Federation	..	163,520	..	16	..	2	..	9	..	2	..	71
Rwanda	132	212	..	..	..	..	..	..	..	..	..	..
Saudi Arabia	13,714	33,087	..	..	..	..	..	..	..	..	..	..
Senegal	730	1,104	..	41	..	3	..	2	..	29	..	26
Serbia	..	..	..	..	..	..	..	..	..	..	..	..
Sierra Leone	75	..	..	..	..	..	..	..	..	..	..	..
Singapore	20,799	36,496	4	4	1	1	60	50	9	24	26	20
Slovak Republic	4,704	10,923	11	9	7	6	14	22	9	3	59	60
Slovenia	4,556	8,005	..	..	..	..	..	..	..	..	..	..
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	29,274	41,198	15	17	8	4	19	16	10	7	47	56
Spain	..	156,192	16	15	7	6	23	22	10	9	43	48
Sri Lanka	1,836	3,329	..	..	..	..	..	..	..	..	..	..
Sudan	799	2,173	..	..	..	..	..	..	..	..	..	..
Swaziland	398	596	..	..	..	..	..	..	..	..	..	..
Sweden	48,628	60,294	7	8	1	1	33	30	3	3	56	58
Switzerland	63,668	66,928	..	..	..	..	..	..	..	..	..	..
Syrian Arab Republic	1,574	2,687	..	..	..	..	..	..	..	..	..	..
Tajikistan	331	471	..	..	..	..	..	..	..	..	..	..
Tanzania ^c	349	819	..	..	..	..	..	..	..	..	..	..
Thailand	50,194	72,318	21	..	9	..	29	..	6	..	35	..
Timor-Leste	..	9	..	..	..	..	..	..	..	..	..	..
Togo	130	214	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago	439	1,029	..	25	..	1	..	1	..	22	..	52
Tunisia	3,419	5,279	..	..	..	..	..	..	..	..	..	..
Turkey	38,296	84,983	15	..	17	..	16	..	10	..	42	..
Turkmenistan	948	1,399	..	..	..	..	..	..	..	..	..	..
Uganda	359	786	..	..	..	..	..	..	..	..	..	..
Ukraine	14,922	19,068	..	..	..	..	..	..	..	..	..	..
United Arab Emirates	4,452	18,770	..	..	..	..	..	..	..	..	..	..
United Kingdom	219,282	269,610	13	14	5	4	28	27	11	11	43	44
United States	1,289,100	1,662,800	12	..	4	..	33	..	12	..	38	..
Uruguay	3,614	4,484	..	40	..	12	..	4	..	11	..	33
Uzbekistan	1,376	1,675	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	10,668	18,507	..	..	..	..	..	..	..	..	..	..
Vietnam	3,109	12,963	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	599	..	..	48	..	7	..	0	..	1	..	43
Zambia	344	1,112	..	..	..	..	..	..	..	..	..	..
Zimbabwe	1,370	324	30	..	7	..	29	..	6	..	29	..
World	5,489,148 t	7,440,831 t										
Low income	93,977	216,271										
Middle income	935,581	1,874,533										
Lower middle income	462,950	1,076,557										
Upper middle income	481,141	909,966										
Low & middle income	1,029,570	2,062,844										
East Asia & Pacific	390,751	973,648										
Europe & Central Asia	..	..								
Latin America & Carib.	290,974	467,711										
Middle East & N. Africa	40,026	77,125										
South Asia	75,044	173,275										
Sub-Saharan Africa	45,485	73,246										
High income	4,480,402	5,382,611										
Euro area	1,340,064	1,609,628										

a. When data are shown as not available, they are included in other manufacturing. b. Includes unallocated data. c. Covers 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 the data 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 from national and international organizations, unpublished data that it collects in the field, and estimates by the UNIDO Secretariat. Nevertheless, coverage may be incomplete, particularly for the informal sector. When 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 and may differ from those UNIDO uses to calculate shares of value added by industry, in part because of differences in exchange rates. Thus value added in a particular industry estimated by applying the shares to total manufacturing value added will not match those from UNIDO sources. Classification of manufacturing industries in the table accords with the United Nations International Standard Industrial Classification (ISIC) revision 3 for the first time. Previous editions of *World Development Indicators* used revision 2, first published in 1948. Revision 3 was completed in 1989, and many countries now use it. But revision 2 is still widely used for compiling cross-country data. UNIDO has converted these data to

accord with revision 3. Concordances matching ISIC categories to national classification systems and to related systems such as the Standard International Trade Classification are available.

In establishing classifications systems compilers must define both the types of activities to be described and the units whose activities are to be reported. There are many possibilities, and the choices affect how the 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" (UN 1990 [ISIC, series M, no. 4, rev. 3], p. 9).

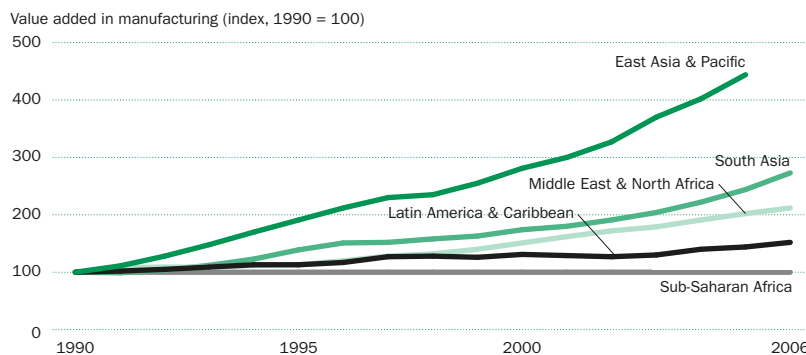
Firms typically use multiple processes to produce a product. For example, an automobile manufacturer engages in forging, welding, and painting as well as advertising, accounting, and other service activities. Collecting data at such a detailed level is not practical, nor is it useful to record production data at the 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 . . ." (UN 1990, p. 25). By design, this definition matches the reporting unit required for the production accounts of the United Nations System of National Accounts. 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 "Fifty Years of ISIC: Historical Origins and Future Perspectives" (1998).

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 15 and 16. • **Textiles and clothing** correspond to ISIC division 17 to 19. • **Machinery and transport equipment** correspond to ISIC 29, 30, 32, 34, and 35. • **Chemicals** correspond to ISIC division 24. • **Other manufacturing**, a residual, covers wood and related products (ISIC division 20), paper and related products (ISIC division 21 and 22), petroleum and related products (ISIC division 23), basic metals and mineral products (ISIC divisions 27), fabricated metal products and professional goods (ISIC division 28), and other industries (ISIC divisions 25, 26, 31, 33, 36, and 37).

Manufacturing continues to show strong growth in East Asia

4.3a



Manufacturing continues to be the dominant sector in East Asia and Pacific, growing an average of about 10 percent a year between 1990 and 2006.

Source: *World Development Indicators* data files.

Data sources

Data on manufacturing value added are from the World Bank's national accounts files. Data used to calculate shares of industry value added are provided to the World Bank in electronic files by UNIDO. The most recent published source is UNIDO's *International Yearbook of Industrial Statistics 2007*.



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	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Afghanistan	156	430	..	..	..	..	..	..	..	..	..	..
Albania	202	793	11	8	9	13	3	14	12	38	65	27
Algeria	10,258	54,613	1	0	0	0	95	98	1	1	4	1
Angola	3,642	35,000	..	..	..	..	..	..	..	..	..	..
Argentina	20,967	46,569	50	45	4	1	10	15	2	5	34	32
Armenia	271	1,004	11	12	5	3	1	2	26	25	54	56
Australia	53,111	123,269	22	15	8	3	19	25	18	25	30	23
Austria	57,738	140,397	4	6	3	2	1	5	3	3	88	80
Azerbaijan	635	6,372	4	5	8	1	66	85	1	1	20	8
Bangladesh	3,501	11,802	10	6	3	1	0	0	0	0	85	92
Belarus	4,803	19,739	..	7	..	2	..	38	..	0	..	50
Belgium	178,265 ^a	369,166	..	8	..	1	..	8	..	4	..	77
Benin	420	560	14	26	75	64	5	..	0	1	6	9
Bolivia	1,100	3,863	21	15	10	2	15	52	35	24	19	7
Bosnia and Herzegovina	152	3,312	..	5	..	8	..	8	..	17	..	62
Botswana	2,142	4,670	..	..	..	..	..	..	..	..	..	..
Brazil	46,506	137,470	29	25	5	4	1	8	10	11	54	51
Bulgaria	5,355	15,064	18	9	3	2	7	13	10	20	60	53
Burkina Faso	276	440	25	16	69	72	0	3	0	1	6	8
Burundi	105	59	91	87	4	4	0	0	1	2	3	6
Cambodia	855	3,800	..	1	..	2	..	0	..	0	..	97
Cameroon	1,651	3,573	27	12	28	16	29	62	8	5	8	3
Canada	192,197	389,538	8	7	9	4	9	20	7	7	63	56
Central African Republic	171	120	4	1	20	41	1	0	30	17	45	36
Chad	243	3,750	..	..	..	..	..	..	..	..	..	..
Chile	16,024	58,116	24	15	12	5	0	2	48	64	13	11
China [†]	148,780	968,936	8	3	2	0	4	2	2	2	84	92
Hong Kong, China ^b	173,871	322,669	3	3	0	1	0	2	1	4	94	91
Colombia	10,056	24,388	31	16	5	5	28	40	1	2	35	37
Congo, Dem. Rep.	1,563	2,300	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	1,172	6,400	1	..	8	..	88	..	0	..	3	..
Costa Rica	3,453	8,216	63	30	5	3	1	1	1	2	25	65
Côte d'Ivoire	3,806	8,420	63	35	20	8	10	37	0	0	7	15
Croatia	4,633	10,376	11	11	5	3	9	15	2	4	74	66
Cuba	1,600	2,678	..	30	..	0	..	1	..	48	..	22
Czech Republic	21,335	95,077	6	3	4	1	4	3	3	2	82	89
Denmark	50,906	92,752	24	18	3	3	3	10	1	2	60	65
Dominican Republic	3,780	6,440	19	..	0	..	0	..	0	..	78	..
Ecuador	4,307	12,658	53	27	3	4	36	59	0	1	8	10
Egypt, Arab Rep.	3,450	13,702	10	7	6	2	37	56	6	2	40	21
El Salvador	1,652	3,513	57	36	1	1	0	3	3	4	39	55
Eritrea	86	10	..	..	..	..	..	..	..	..	..	..
Estonia	1,840	9,469	16	7	10	5	6	16	3	3	65	64
Ethiopia	422	1,014	73	..	13	..	3	..	0	..	11	..
Finland	40,490	77,032	2	2	8	6	2	5	3	5	83	81
France	301,162	490,368	14	10	1	1	2	4	3	3	79	79
Gabon	2,713	5,600	0	1	13	7	83	86	2	3	2	4
Gambia, The	16	10	60	81	1	4	0	..	1	1	36	14
Georgia	151	993	29	25	3	2	19	3	8	22	41	48
Germany	523,461	1,111,969	5	4	1	1	1	2	3	3	87	83
Ghana	1,724	3,703	58	61	15	4	5	1	9	3	13	31
Greece	11,054	20,898	30	20	4	2	7	13	7	10	50	52
Guatemala	2,155	6,025	65	50	4	5	2	9	0	1	28	35
Guinea	702	970	8	..	1	..	0	..	67	..	24	..
Guinea-Bissau	24	75	89	..	11	..	..	..	..	..	0	..
Haiti	110	507	37	..	0	..	0	..	0	..	62	..
[†] Data for Taiwan, China	113,047	223,766	3	1	2	1	1	5	1	2	93	90

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	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Honduras	1,220	1,929	87	64	3	3	0	3	0	9	9	21
Hungary	12,865	74,478	21	6	2	0	3	2	5	2	68	84
India	30,630	120,254	19	9	1	2	2	11	3	7	74	70
Indonesia	45,417	103,487	11	12	7	6	25	27	6	10	51	45
Iran, Islamic Rep.	18,360	73,700	4	4	1	0	86	83	1	2	9	10
Iraq	496	29,597	..	..	..	..	..	..	..	..	..	..
Ireland	44,705	111,066	19	10	1	0	0	1	1	1	72	85
Israel	19,046	46,449	5	2	2	1	0	0	1	1	89	82
Italy	233,766	410,572	7	6	1	1	1	4	1	2	89	85
Jamaica	1,427	1,980	22	17	0	0	1	14	6	11	71	58
Japan	443,116	649,931	0	0	1	1	1	1	1	2	95	91
Jordan	1,769	5,175	25	15	2	0	0	1	24	13	49	71
Kazakhstan	5,250	40,470	10	3	3	1	25	69	24	15	38	13
Kenya	1,878	3,437	56	52	7	16	6	1	3	6	28	26
Korea, Dem. Rep.	959	1,980	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	125,058	325,465	2	1	1	1	2	6	1	3	93	89
Kuwait	12,785	55,673	0	..	0	..	95	..	0	..	5	..
Kyrgyz Republic	409	796	23	19	13	10	11	18	13	6	40	46
Lao PDR	311	874	..	..	..	..	..	..	..	..	..	..
Latvia	1,305	6,153	14	12	23	14	2	5	1	4	58	60
Lebanon	816	2,814	20	16	2	1	0	0	8	12	70	70
Lesotho	160	694	..	..	..	..	..	..	..	..	..	..
Liberia	820	181	..	..	..	..	..	..	..	..	..	..
Libya	8,975	39,500	0	..	0	..	95	..	0	..	5	..
Lithuania	2,705	14,113	18	14	8	3	11	24	5	2	58	58
Macedonia, FYR	1,204	2,401	18	16	5	1	0	9	18	4	58	69
Madagascar	507	953	69	35	6	4	1	6	7	4	14	41
Malawi	405	540	90	83	2	3	0	0	0	0	7	13
Malaysia	73,914	160,676	10	7	6	3	7	14	1	1	75	74
Mali	441	1,350	23	14	75	74	0	1	0	0	2	10
Mauritania	499	1,290	57	25	0	0	1	..	42	69	0	0
Mauritius	1,538	2,173	29	29	1	1	0	0	0	1	70	69
Mexico	79,542	250,441	8	5	1	0	10	16	3	2	78	76
Moldova	745	1,052	72	63	2	1	1	0	3	5	23	31
Mongolia	473	1,543	2	2	28	13	0	6	60	66	10	13
Morocco	6,881	12,707	31	19	3	2	2	2	12	9	51	68
Mozambique	168	2,398	66	16	16	3	2	15	2	60	13	5
Myanmar	860	4,250	..	..	..	..	..	..	..	..	..	..
Namibia	1,409	2,648	..	26	..	1	..	0	..	26	..	47
Nepal	345	760	8	..	1	..	0	..	0	..	84	..
Netherlands	203,171	462,410	20	13	4	3	7	13	3	4	63	66
New Zealand	13,645	22,432	45	52	19	11	2	2	5	5	29	27
Nicaragua	466	1,027	75	86	3	2	1	1	1	2	21	9
Niger	288	540	17	24	1	4	0	2	80	54	1	14
Nigeria	12,342	52,000	2	..	2	..	96	..	0	..	1	..
Norway	41,992	121,505	8	5	2	0	47	68	9	7	27	16
Oman	6,068	21,585	5	2	0	0	79	95	2	1	14	3
Pakistan	8,029	16,930	12	12	4	1	1	5	0	1	83	81
Panama	625	1,048	75	84	0	1	3	1	1	4	20	10
Papua New Guinea	2,654	4,122	13	..	20	..	38	..	25	..	4	..
Paraguay	919	1,906	44	76	36	7	0	0	0	1	19	16
Peru	5,575	23,431	31	18	3	2	5	10	46	57	15	14
Philippines	17,502	47,037	13	5	1	1	2	2	4	4	42	87
Poland	22,895	110,303	10	9	3	1	8	4	7	5	71	79
Portugal	22,783	43,323	7	8	5	2	3	5	2	4	83	74
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	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Romania	7,910	32,336	7	3	3	2	8	10	3	5	78	79
Russian Federation	81,095	304,520	2	2	3	3	43	63	10	8	26	17
Rwanda	54	138	57	..	16	..	0	..	12	..	14	..
Saudi Arabia	50,040	209,483	1	1	0	0	88	91	1	0	10	8
Senegal	993	1,550	9	44	7	5	22	0	12	7	48	44
Serbia	..	6,428	..	..	..	..	..	..	..	..	..	..
Sierra Leone	42	216	..	..	..	..	..	..	..	..	..	..
Singapore ^b	118,268	271,772	4	2	1	0	7	13	2	1	84	80
Slovak Republic	8,580	41,721	6	4	4	1	4	5	4	3	82	85
Slovenia	8,316	23,257	4	3	2	1	1	3	3	5	90	87
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	27,853 ^c	58,412	8 ^c	7	4 ^c	2	9 ^c	9	8 ^c	29	44 ^c	53
Spain	97,849	205,455	15	14	2	1	2	4	2	3	78	76
Sri Lanka	3,798	6,886	21	22	4	2	0	0	1	4	73	70
Sudan	555	5,657	44	7	47	5	0	87	0	0	6	0
Swaziland	866	2,060	..	17	..	8	..	1	..	0	..	74
Sweden	80,440	147,377	2	4	6	4	2	5	3	4	79	78
Switzerland	81,641	147,457	3	3	1	0	0	3	3	4	94	91
Syrian Arab Republic	3,563	8,750	12	17	7	2	63	40	1	1	17	32
Tajikistan	750	1,399	..	..	..	..	..	..	..	..	..	..
Tanzania	682	1,690	65	53	23	11	0	0	0	17	10	18
Thailand	56,439	130,790	19	11	5	5	1	5	1	2	73	76
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	..
Togo	378	617	19	21	42	9	0	1	32	10	7	58
Trinidad and Tobago	2,455	14,147	8	2	0	0	48	76	0	0	43	21
Tunisia	5,475	11,513	10	10	1	1	8	13	2	1	79	75
Turkey	21,637	85,479	20	7	1	0	1	0	3	1	74	42
Turkmenistan	1,880	5,260	1	..	13	..	77	..	1	..	8	..
Uganda	460	1,004	90	62	5	9	0	5	1	2	4	21
Ukraine	13,128	38,368	19	12	1	1	4	6	7	6	68	73
United Arab Emirates	28,364	139,353	8	..	0	..	9	..	55	..	28	..
United Kingdom	237,953	448,291	8	5	1	1	6	10	3	3	81	77
United States	584,743	1,038,278	11	7	4	2	2	4	3	4	77	79
Uruguay	2,106	3,953	44	56	15	8	1	4	1	1	39	32
Uzbekistan	3,430	5,617	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	18,457	65,210	3	0	0	0	77	93	6	2	14	5
Vietnam	5,449	39,605	30	20	3	3	18	26	0	1	44	50
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	1,945	7,285	3	4	1	0	95	94	1	0	1	1
Zambia	1,040	3,689	3	6	1	3	3	1	87	85	7	6
Zimbabwe	2,118	1,950	43	30	7	8	1	0	12	23	37	38
World	5,172,060 t	12,084,582 t	9 w	6 w	3 w	2 w	7 w	11 w	3 w	4 w	76 w	73 w
Low income	94,379	323,066	18	17	5	4	26	15	4	5	47	59
Middle income	880,315	3,312,091	14	8	3	2	12	21	5	6	63	60
Lower middle income	390,379	1,689,637	13	8	3	2	12	16	3	4	65	69
Upper middle income	490,027	1,621,751	15	9	4	2	12	25	6	7	62	53
Low & middle income	974,709	3,635,152	15	9	3	2	12	21	5	6	63	60
East Asia & Pacific	355,216	1,468,949	11	6	4	2	6	8	2	3	74	80
Europe & Central Asia	205,007	834,785	10	5	3	2	22	32	7	6	51	46
Latin America & Carib.	223,378	663,606	20	15	3	2	15	21	7	9	55	53
Middle East & N. Africa	68,070	280,990	6	5	1	0	73	76	2	2	17	15
South Asia	46,647	157,637	17	11	2	2	1	9	3	6	76	72
Sub-Saharan Africa	76,692	231,263	18	..	7	..	37	..	8	..	28	..
High income	4,196,970	8,451,209	8	6	2	2	6	8	3	4	79	77
Euro area	1,733,625	3,492,756	11	8	2	1	2	5	2	3	81	79

Note: Components may not sum to 100 percent because of unclassified trade. Exports of gold are excluded.

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 moving into or out of an economy or from reports of 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 may differ from those based on the balance of payments. Moreover, several international agencies process trade data, each correcting unreported or misreported data, leading to other differences.

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) are from the World Trade Organization (WTO), which 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). Country websites and direct contact through email have improved 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 high-income countries account for nearly 95 percent of world trade. The availability of reliable figures for countries in Europe and Central Asia has also improved.

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 from the balance of payments.

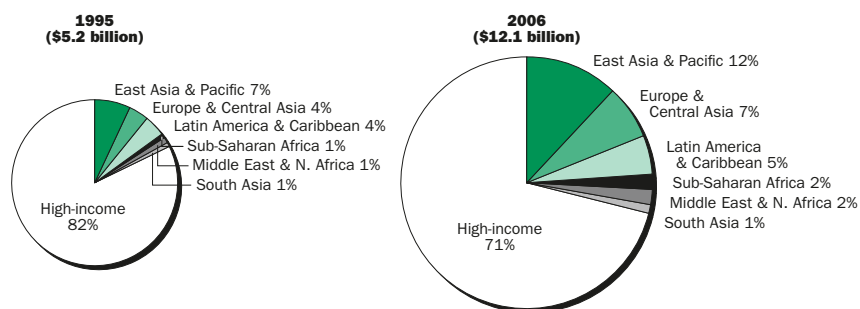
The classification of commodity groups is based on the Standard International Trade Classification (SITC) revision 1. Most countries now use later revisions of the SITC or the Harmonized System. Concordance tables are used to convert data reported in one system to another. This may introduce some classification errors, 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.

Developing economies' share of world merchandise exports continues to expand

4.4a



Developing economies' share of world merchandise exports increased 11 percentage points from 1995 to 2006. East Asia and Pacific was the biggest gainer, capturing an additional 5 percentage points. Except South Asia, every other region increased its share in world trade.

Source: *World Development Indicators* data files and World Trade Organization.

Data sources

Data on merchandise exports are from the WTO. Data on shares of exports by major commodity group are from Comtrade. 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 in its *Handbook of International Trade and Development Statistics*. Tariff line records of exports 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	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Afghanistan	387	2,960	..	..	..	..	..	..	..	..	..	..
Albania	714	3,058	34	20	1	1	2	12	1	3	61	64
Algeria	10,100	21,456	29	19	3	2	1	1	2	2	65	76
Angola	1,468	11,600	..	..	..	..	..	..	..	..	..	..
Argentina	20,122	34,158	5	3	2	1	4	5	2	3	86	87
Armenia	674	2,194	31	16	0	1	27	17	0	2	39	60
Australia	61,283	139,252	5	5	2	1	5	14	1	1	86	79
Austria	66,237	140,258	6	6	3	2	4	14	4	5	82	73
Azerbaijan	668	5,268	39	10	1	1	4	12	2	2	53	74
Bangladesh	6,694	16,086	17	16	3	8	8	8	2	2	69	65
Belarus	5,564	22,323	..	9	..	2	..	33	..	4	..	48
Belgium	164,934 ^a	353,720	..	7	..	1	..	13	..	5	..	72
Benin	746	990	27	30	3	4	9	20	1	1	59	44
Bolivia	1,424	2,819	10	9	2	1	5	10	3	1	82	79
Bosnia and Herzegovina	1,082	7,305	..	17	..	1	..	15	..	3	..	63
Botswana	1,911	3,160	..	..	..	..	..	..	..	..	..	..
Brazil	54,137	95,886	11	4	3	2	12	19	3	5	71	70
Bulgaria	5,660	23,136	8	5	3	1	34	5	4	9	48	62
Burkina Faso	455	1,450	21	12	2	1	14	24	1	1	62	62
Burundi	234	431	21	6	2	1	11	8	1	1	64	82
Cambodia	1,187	4,900	..	8	..	2	..	10	..	0	..	79
Cameroon	1,199	2,990	17	18	3	2	3	31	2	1	76	48
Canada	168,426	357,652	6	6	2	1	4	9	3	3	83	79
Central African Republic	175	240	16	17	10	27	9	17	2	2	64	37
Chad	365	1,250	24	..	1	..	18	..	1	..	56	..
Chile	15,900	38,409	7	7	2	1	9	24	2	3	79	65
China [†]	132,084	791,461	7	3	5	4	4	12	4	9	79	71
Hong Kong, China	196,072	335,754	5	3	2	1	2	3	2	3	88	91
Colombia	13,853	26,046	9	9	3	2	3	3	2	3	78	82
Congo, Dem. Rep.	871	2,800	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	670	1,700	21	..	1	..	20	..	1	..	58	..
Costa Rica	4,036	11,520	10	6	1	1	9	12	2	2	78	78
Côte d'Ivoire	2,931	5,310	21	17	1	1	19	32	1	1	57	43
Croatia	7,510	21,488	12	8	2	1	12	16	3	3	67	72
Cuba	2,825	9,410	..	22	..	1	..	23	..	1	..	53
Czech Republic	25,085	93,217	7	5	3	1	8	9	4	4	77	79
Denmark	45,939	86,273	12	11	3	2	3	6	2	2	73	77
Dominican Republic	5,170	11,190	..	..	..	..	..	..	..	..	..	..
Ecuador	4,152	12,049	8	7	3	1	6	17	2	1	82	74
Egypt, Arab Rep.	11,760	20,595	28	19	7	4	1	16	3	3	61	43
El Salvador	3,329	7,628	15	13	2	2	9	18	2	1	72	66
Eritrea	454	540	..	..	..	..	..	..	..	..	..	..
Estonia	2,546	13,277	14	7	3	3	11	16	1	1	71	67
Ethiopia	1,145	4,594	14	..	2	..	11	..	1	..	72	..
Finland	29,470	68,873	6	5	4	2	9	15	6	9	74	66
France	289,391	534,894	11	7	3	1	7	15	4	3	76	73
Gabon	882	1,728	19	17	1	0	4	4	1	1	75	77
Gambia, The	182	255	36	31	1	2	14	17	0	1	46	49
Georgia	392	3,678	36	16	0	0	39	19	0	1	24	61
Germany	463,872	908,630	10	6	3	1	6	12	4	5	73	66
Ghana	1,906	5,497	8	13	1	1	6	14	0	1	77	70
Greece	25,898	63,185	16	11	2	1	7	19	3	4	71	65
Guatemala	3,292	11,920	12	10	2	1	12	20	1	1	73	68
Guinea	819	930	31	..	1	..	19	..	1	..	47	..
Guinea-Bissau	133	110	44	..	0	..	16	..	0	..	40	..
Haiti	653	1,705	..	..	..	..	..	..	..	..	..	..
[†] Data for Taiwan, China	103,558	203,017	6	3	4	1	7	18	6	8	75	68

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	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Honduras	1,642	5,418	13	16	1	1	12	20	1	1	74	62
Hungary	15,465	76,963	6	4	3	1	12	7	4	3	75	75
India	34,707	174,845	4	3	4	2	24	36	7	5	54	52
Indonesia	40,630	80,333	9	9	6	3	8	32	4	4	73	53
Iran, Islamic Rep.	13,882	51,100	21	2	2	1	2	4	3	0	71	16
Iraq	665	27,935	..	..	..	..	..	..	..	..	..	..
Ireland	32,340	72,806	8	8	1	1	3	8	2	2	76	76
Israel	29,578	49,985	7	6	2	1	6	16	2	2	82	75
Italy	205,990	437,386	12	8	6	3	7	12	5	6	68	64
Jamaica	2,818	5,648	14	14	2	2	13	25	1	1	68	57
Japan	335,882	579,574	16	9	6	2	16	28	7	8	54	52
Jordan	3,697	11,447	21	13	2	1	13	24	3	2	61	57
Kazakhstan	3,807	24,956	10	7	2	1	25	13	5	1	59	78
Kenya	2,991	7,311	10	10	2	2	15	24	2	2	71	61
Korea, Dem. Rep.	1,380	3,010	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	135,119	309,383	6	4	6	2	14	28	6	8	68	58
Kuwait	7,790	15,991	16	..	1	..	1	..	2	..	81	..
Kyrgyz Republic	522	1,718	18	14	3	1	36	29	3	2	40	53
Lao PDR	589	1,060	..	..	..	..	..	..	..	..	..	..
Latvia	1,815	11,510	10	10	2	2	21	13	1	2	66	70
Lebanon	7,278	9,647	21	16	2	1	9	22	2	2	66	58
Lesotho	1,107	1,465	..	..	..	..	..	..	..	..	..	..
Liberia	510	444	..	..	..	..	..	..	..	..	..	..
Libya	5,392	6,950	23	17	1	1	0	1	1	1	75	81
Lithuania	3,650	19,300	13	9	4	2	19	22	4	2	58	64
Macedonia, FYR	1,719	3,763	17	12	3	1	12	20	3	4	64	63
Madagascar	628	1,487	16	15	2	1	14	19	1	1	65	65
Malawi	475	1,209	14	15	1	1	11	11	1	1	73	71
Malaysia	77,691	131,152	5	5	1	1	2	9	3	5	86	78
Mali	772	1,860	20	14	1	1	16	21	1	1	62	64
Mauritania	494	974	24	25	1	1	22	27	0	0	53	47
Mauritius	1,976	3,630	17	17	3	2	7	17	1	1	72	64
Mexico	75,858	268,169	6	6	2	1	2	6	2	3	80	83
Moldova	840	2,693	8	11	3	2	46	24	2	1	42	62
Mongolia	415	1,486	14	12	1	0	19	29	1	0	65	58
Morocco	10,023	23,574	20	9	6	3	14	22	4	3	56	63
Mozambique	704	2,807	22	14	3	1	10	17	1	0	62	48
Myanmar	1,348	2,460	..	..	..	..	..	..	..	..	..	..
Namibia	1,616	2,920	..	16	..	1	..	3	..	1	..	78
Nepal	1,333	2,100	12	..	3	..	12	..	3	..	46	..
Netherlands	185,232	416,445	14	9	2	2	8	17	3	4	72	68
New Zealand	13,957	26,434	7	8	1	1	5	15	3	2	83	74
Nicaragua	975	2,988	18	12	1	0	18	25	1	0	63	61
Niger	374	950	32	34	1	4	13	15	3	1	51	46
Nigeria	8,222	21,809	18	..	1	..	1	..	2	..	77	..
Norway	32,968	64,120	7	7	3	1	3	5	6	7	81	80
Oman	4,379	10,915	20	11	1	1	2	3	2	5	70	79
Pakistan	11,515	29,825	18	10	6	4	16	26	3	3	57	56
Panama	2,510	4,863	11	11	1	0	14	18	1	1	73	69
Papua New Guinea	1,452	2,252	..	..	..	..	..	..	..	..	..	..
Paraguay	3,144	5,879	19	6	0	1	7	13	1	1	74	80
Peru	7,584	15,327	14	10	2	2	9	19	1	1	75	68
Philippines	28,341	51,522	8	7	2	1	9	15	3	2	58	75
Poland	29,050	125,997	10	6	3	2	9	10	3	4	74	74
Portugal	32,610	66,618	14	11	4	1	8	15	2	3	72	64
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	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Romania	10,278	51,106	8	6	2	1	21	14	4	3	63	77
Russian Federation	60,945	163,867	18	14	1	1	3	1	2	2	45	76
Rwanda	236	501	19	..	3	..	12	..	3	..	64	..
Saudi Arabia	28,091	66,307	17	13	1	1	0	0	4	5	76	80
Senegal	1,412	3,434	25	23	2	2	30	26	1	1	42	48
Serbia	..	13,172	..	..	..	..	..	..	..	..	..	..
Sierra Leone	133	389	..	..	..	..	..	..	..	..	..	..
Singapore	124,507	238,652	5	3	1	0	8	19	2	2	83	74
Slovak Republic	8,770	45,870	9	5	3	1	13	14	6	3	70	76
Slovenia	9,492	24,104	8	6	5	2	7	11	4	6	74	74
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	30,546 ^b	77,280	7 ^b	4	2 ^b	1	8 ^b	18	2 ^b	2	78 ^b	66
Spain	113,537	316,448	14	8	3	1	8	16	4	4	71	70
Sri Lanka	5,306	10,258	16	12	2	1	6	13	1	3	75	69
Sudan	1,218	8,074	24	13	2	1	14	1	0	1	59	83
Swaziland	1,008	2,200	..	18	..	1	..	12	..	1	..	66
Sweden	65,036	126,738	7	7	2	1	6	12	4	4	80	72
Switzerland	80,152	141,374	6	5	2	1	3	8	3	6	85	80
Syrian Arab Republic	4,709	9,670	17	13	3	3	1	27	1	3	76	52
Tajikistan	810	1,723	..	..	..	..	..	..	..	..	..	..
Tanzania	1,675	4,253	10	12	1	1	1	24	4	1	84	61
Thailand	70,786	128,636	4	4	4	2	7	20	3	5	81	68
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	..
Togo	594	1,100	18	16	2	1	30	29	1	2	49	53
Trinidad and Tobago	1,714	6,485	16	8	1	1	1	35	6	5	77	52
Tunisia	7,902	14,865	13	8	4	3	7	14	3	3	73	72
Turkey	35,709	138,290	7	2	6	2	13	5	6	5	68	41
Turkmenistan	1,365	4,057	24	..	0	..	3	..	2	..	71	..
Uganda	1,056	2,505	16	14	3	1	2	21	2	1	78	63
Ukraine	15,484	45,035	8	7	2	1	48	28	3	3	38	60
United Arab Emirates	23,778	97,754	15	..	0	..	4	..	6	..	75	..
United Kingdom	267,250	619,385	10	8	2	1	4	9	3	3	80	67
United States	770,852	1,919,427	5	4	2	1	8	18	3	3	79	71
Uruguay	2,867	4,757	10	8	4	3	10	28	1	1	74	60
Uzbekistan	2,750	3,996	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	12,649	33,616	14	8	4	1	1	1	4	1	77	69
Vietnam	8,155	44,410	5	6	2	4	10	15	2	3	76	71
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	1,582	4,935	29	21	2	1	8	22	1	1	59	55
Zambia	700	2,920	10	8	2	1	13	15	2	2	72	74
Zimbabwe	2,660	2,250	6	10	2	2	9	15	2	40	78	32
World	5,228,938 t	12,326,824 t	9 w	6 w	3 w	1 w	7 w	15 w	4 w	4 w	75 w	70 w
Low income	111,167	389,128	11	7	4	2	19	27	5	4	58	58
Middle income	940,577	2,958,062	8	6	3	2	7	12	3	4	76	70
Lower middle income	428,941	1,487,837	9	6	5	3	6	16	4	6	75	66
Upper middle income	511,391	1,466,978	8	6	3	1	7	9	3	4	77	74
Low & middle income	1,051,772	3,347,357	8	6	3	2	8	12	3	4	74	70
East Asia & Pacific	366,057	1,245,694	6	4	4	3	5	15	4	7	78	71
Europe & Central Asia	224,595	841,512	10	7	3	1	14	10	3	3	64	66
Latin America & Carib.	241,125	613,382	8	6	2	1	5	10	2	3	78	77
Middle East & N. Africa	81,546	213,435	22	12	3	2	6	13	2	2	66	50
South Asia	60,322	237,321	8	5	4	2	21	32	6	5	56	55
Sub-Saharan Africa	78,560	201,872	12	10	2	1	10	15	2	3	73	65
High income	4,176,841	8,984,577	9	6	3	1	7	15	4	4	76	70
Euro area	1,635,980	3,440,926	11	8	3	2	7	14	4	5	73	69

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 the 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).

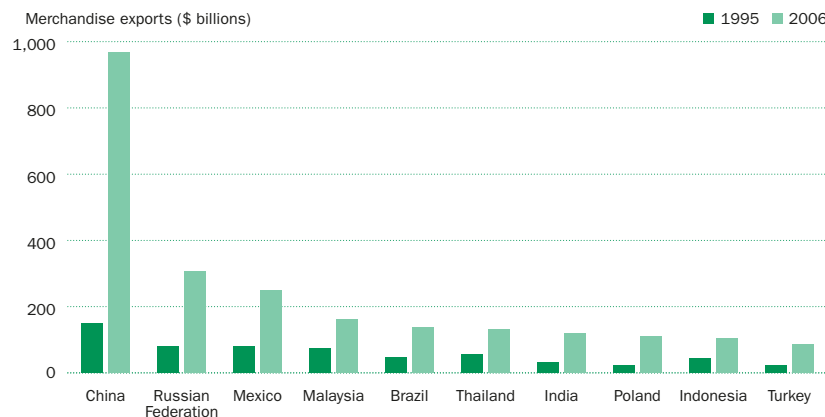
The classification of commodity groups is based on the Standard International Trade Classification (SITC) revision 1. Most countries now use later revisions of the SITC or the Harmonized System. Concordance tables convert data reported in one system to another. The conversion process may introduce some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

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.

Top 10 developing country exporters of merchandise goods in 2006

4.5a



China continues to dominate merchandise exports among developing countries. Even when developed countries are included, China ranks as the third leading merchandise exporter.

Source: *World Development Indicators* data files and World Trade Organization.

Data sources

Data on merchandise imports are from the WTO. Data on shares of imports by major commodity group are from Comtrade. 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 imports in its *Handbook of International Trade and Development Statistics*. Tariff line records of 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 total		% of total		% of total		% of total	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Afghanistan	..	..	..	..	..	..	..	..	..	..
Albania	94	1,481	19.1	11.0	69.3	68.3	1.4	2.0	10.2	18.7
Algeria	..	..	..	..	..	..	..	..	..	..
Angola	113	1,484	31.8	1.4	..	5.0	9.2	..	59.0	93.6
Argentina	3,676	7,542	27.4	18.9	60.5	43.9	0.2	0.1	11.9	37.2
Armenia	27	475	53.4	21.5	5.2	57.0	..	3.9	41.3	17.6
Australia	16,076	32,439	29.3	19.6	50.6	55.0	5.4	4.0	14.8	21.4
Austria	31,692	45,202	11.8	20.1	42.4	29.4	3.9	6.6	41.9	44.0
Azerbaijan	166	841	45.9	48.4	42.3	13.9	0.1	1.8	11.7	35.9
Bangladesh	469	603	15.0	14.7	5.3	13.3	0.1	5.7	79.6	66.3
Belarus	466	2,276	64.8	68.9	5.0	11.9	0.5	0.2	29.7	19.0
Belgium	33,619 ^a	57,285	29.4 ^a	27.3	17.4 ^a	17.9	14.8 ^a	7.9	38.4 ^a	46.9
Benin	159	179	25.8	18.3	53.2	57.7	6.9	2.3	14.1	21.7
Bolivia	174	419	44.8	26.6	31.5	48.0	9.8	12.2	13.9	13.2
Bosnia and Herzegovina	457	1,112	3.8	8.3	54.1	53.1	2.6	4.2	39.5	34.5
Botswana	236	771	16.2	10.5	68.5	69.7	7.8	2.9	7.5	16.9
Brazil	6,005	17,946	43.3	19.2	16.2	24.1	16.9	5.9	23.6	50.9
Bulgaria	1,431	5,041	34.5	27.3	33.0	51.8	..	1.6	32.5	19.4
Burkina Faso	38	..	17.3	..	47.8	..	..	..	34.8	..
Burundi	4	6	46.2	14.7	32.4	23.5	0.5	0.9	21.0	60.9
Cambodia	103	1,244	30.5	13.4	51.7	77.5	..	1.2	17.7	8.0
Cameroon	242	869	48.3	16.8	14.8	18.2	7.2	5.7	29.7	59.3
Canada	25,425	57,750	20.7	18.5	31.1	25.4	11.4	9.3	36.8	46.8
Central African Republic	..	..	34.1	..	33.9	..	19.6	..	12.5	..
Chad	23	..	4.5	..	49.8	..	1.7	..	43.9	..
Chile	3,249	7,406	36.8	60.3	28.0	16.4	7.4	2.7	27.8	20.5
China	18,430	91,421	18.2	23.0	47.4	37.1	10.1	0.8	24.4	39.1
Hong Kong, China	33,790	72,283	32.5	31.9	16.8	16.2	9.2	10.6	41.5	41.4
Colombia	1,641	3,297	34.4	27.3	40.0	47.0	6.5	1.8	19.1	23.9
Congo, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	61	223	52.2	34.3	22.4	15.1	0.0	..	25.4	50.6
Costa Rica	957	2,916	14.0	9.9	71.2	59.4	-0.2	0.4	14.9	30.4
Côte d'Ivoire	426	680	28.9	26.2	20.9	12.4	12.3	..	37.9	61.4
Croatia	2,223	10,808	31.8	11.5	60.7	73.9	1.3	0.7	6.2	13.9
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	6,638	13,296	22.0	28.1	43.4	37.8	1.1	3.0	33.5	31.1
Denmark	15,171	52,679	44.6	47.1	24.3	15.6	..	..	31.0	37.4
Dominican Republic	1,894	4,153	2.2	3.3	82.9	91.3	..	0.7	14.9	4.7
Ecuador	687	939	46.8	37.5	37.1	52.2	0.0	0.0	16.0	10.3
Egypt, Arab Rep.	8,262	15,834	38.8	34.7	32.5	47.9	1.0	1.2	27.8	16.2
El Salvador	342	1,464	28.3	24.0	25.0	59.5	7.8	2.3	39.0	14.2
Eritrea	49	..	70.4	..	3.1	..	..	..	26.5	..
Estonia	868	3,451	43.0	41.5	41.1	30.0	0.4	2.4	15.5	26.1
Ethiopia	310	890	76.9	65.6	5.3	18.2	1.5	2.3	16.4	13.9
Finland	7,334	15,981	28.1	17.3	22.4	14.9	2.0	0.9	47.5	67.0
France	83,108	117,586	24.6	22.3	33.2	39.5	5.3	1.9	36.9	36.3
Gabon	191	136	46.4	59.8	9.0	7.2	3.3	17.1	41.3	15.9
Gambia, The	38	92	21.7	17.5	73.4	71.9	0.3	0.4	4.7	10.3
Georgia	188	817	48.2	52.2	25.0	38.3	..	4.0	26.9	5.5
Germany	73,576	166,926	27.0	25.0	24.5	19.7	5.0	7.0	43.5	48.3
Ghana	139	1,301	58.7	15.8	7.9	66.2	3.0	0.8	30.3	17.3
Greece	9,528	35,671	3.9	50.4	43.4	40.4	0.3	1.0	52.4	8.2
Guatemala	628	1,292	8.6	9.5	33.9	75.0	4.0	7.7	53.6	7.8
Guinea	17	31	75.3	21.8	5.1	..	1.4	0.4	18.2	77.8
Guinea-Bissau	2	6	18.2	22.9	..	16.6	..	19.5	81.8	41.0
Haiti	98	150	5.1	..	91.9	90.5	0.6	..	2.4	9.5

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 total		% of total		% of total		% of total	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Honduras	221	709	25.6	8.5	36.3	68.9	2.0	2.3	36.1	20.3
Hungary	5,086	13,191	8.0	18.1	57.6	32.3	3.2	1.3	31.3	48.3
India	6,763	75,057	28.0	10.2	38.2	11.9	2.5	4.2	31.4	73.7
Indonesia	5,342	11,091	..	19.0	97.9	40.1	..	1.9	2.1	39.0
Iran, Islamic Rep.	533	..	25.9	..	12.6	..	8.8	..	52.7	..
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	4,799	68,660	22.2	4.3	46.1	7.8	..	27.4	31.7	60.5
Israel	7,741	19,229	26.0	19.3	38.7	14.4	0.2	0.1	35.1	66.1
Italy	61,173	97,151	17.7	16.2	47.0	39.4	6.6	3.9	28.8	40.5
Jamaica	1,568	2,613	16.0	17.6	68.2	71.6	1.1	2.1	14.7	8.8
Japan	63,966	115,140	35.2	32.7	5.0	7.4	0.9	6.7	58.8	53.2
Jordan	1,689	2,432	24.8	21.7	39.1	67.5	..	..	36.1	10.8
Kazakhstan	535	2,584	65.7	56.4	22.7	32.4	0.0	1.2	11.6	9.9
Kenya	851	2,011	33.2	50.8	57.1	34.2	2.3	0.4	7.4	14.6
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	22,133	50,385	41.9	51.3	23.3	10.6	0.4	5.8	34.5	32.3
Kuwait	1,124	6,024	83.6	38.6	10.7	3.4	5.7	1.6	..	56.4
Kyrgyz Republic	39	351	39.6	16.1	11.9	47.5	..	1.0	48.4	35.4
Lao PDR	68	..	22.8	..	76.0	..	0.6	..	0.6	..
Latvia	718	2,613	91.9	54.1	2.8	18.4	2.4	7.3	3.0	20.3
Lebanon	..	11,609	..	4.1	..	43.2	..	2.2	..	50.5
Lesotho	30	51	7.0	1.3	90.9	53.8	1.4	-0.4	0.7	45.3
Liberia	..	..	..	..	..	..	..	..	..	..
Libya	20	385	62.7	33.2	12.0	49.4	..	14.3	25.3	3.1
Lithuania	482	3,583	59.6	54.3	16.0	29.0	0.9	0.5	23.5	16.2
Macedonia, FYR	151	581	32.0	32.0	13.6	22.2	3.6	1.9	50.7	43.9
Madagascar	219	420	29.8	28.2	26.3	43.7	2.2	0.1	41.6	28.1
Malawi	24	..	27.6	..	72.4	..	..	..	..	..
Malaysia	11,438	21,722	21.6	19.5	34.7	48.0	..	1.7	43.7	30.9
Mali	68	253	32.5	13.8	37.3	58.5	5.1	2.9	25.2	24.7
Mauritania	19	..	9.1	..	57.9	..	..	..	33.0	..
Mauritius	773	1,663	25.8	21.8	55.6	60.5	0.0	1.7	18.5	16.1
Mexico	9,585	16,372	12.1	11.7	64.5	74.4	6.7	7.7	16.7	6.2
Moldova	143	471	29.5	47.5	39.8	23.7	11.6	1.0	19.1	27.7
Mongolia	47	483	31.7	44.4	43.6	46.6	5.3	2.0	19.5	7.0
Morocco	2,020	9,318	20.3	15.9	64.2	64.2	1.4	0.8	14.2	19.0
Mozambique	242	355	24.8	29.6	..	39.4	..	0.5	75.2	30.5
Myanmar	353	256	6.5	50.8	42.7	18.1	0.0	..	50.9	31.2
Namibia	301	509	..	20.6	92.4	75.0	1.5	0.3	6.2	4.1
Nepal	592	252	9.3	14.0	30.0	50.8	..	0.6	60.7	34.6
Netherlands	44,646	80,180	40.4	25.7	14.7	14.2	1.2	1.9	43.7	58.2
New Zealand	4,401	7,776	34.7	21.3	52.7	58.7	0.1	1.4	12.6	18.7
Nicaragua	94	302	17.7	12.8	52.5	76.3	2.5	1.1	27.4	9.7
Niger	12	84	3.3	10.1	57.8	51.2	0.0	1.1	38.9	37.6
Nigeria	608	4,164	16.4	17.5	2.8	0.4	0.6	0.2	80.2	81.8
Norway	13,458	32,730	63.3	46.6	16.6	11.0	3.7	3.3	16.4	39.1
Oman	13	913	7.7	34.8	81.2	59.0	1.1	0.6	10.0	5.7
Pakistan	1,432	2,246	58.0	49.6	7.7	11.3	1.0	3.7	33.4	35.4
Panama	1,298	3,897	60.4	56.9	23.8	24.6	6.1	7.9	9.6	10.6
Papua New Guinea	321	285	10.8	10.9	7.8	1.3	1.2	5.4	80.2	82.4
Paraguay	566	735	13.3	13.2	24.3	12.3	5.0	4.2	57.4	70.3
Peru	1,042	2,323	32.5	22.6	41.1	59.4	7.2	4.7	19.3	13.3
Philippines	9,323	6,453	2.9	17.8	12.2	54.3	0.7	2.0	84.2	25.9
Poland	10,637	20,522	28.6	34.0	21.7	35.3	8.3	1.5	41.4	29.2
Portugal	8,161	17,624	18.6	22.7	59.2	47.6	4.5	2.1	17.7	27.6
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 total		% of total		% of total		% of total	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Romania	1,476	7,005	31.9	26.9	40.0	18.7	5.4	2.0	22.7	52.5
Russian Federation	10,568	30,691	35.8	32.8	40.8	24.9	0.6	3.1	22.8	39.2
Rwanda	11	74	60.6	40.6	21.9	42.2	..	3.8	17.6	13.4
Saudi Arabia	3,475	7,297	..	..	..	..	..	..	..	..
Senegal	364	598	15.4	16.1	46.1	35.3	0.6	1.6	37.9	47.0
Serbia	..	..	..	..	..	..	..	..	..	..
Sierra Leone	71	40	13.7	34.2	80.5	57.9	0.3	6.1	5.6	1.8
Singapore	25,404	58,957	32.7	35.6	30.0	12.0	8.5	9.4	28.9	43.1
Slovak Republic	2,378	3,270	25.9	43.2	26.2	26.4	4.9	2.3	43.0	28.0
Slovenia	2,016	4,337	25.1	30.7	53.8	41.4	0.6	1.2	20.6	26.7
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	4,414	11,712	24.2	12.7	48.2	67.2	9.9	7.3	17.7	12.7
Spain	40,019	105,483	15.8	17.2	63.4	48.6	3.9	4.4	16.9	29.7
Sri Lanka	800	1,604	41.9	46.8	28.2	25.6	3.4	3.6	26.5	24.0
Sudan	82	178	0.9	10.5	9.7	70.6	3.7	14.1	85.8	4.8
Swaziland	150	274	18.2	3.9	32.2	27.1	0.0	13.8	49.6	55.1
Sweden	15,336	49,921	32.2	18.5	22.6	18.3	2.4	5.7	42.7	57.5
Switzerland	25,179	50,729	15.1	9.3	37.6	21.0	27.8	33.4	19.5	36.4
Syrian Arab Republic	1,632	2,649	14.5	8.2	77.1	76.4	..	2.4	8.4	12.9
Tajikistan	..	110	..	56.0	..	1.9	..	8.1	..	34.0
Tanzania	566	1,422	0.3	24.0	88.6	64.3	0.0	1.1	11.1	10.7
Thailand	14,652	23,944	16.8	22.5	54.8	51.9	0.7	1.1	27.7	24.6
Timor-Leste	..	..	..	..	..	..	..	..	..	..
Togo	64	145	33.9	39.1	19.9	14.0	1.8	1.0	44.3	45.9
Trinidad and Tobago	331	883	58.6	24.4	23.4	51.3	9.2	15.3	8.8	9.0
Tunisia	2,401	4,162	24.9	29.9	63.7	54.7	1.5	2.7	9.8	12.7
Turkey	14,475	24,233	11.8	17.5	34.2	69.5	1.5	2.1	52.4	10.9
Turkmenistan	79	..	79.9	..	9.3	..	0.9	..	10.0	..
Uganda	104	476	17.9	2.3	75.1	74.5	..	5.2	7.0	18.0
Ukraine	2,846	10,822	75.6	49.4	6.7	32.2	2.7	1.4	15.0	17.0
United Arab Emirates	..	..	..	..	..	..	..	..	..	..
United Kingdom	77,549	225,868	20.7	13.6	26.4	15.0	17.5	26.0	35.4	45.4
United States	198,501	397,833	22.7	17.2	37.7	26.8	4.2	11.7	35.5	44.3
Uruguay	1,309	1,259	30.5	34.4	46.7	47.5	1.5	5.3	21.3	12.8
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	1,529	1,469	38.2	27.8	55.5	52.3	0.1	0.1	6.1	19.7
Vietnam	2,243	4,176	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	141	468	21.9	6.7	35.3	38.6	..	..	42.8	54.7
Zambia	112	238	64.3	35.7	25.9	46.2	..	7.4	9.8	10.7
Zimbabwe	353	..	26.4	..	50.6	..	0.3	..	22.7	..
World	1,210,617 t	2,767,235 t	26.9 w	23.2 w	32.5 w	27.6 w	5.9 w	7.5 w	36.2 w	41.7 w
Low income	18,274	111,021	26.7	19.7	25.2	18.2	2.2	3.5	46.3	58.8
Middle income	183,341	459,244	25.0	22.9	45.6	45.8	6.0	2.9	26.4	28.4
Lower middle income	87,021	232,986	21.6	23.2	47.9	42.5	6.6	1.3	27.9	32.9
Upper middle income	96,501	227,532	27.4	22.7	43.7	48.3	5.5	4.1	25.1	25.0
Low & middle income	201,502	566,671	25.1	22.7	44.0	44.2	5.7	3.0	27.9	30.2
East Asia & Pacific	62,745	163,462	17.4	21.5	49.2	42.8	7.1	1.2	30.6	34.5
Europe & Central Asia	56,445	149,843	33.6	32.3	34.9	33.3	2.6	2.2	29.1	32.1
Latin America & Carib.	37,663	79,286	24.0	18.9	51.3	56.6	6.9	5.2	17.9	19.3
Middle East & N. Africa	..	..	..	..	..	..	..	..	..	..
South Asia	10,333	80,602	31.8	19.3	29.7	13.7	2.1	4.2	36.4	62.8
Sub-Saharan Africa	11,933	35,650	25.7	16.9	31.8	43.0	5.8	4.6	40.2	36.1
High income	1,006,903	2,200,476	27.4	23.4	29.1	22.7	6.0	8.8	38.7	45.1
Euro area	419,928	872,274	25.6	22.3	31.5	26.7	5.6	5.5	37.5	45.4

a. Includes Luxembourg.

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 varies considerably 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. An example 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.

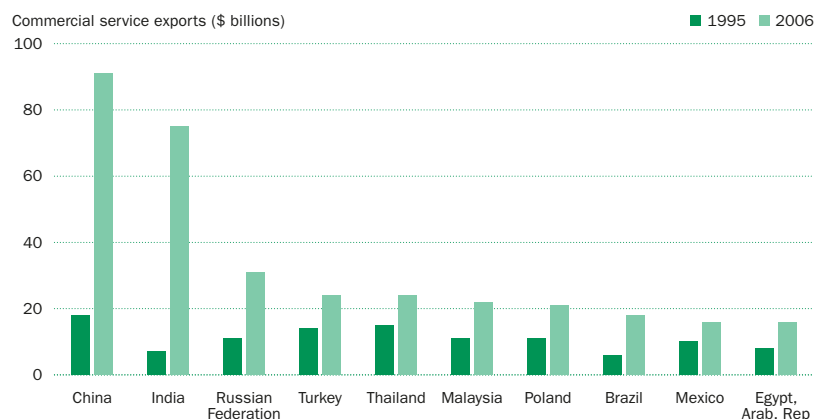
The data on exports of services in the table and on imports of services in table 4.7, unlike those in editions before 2000, include only commercial services and exclude the category "government services not included elsewhere." The data are compiled by the IMF based on returns from national sources. 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.

Top 10 developing country exporters of commercial services in 2006

4.6a



The top 10 developing country exporters of commercial services accounted for almost 60 percent of developing country commercial service exports and 12 percent of world commercial service exports.

Source: International Monetary Fund balance of payments data files.

Data sources

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



4.7

Structure of service imports

	Commercial service imports		Transport		Travel		Insurance and financial services		Computer, information, communications, and other commercial services	
	\$ millions		% of total		% of total		% of total		% of total	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Afghanistan	..	..	..	..	..	..	..	..	..	..
Albania	98	1,552	61.4	16.1	6.7	62.1	22.1	3.6	9.8	18.1
Algeria	..	..	..	..	..	..	..	..	..	..
Angola	1,665	6,860	18.2	23.7	4.5	2.2	2.7	6.1	74.6	68.0
Argentina	6,992	8,222	30.1	27.8	46.9	38.1	7.1	4.4	15.9	29.7
Armenia	52	600	82.6	38.6	6.2	47.7	10.3	5.2	0.9	8.5
Australia	16,979	31,631	36.9	35.8	30.4	37.0	7.2	3.6	25.6	23.6
Austria	27,552	32,398	11.9	14.9	39.5	22.4	5.6	6.6	43.0	56.0
Azerbaijan	297	2,784	31.1	18.3	49.1	7.2	0.8	4.3	19.0	70.2
Bangladesh	1,192	2,111	65.0	76.1	19.6	6.6	5.6	9.3	9.7	8.0
Belarus	276	1,454	35.9	24.9	31.5	50.5	3.6	2.4	29.0	22.1
Belgium	32,511 ^a	52,285	24.1 ^a	24.9	27.7 ^a	29.6	10.2 ^a	7.7	38.0 ^a	37.8
Benin	235	267	59.2	65.2	14.7	10.1	10.4	11.2	15.7	13.5
Bolivia	321	787	65.9	38.0	15.0	28.7	9.3	15.5	9.9	17.8
Bosnia and Herzegovina	262	493	51.5	42.5	30.9	32.1	9.5	12.2	8.1	13.2
Botswana	440	834	42.6	38.6	33.0	33.2	8.1	3.5	16.3	24.7
Brazil	13,161	27,149	44.1	24.2	25.8	21.2	9.6	6.0	20.6	48.6
Bulgaria	1,278	4,103	41.5	32.6	15.3	35.9	..	4.6	43.2	26.9
Burkina Faso	116	..	56.0	..	19.6	..	4.8	..	19.6	..
Burundi	62	190	49.4	26.5	41.0	66.0	5.9	2.5	3.8	5.0
Cambodia	181	746	46.4	58.4	4.6	16.4	4.3	6.0	44.7	19.2
Cameroon	485	1,454	35.4	26.4	21.7	22.2	7.2	7.2	35.7	44.2
Canada	32,985	71,746	24.1	23.6	31.1	28.6	11.3	10.8	33.5	37.0
Central African Republic	114	..	43.7	..	38.0	..	7.9	..	10.4	..
Chad	174	..	55.0	..	14.9	..	1.5	..	28.6	..
Chile	3,524	8,289	54.0	54.9	19.9	15.1	4.1	9.7	21.9	20.3
China	24,635	100,327	38.7	34.3	15.0	24.2	17.3	9.7	29.0	31.8
Hong Kong, China	24,962	36,533	22.2	30.9	54.0	39.3	6.2	5.9	17.6	23.8
Colombia	2,813	5,425	42.4	41.5	31.2	24.5	11.9	8.8	14.5	25.1
Congo, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Congo, Rep.	690	1,550	18.6	19.9	7.5	6.6	7.3	..	66.6	73.5
Costa Rica	895	1,608	41.4	38.9	36.1	30.2	4.6	7.1	17.9	23.8
Côte d'Ivoire	1,235	2,073	50.5	52.3	15.4	17.4	11.0	..	23.2	30.3
Croatia	1,327	3,491	29.5	20.3	31.8	21.1	3.4	5.3	35.3	53.3
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic	4,860	11,726	16.5	23.4	33.7	22.8	5.2	11.3	44.7	42.5
Denmark	13,945	46,137	45.1	43.4	30.8	21.8	..	..	24.1	34.8
Dominican Republic	957	1,486	61.1	62.5	18.1	22.4	10.2	8.2	10.6	6.9
Ecuador	1,141	2,265	42.4	51.7	20.6	20.6	5.9	6.3	31.1	21.4
Egypt, Arab Rep.	4,511	10,288	35.1	44.0	28.3	17.3	4.6	10.2	32.0	28.5
El Salvador	488	1,458	55.1	40.5	14.9	35.5	11.0	8.3	19.0	15.7
Eritrea	45	..	..	..	6.9	..	..	..	93.1	..
Estonia	420	2,427	52.9	42.5	21.5	24.4	4.7	2.2	20.9	30.9
Ethiopia	337	1,154	63.4	54.9	7.5	8.4	7.4	5.7	21.7	31.0
Finland	9,418	15,571	22.8	28.5	24.2	22.0	5.0	1.3	48.0	48.2
France	64,523	106,949	32.9	27.5	25.4	29.2	6.1	5.7	35.6	37.5
Gabon	832	921	17.7	33.5	16.5	23.2	8.6	5.8	57.2	37.5
Gambia, The	47	94	59.6	36.1	30.4	6.8	5.8	5.4	4.2	51.7
Georgia	249	687	27.0	56.4	62.8	24.3	8.4	12.3	1.8	7.0
Germany	130,490	213,283	18.2	24.1	46.2	34.8	1.5	3.7	34.1	37.5
Ghana	331	1,442	61.3	51.3	6.2	23.9	6.5	4.8	26.0	20.0
Greece	4,003	15,899	29.9	55.2	33.1	18.9	4.5	6.8	32.5	19.2
Guatemala	672	1,628	41.4	52.0	21.0	30.4	8.7	12.6	28.9	5.1
Guinea	252	195	58.4	47.3	8.4	12.8	7.2	12.7	26.0	27.2
Guinea-Bissau	27	42	53.1	53.5	14.1	30.9	4.7	0.4	28.1	15.1
Haiti	236	370	77.6	79.5	14.7	15.1	1.7	1.7	5.9	3.7

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 total		% of total		% of total		% of total	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Honduras	326	994	60.4	48.7	17.5	28.5	2.5	..	19.7	22.8
Hungary	3,765	11,485	12.8	21.0	39.8	18.5	4.9	4.0	42.5	56.5
India	10,062	63,053	56.7	40.0	9.9	11.7	5.6	6.3	27.9	42.1
Indonesia	13,230	21,406	36.7	38.2	16.4	16.8	3.4	3.5	43.4	41.5
Iran, Islamic Rep.	2,192	..	43.0	..	11.0	..	9.9	..	36.1	..
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	11,252	78,460	15.9	3.2	18.1	8.7	1.4	17.5	64.6	70.5
Israel	8,134	14,704	44.9	32.5	26.1	20.3	3.0	2.8	26.0	44.4
Italy	54,613	98,005	24.5	23.1	27.2	23.6	9.7	4.0	38.6	49.3
Jamaica	1,073	1,969	46.3	45.0	13.8	13.9	9.2	10.7	30.8	30.5
Japan	121,547	133,899	29.6	32.0	30.2	20.1	2.4	5.6	37.8	42.3
Jordan	1,385	2,596	52.3	57.4	30.7	24.1	6.1	8.9	10.9	9.7
Kazakhstan	776	8,581	38.4	17.6	36.4	9.6	..	5.0	25.2	67.8
Kenya	733	1,265	58.8	53.0	19.8	14.1	9.8	13.1	11.6	19.9
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	25,394	69,787	38.0	33.5	25.0	26.1	1.5	2.2	35.5	38.2
Kuwait	3,826	8,359	39.4	34.0	58.8	62.8	1.7	1.6	0.1	1.6
Kyrgyz Republic	193	456	27.1	39.0	3.4	20.1	4.3	4.8	65.3	36.1
Lao PDR	119	..	43.3	..	25.0	..	4.0	..	27.7	..
Latvia	225	1,962	68.2	32.6	10.8	35.9	7.0	2.9	14.0	28.7
Lebanon	..	8,692	..	16.9	..	34.6	..	3.2	..	45.3
Lesotho	58	75	74.9	72.9	22.6	25.1	0.2	..	2.4	2.0
Liberia	..	..	..	..	..	..	..	..	..	..
Libya	510	2,324	60.4	50.9	15.0	28.7	..	8.5	24.7	11.9
Lithuania	457	2,462	63.9	45.1	23.3	36.9	1.1	2.5	11.7	15.4
Macedonia, FYR	300	548	49.6	42.3	8.8	12.9	20.7	4.4	20.9	40.4
Madagascar	277	462	55.6	48.5	21.1	15.9	3.7	1.0	19.6	34.7
Malawi	151	..	66.8	..	26.0	..	0.1	..	7.2	..
Malaysia	14,821	23,493	37.8	40.8	15.6	17.1	..	3.1	46.5	39.0
Mali	412	583	59.6	61.9	11.9	13.2	1.4	6.8	27.1	18.0
Mauritania	197	..	61.5	..	11.6	..	1.4	..	25.4	..
Mauritius	630	1,319	39.9	40.5	25.2	24.8	4.6	5.4	30.3	29.3
Mexico	9,021	22,329	38.0	12.0	35.1	36.3	12.5	43.2	14.4	8.4
Moldova	193	455	51.6	37.7	29.2	41.2	9.3	2.3	9.9	18.7
Mongolia	87	514	69.6	49.5	22.3	36.5	..	3.9	8.1	10.1
Morocco	1,350	3,568	48.1	49.1	22.4	19.7	3.5	2.6	25.9	28.6
Mozambique	350	729	32.7	37.5	..	24.6	2.2	2.0	65.1	35.9
Myanmar	233	547	11.0	46.5	7.7	6.8	0.5	..	80.8	46.8
Namibia	538	421	36.5	35.6	16.7	28.1	9.5	5.5	37.3	30.8
Nepal	305	488	36.3	38.2	44.7	37.9	3.0	5.9	15.9	18.0
Netherlands	43,618	78,730	28.9	22.1	26.8	21.7	3.0	2.6	41.3	53.7
New Zealand	4,571	7,675	41.2	33.7	27.5	32.9	5.2	3.7	26.1	29.7
Nicaragua	207	457	39.1	56.0	19.3	21.2	3.3	9.6	38.3	13.2
Niger	120	277	74.4	77.1	11.1	11.0	2.6	2.2	12.0	9.7
Nigeria	4,398	7,321	22.4	20.7	20.6	15.1	2.5	..	54.4	64.2
Norway	13,052	30,776	38.2	30.4	32.4	37.6	5.6	4.3	23.7	27.7
Oman	985	3,740	41.8	33.1	4.8	18.4	4.6	9.2	48.8	39.4
Pakistan	2,431	8,087	67.0	37.4	18.4	19.1	4.3	3.1	10.3	40.4
Panama	1,049	1,666	71.0	56.9	11.5	16.3	8.8	14.3	8.7	12.4
Papua New Guinea	642	1,151	25.2	24.2	9.1	4.8	2.8	10.3	63.0	60.7
Paraguay	676	405	66.4	61.9	19.7	22.5	12.4	12.3	1.4	3.3
Peru	1,781	3,269	50.8	44.7	16.7	23.3	10.2	8.8	22.3	23.3
Philippines	6,906	6,024	29.7	56.3	6.1	20.5	1.6	4.1	62.6	19.2
Poland	7,008	17,949	25.2	23.7	5.9	32.1	13.6	4.3	55.3	39.9
Portugal	6,339	11,314	26.8	31.5	33.1	29.2	8.9	4.4	31.1	35.0
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 total		% of total		% of total		% of total	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Romania	1,801	6,901	33.5	34.8	38.7	19.0	5.3	5.4	22.4	40.8
Russian Federation	20,206	43,703	16.4	15.4	57.4	41.7	0.4	3.7	25.9	39.2
Rwanda	58	214	72.8	51.7	17.1	16.4	..	6.9	10.1	25.0
Saudi Arabia	8,670	19,390	25.3	27.3	..	..	2.8	3.0	71.9	69.6
Senegal	405	681	57.1	55.8	17.7	8.4	7.0	10.2	18.2	25.6
Serbia	..	..	..	..	..	..	..	..	..	..
Sierra Leone	79	75	17.4	58.8	62.5	16.7	3.8	10.1	16.3	14.4
Singapore	20,728	61,745	44.8	37.2	22.5	16.8	10.1	6.6	22.6	39.5
Slovak Republic	1,800	3,012	17.0	29.8	17.8	19.0	4.9	8.7	60.2	42.4
Slovenia	1,429	3,222	30.6	23.5	40.2	30.2	1.8	2.5	27.4	43.8
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	5,756	13,949	39.9	47.5	32.1	24.3	14.1	5.5	13.8	22.7
Spain	22,354	77,902	31.1	26.4	20.3	21.4	7.4	7.8	41.2	44.4
Sri Lanka	1,169	2,359	58.1	62.0	15.9	15.8	5.4	5.9	20.5	16.2
Sudan	150	2,718	27.3	45.8	28.7	51.6	0.3	0.4	43.7	2.3
Swaziland	206	360	15.7	10.9	20.7	13.4	4.3	18.5	59.2	57.2
Sweden	17,112	39,638	28.4	16.3	31.8	29.1	1.4	3.7	38.4	50.9
Switzerland	14,899	28,616	35.2	21.3	49.8	34.7	1.1	6.1	13.9	37.9
Syrian Arab Republic	1,358	2,437	57.2	51.5	36.7	22.2	..	15.2	6.1	11.2
Tajikistan	..	393	..	61.5	..	1.5	..	8.1	..	28.9
Tanzania	729	1,212	29.8	34.5	49.4	44.1	2.7	4.6	18.0	16.8
Thailand	18,629	32,241	41.8	50.3	22.9	14.4	5.2	5.6	30.2	29.8
Timor-Leste	..	..	..	..	..	..	..	..	..	..
Togo	148	276	70.8	77.3	12.5	2.8	4.4	12.0	12.3	7.9
Trinidad and Tobago	223	471	42.2	40.7	31.0	38.2	7.9	6.5	18.8	14.6
Tunisia	1,245	2,338	45.3	52.8	20.1	17.5	6.5	8.9	28.1	20.8
Turkey	4,654	10,152	30.3	42.4	19.6	27.0	8.4	13.5	41.7	17.0
Turkmenistan	403	..	40.4	..	18.2	..	6.9	..	34.6	..
Uganda	563	975	38.2	48.4	14.3	14.0	4.2	6.3	43.3	31.2
Ukraine	1,334	8,582	34.0	37.4	15.7	33.0	7.3	6.3	42.9	23.3
United Arab Emirates	..	..	..	..	..	..	..	..	..	..
United Kingdom	62,524	170,962	27.1	20.9	39.9	37.0	4.4	7.3	28.7	34.7
United States	129,227	308,349	32.3	30.1	35.8	24.9	5.9	13.6	26.0	31.4
Uruguay	814	863	46.2	49.1	29.0	24.7	4.5	4.6	20.2	21.6
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	4,654	5,797	30.7	47.8	36.8	21.2	2.6	8.5	29.9	22.5
Vietnam	2,304	5,282	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	604	1,800	35.6	40.9	12.5	9.0	7.1	7.5	44.8	42.6
Zambia	282	560	78.9	57.6	9.2	9.4	0.0	10.1	11.9	23.0
Zimbabwe	645	..	56.0	..	18.7	..	2.9	..	22.5	..
World	1,220,158 t	2,580,923 t	31.2 w	28.8 w	30.9 w	26.6 w	6.2 w	8.7 w	32.1 w	36.1 w
Low income	32,423	122,594	52.6	45.4	14.4	14.5	5.1	6.8	28.3	34.3
Middle income	210,450	497,838	37.0	33.4	23.8	25.8	9.8	12.6	30.1	28.3
Lower middle income	99,850	250,874	40.3	41.4	17.1	22.4	10.8	7.8	31.9	28.5
Upper middle income	110,799	247,787	34.6	27.3	28.9	28.4	9.0	16.1	28.8	28.1
Low & middle income	242,630	616,140	38.4	34.3	23.0	25.0	9.4	12.1	30.0	28.7
East Asia & Pacific	82,593	194,456	38.0	40.0	15.5	20.6	12.1	6.9	36.7	32.5
Europe & Central Asia	49,260	141,959	26.7	28.5	27.6	30.3	6.7	6.4	39.4	34.9
Latin America & Carib.	52,171	98,845	41.3	25.6	31.2	30.1	10.1	25.2	17.4	19.3
Middle East & N. Africa	20,192	49,265	44.6	..	20.2	..	..	..	29.7	..
South Asia	15,377	77,047	58.6	45.4	13.4	13.1	5.3	6.1	22.6	35.3
Sub-Saharan Africa	24,433	58,709	40.2	45.5	24.1	22.8	8.8	6.0	27.7	26.1
High income	976,943	1,969,987	29.2	27.3	33.0	27.0	5.4	7.8	32.7	38.1
Euro area	421,365	818,771	24.9	24.9	31.8	27.6	5.4	5.2	38.0	42.4

a. Includes Luxembourg.

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.

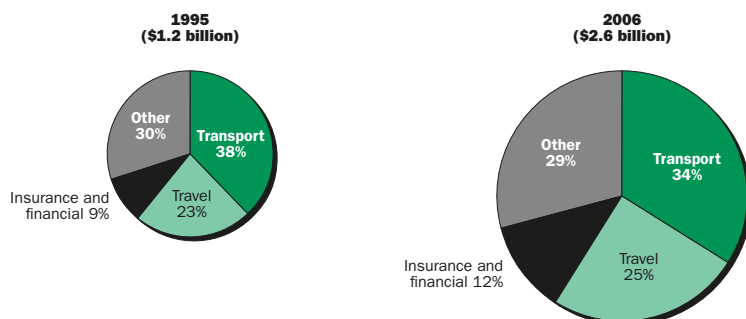
The data on imports of services in the table and on exports of services in table 4.6, unlike those in editions before 2000, include only commercial services and exclude the category "government services not included elsewhere." The data are compiled by the International Monetary Fund (IMF) based on returns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

The mix of commercial service imports by developing countries is changing

4.7a



Between 1995 and 2006 developing economies' commercial service imports more than doubled. Insurance and financial services and travel services are displacing transport and other services as the most important services imported.

Source: International Monetary Fund balance of payments data files.

Data sources

Data on imports of commercial services are from the IMF, which 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	2006	1990	2006	1990	2006	1990	2006	1990	2006	1990	2006
Afghanistan	..	110	..	9	..	25	..	12	..	56	..	24
Albania	87	90	14	9	21	25	12	25	35	49	21	17
Algeria	55	33	17	12	31	30	26	48	29	24	26	51
Angola	51	50	.. ^a	.. ^a	35	14	82	74	68	38	30	37
Argentina	69	59	13	12	18	24	10	25	10	19	16	26
Armenia	109	70	11	11	18	34	24	22	62	36	-7	30
Australia	59	57	18	18	23	27	19	20	20	22	19	21
Austria	57	56	20	18	23	21	35	58	35	52	21	26
Azerbaijan	77	31	13	8	24	32	28	70	42	41	14	50
Bangladesh	83	76	5	6	19	25	11	19	17	25	21	34
Belarus	59	54	21	20	25	30	50	60	54	64	21	26
Belgium	54	53	22	23	20	22	68	88	63	85	25	24
Benin	82	78	11	15	20	20	20	13	33	26	8	11
Bolivia	76	63	14	15	15	12	23	42	27	33	11	26
Bosnia and Herzegovina	131	82	.. ^a	24	20	16	20	25	71	47	10	7
Botswana	34	28	29	20	25	26	51	55	38	29	36	52
Brazil	62	60	21	20	18	17	7	15	9	12	16	17
Bulgaria	71	70	15	17	16	32	45	64	46	83	12	16
Burkina Faso	63	77	25	21	24	17	14	11	27	25	18	6
Burundi	89	91	19	29	6	17	13	11	27	48	4	1
Cambodia	95	82	6	3	15	21	31	69	47	76	6	17
Cameroon	72	72	9	11	13	18	24	26	18	27	14	17
Canada	57	55	21	19	19	22	37	38	34	34	18	24
Central African Republic	79	88	15	10	14	9	20	14	28	22	6	6
Chad	91	52	7	6	13	22	22	59	34	38	5	23
Chile	61	55	10	10	26	20	29	45	27	31	25	24
China	42	33	14	14	42	45	23	40	21	32	43	54
Hong Kong, China	62	59	8	8	34	21	143	205	148	194	31	32
Colombia	65	61	15	18	26	24	15	22	21	25	18	20
Congo, Dem. Rep.	81	88	5	7	9	16	28	29	24	41	1	9
Congo, Rep.	49	17	13	14	37	24	65	91	64	46	-3	20
Costa Rica	71	66	14	14	18	27	38	50	40	56	15	19
Côte d'Ivoire	66	72	11	8	16	10	42	51	34	41	12	14
Croatia	64	56	29	20	18	33	39	48	49	57	11	24
Cuba	71	..	24	..	7	..	13	..	16	..	..	..
Czech Republic	51	48	21	21	33	27	51	76	55	73	29	24
Denmark	51	49	25	26	20	23	38	52	34	49	22	25
Dominican Republic	79	80	5	7	19	20	31	33	34	40	18	18
Ecuador	68	65	13	11	22	23	26	34	28	33	17	27
Egypt, Arab Rep.	74	71	11	12	20	19	23	30	28	32	22	22
El Salvador	87	94	9	10	20	16	22	27	38	47	15	12
Eritrea	94	81	44	42	23	19	22	8	83	50	4	9
Estonia	54	55	27	17	27	38	68	80	76	90	22	25
Ethiopia	80	94	8	12	18	20	10	16	16	42	21	9
Finland	52	51	23	21	18	21	36	44	29	38	21	27
France	57	57	24	24	19	21	23	27	22	28	19	19
Gabon	41	27	12	8	23	23	59	65	36	24	33	41
Gambia, The	90	96	14	.. ^a	20	25	49	45	73	65	6	10
Georgia	102	82	11	15	4	27	26	33	42	57	-7	7
Germany	58	58	20	18	22	18	24	45	23	40	20	23
Ghana	76	79	12	13	20	32	24	39	33	64	18	27
Greece	74	68	14	14	20	26	15	19	23	27	20	16
Guatemala	86	90	6	6	15	19	19	16	25	31	11	14
Guinea	74	84	8	5	21	13	21	32	25	35	14	8
Guinea-Bissau	95	76	6	18	22	17	12	42	35	53	5	23
Haiti	87	91	7	9	24	29	9	14	27	43	10	..

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	2006	1990	2006	1990	2006	1990	2006	1990	2006	1990	2006
Honduras	64	79	9	14	32	33	44	41	48	66	27	31
Hungary	66	64	11	10	23	25	45	78	45	77	19	19
India	64	58	11	11	27	34	11	23	12	26	27	34
Indonesia	62	62	8	9	32	25	26	31	28	26	28	26
Iran, Islamic Rep.	46	46	16	12	29	34	22	42	13	34	37	40
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	54	44	16	16	18	27	76	81	64	69	23	24
Israel	55	55	28	27	25	18	29	45	38	44	15	..
Italy	58	59	18	20	20	21	26	28	22	29	22	19
Jamaica	70	66	11	18	29	33	51	46	61	63	24	26
Japan	55	57	15	18	28	23	9	14	8	13	30	27
Jordan	65	89	24	22	33	27	52	55	73	92	29	14
Kazakhstan	68	46	14	10	23	33	39	51	44	40	18	31
Kenya	70	74	15	16	22	19	33	26	39	36	16	13
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	52	54	11	15	38	30	29	43	30	42	36	30
Kuwait	43	28	32	15	15	20	52	68	42	30	..	..
Kyrgyz Republic	75	101	20	19	18	17	29	39	42	76	9	4
Lao PDR	..	65	..	9	..	33	23	36	37	42	15	19
Latvia	63	65	24	17	14	38	43	44	45	64	14	17
Lebanon	101	89	15	15	36	12	11	24	62	40	-3	-4
Lesotho	120	97	18	18	61	33	21	51	120	99	26	27
Liberia	..	86	..	11	..	16	9	38	72	52	..	40
Libya	59	..	22	..	12	..	29	..	22	..	..	..
Lithuania	67	65	22	18	22	27	49	60	60	70	12	13
Macedonia, FYR	70	79	19	19	21	21	33	50	43	68	14	22
Madagascar	90	78	7	9	11	25	24	30	32	41	1	16
Malawi	79	77	21	12	17	24	30	17	48	29	-4	15
Malaysia	48	50	12	12	44	21	94	117	98	100	34	32
Mali	83	75	10	10	23	23	21	32	36	40	14	13
Mauritania	77	61	11	20	20	23	37	55	45	59	17	29
Mauritius	63	68	13	14	29	25	58	60	64	67	26	19
Mexico	67	68	10	12	20	22	30	32	28	33	19	22
Moldova	57	95	27	18	25	34	49	46	58	93	19	23
Mongolia	56	48	13	11	32	35	48	65	49	60	35	44
Morocco	68	55	17	18	21	32	27	33	34	38	17	34
Mozambique	90	76	8	11	27	19	16	41	41	47	1	3
Myanmar	87	..	..^a	..	14	..	1	..	2	..	14	..
Namibia	54	48	30	24	22	29	49	54	56	55	31	42
Nepal	75	83	9	9	25	26	25	14	35	32	23	28
Netherlands	49	47	24	25	21	20	59	74	54	66	27	30
New Zealand	58	60	17	18	23	25	29	28	28	30	18	15
Nicaragua	83	89	11	12	22	29	19	31	35	61	-1	13
Niger	86	79	14	11	7	18	17	15	24	24	-4	12
Nigeria	70	56	11	.. ^a	16	22	44	56	42	35	11	34
Norway	50	41	22	19	22	22	38	46	32	29	26	37
Oman	51	35	25	19	15	18	44	63	36	36	..	..
Pakistan	72	75	12	11	19	22	17	15	19	23	21	24
Panama	52	66	15	12	30	20	101	73	98	71	30	18
Papua New Guinea	42	..	17	..	22	..	62	..	43	..	35	..
Paraguay	76	86	10	10	26	21	59	49	71	66	18	7
Peru	71	61	10	10	25	20	13	29	18	20	25	23
Philippines	74	77	11	10	22	14	36	46	44	48	19	33
Poland	60	62	20	19	19	20	23	41	21	41	20	18
Portugal	65	65	18	21	23	22	29	31	35	39	23	12
Puerto Rico	..	..	..	..	..	..	72	..	97	..	..	..



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	2006	1990	2006	1990	2006	1990	2006	1990	2006	1990	2006
Romania	68	73	14	13	24	24	28	34	33	44	19	13
Russian Federation	52	50	19	18	25	20	29	34	26	21	28	30
Rwanda	97	85	10	13	13	21	5	12	26	32	12	14
Saudi Arabia	47	25	24	25	20	18	38	62	28	31	20	..
Senegal	80	80	13	10	14	29	31	26	37	44	8	18
Serbia	73	78	23	21	12	21	17	27	24	47	6	10
Sierra Leone	88	85	14	13	6	15	19	23	26	36	-3	9
Singapore	41	38	8	11	34	19	..	253	..	221	52	..
Slovak Republic	52	57	22	19	24	29	57	86	55	90	27	20
Slovenia	60	54	19	19	23	27	51	69	53	70	23	25
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	63	63	18	19	18	20	23	30	22	33	17	14
Spain	60	58	18	18	22	31	22	26	22	32	22	22
Sri Lanka	73	74	11	9	26	29	36	32	46	43	20	25
Sudan	83	70	6	16	20	25	9	16	19	27	-4	10
Swaziland	76	60	22	28	20	17	75	81	93	86	18	19
Sweden	50	47	27	27	17	18	39	51	33	43	20	25
Switzerland	60	60	12	11	23	22	35	48	30	41	30	36
Syrian Arab Republic	66	67	13	13	27	16	31	39	38	36	23	17
Tajikistan	62	109	16	10	29	15	66	23	72	58	22	12
Tanzania ^b	86	70	12	18	20	19	24	24	42	31	0	11
Thailand	55	57	10	12	42	28	42	74	49	70	34	31
Timor-Leste	..	68	..	50	..	19	..	..	..	..	..	249
Togo	77	85	12	10	16	18	32	35	37	49	11	11
Trinidad and Tobago	53	51	12	13	21	16	54	65	39	43	26	32
Tunisia	63	62	16	14	25	24	45	54	49	54	20	25
Turkey	68	71	11	13	25	24	20	28	24	36	25	17
Turkmenistan	44	46	8	13	49	23	75	72	75	54	50	34
Uganda	85	77	11	14	12	23	12	15	21	29	8	15
Ukraine	55	60	21	19	27	24	47	47	50	50	24	23
United Arab Emirates	48	46	16	11	30	24	69	94	63	76	..	..
United Kingdom	64	64	20	22	17	18	28	29	29	33	15	14
United States	68	71	15	16	18	19	11	11	12	16	16	13
Uruguay	73	73	12	11	15	16	19	30	19	30	14	14
Uzbekistan	51	51	22	15	27	22	28	38	28	26	27	36
Venezuela, RB	69	48	7	11	18	25	27	37	22	21	21	40
Vietnam	74	62	8	6	27	36	33	73	42	77	19	37
West Bank and Gaza	98	95	18	32	35	27	16	16	68	70	11	10
Yemen, Rep.	71	..	14	..	22	..	51	..	58	..	20	..
Zambia	72	57	15	10	16	24	36	38	40	30	5	23
Zimbabwe	65	72	18	27	20	17	38	57	41	73	17	0
World	61 w	61 w	17 w	17 w	22 w	22 w	21 w	27 w	21 w	27 w	22 w	21 w
Low income	68	64	11	11	24	30	17	27	19	30	22	30
Middle income	59	55	15	15	27	27	25	36	25	33	26	30
Lower middle income	53	48	13	13	35	35	26	40	27	36	34	41
Upper middle income	63	61	16	15	21	21	24	33	24	30	20	22
Low & middle income	60	56	14	14	26	27	24	35	25	33	25	30
East Asia & Pacific	47	41	13	13	40	39	29	47	29	40	38	47
Europe & Central Asia	61	61	17	16	23	23	29	40	31	40	23	22
Latin America & Carib.	66	63	15	15	20	21	18	26	19	23	18	22
Middle East & N. Africa	62	57	16	14	25	26	27	38	29	35	25	30
South Asia	67	62	10	11	25	32	12	22	15	26	25	32
Sub-Saharan Africa	69	67	15	17	18	21	28	35	30	36	14	18
High income	61	62	17	18	21	21	21	26	20	26	21	19
Euro area	57	57	20	20	21	21	29	40	28	38	21	22

a. Data for general government final consumption expenditure are not available separately; they are included in household final consumption expenditure. b. Covers 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 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 all other known expenditures from GDP. 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 government fixed capital formation 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 *World Development Indicators* editions before 2006. The change was made to conform to 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 and computers), purchased by households. It excludes purchases of dwellings but includes imputed rent for owner-occupied dwellings. It also includes government fees for permits and licenses. Expenditures of nonprofit institutions serving households are included, even when reported separately. Household consumption expenditure may include any statistical discrepancy in the use of resources relative to the supply of resources.
- **General government final consumption expenditure** is 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 military expenditures with potentially wider public use that are part of government capital formation.
- **Gross capital formation** is outlays on additions to fixed assets of the economy, net changes in inventories, and net acquisitions of valuables. Fixed assets include land improvements (fences, ditches, drains); plant, machinery, and equipment purchases; and construction (roads, railways, schools, buildings, and so on). Inventories are goods held 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 (communication, construction, financial, information, business, personal, government services, and so on). They exclude compensation of employees and investment income (factor services in the 1968 SNA) and transfer payments.
- **Gross savings** are gross national income less total consumption, plus net transfers.

Data sources

Data on 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 (OECD) data files (see *Annual National Accounts for OECD Member Countries: Data from 1970 Onwards*).



	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		Imports	
	Total	2000-06	1990-2000	2000-06	1990-2000	2000-06	1990-2000	2000-06	Exports	2000-06	1990-2000	2000-06
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	4.3	5.1	5.2	4.6	2.4	2.1	25.8	4.6	18.9	11.2	15.7	12.8
Algeria	-0.1	..	-1.9	..	3.6	..	-0.6	..	3.2	..	-1.0	..
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	2.8	1.9	1.5	0.9	2.2	1.3	7.4	6.2	8.7	6.5	15.6	2.3
Armenia	-0.5	8.1	1.1	8.5	-1.5	10.9	-1.9	20.7	-18.4	15.3	-12.7	10.8
Australia	3.6	..	2.4	..	3.0	..	5.7	..	7.4	..	8.1	..
Austria	1.9	1.3	1.5	0.8	2.5	1.0	..	..	5.5	6.2	5.0	5.0
Azerbaijan	1.5	11.3	0.4	10.5	-1.7	10.0	42.9	32.0	6.8	16.4	15.5	20.3
Bangladesh	2.6	4.0	0.5	2.1	4.7	9.6	9.2	8.0	13.1	11.2	9.7	8.4
Belarus	-0.5	10.9	-0.3	11.4	-1.9	2.0	-7.5	12.5	-4.8	8.0	-8.7	10.1
Belgium	1.8	1.3	1.5	0.8	1.4	1.7	2.8	2.8	4.7	2.9	4.5	2.9
Benin	2.6	..	-0.8	..	4.4	..	12.2	7.6	1.8	..	2.1	..
Bolivia	3.6	2.4	1.3	0.5	3.6	3.2	8.5	-1.8	4.5	9.8	6.0	5.3
Bosnia and Herzegovina	..	..	..	..	..	..	..	5.8	..	8.4	..	0.7
Botswana	2.5	4.6	0.1	3.4	7.1	2.0	6.4	-2.7	4.7	4.0	3.8	0.7
Brazil ^a	3.7	2.4	2.2	1.0	1.0	3.0	4.2	0.5	5.9	9.2	11.6	4.4
Bulgaria	-3.7	5.2	-3.0	6.0	-8.4	3.5	-5.0	13.6	3.9	9.4	2.7	12.3
Burkina Faso	5.7	4.4	2.7	1.2	2.9	8.8	3.1	7.5	4.4	9.6	1.9	6.0
Burundi	-4.9	..	..	..	-2.6	..	-0.5	..	-1.2	..	-1.6	..
Cambodia ^a	6.0	7.7	3.4	5.9	7.2	2.3	10.3	13.9	21.7	16.0	14.8	14.0
Cameroon	3.1	4.1	0.5	1.8	0.7	4.9	0.4	9.3	3.2	1.4	5.1	8.5
Canada	2.6	..	1.6	..	0.3	..	4.5	..	8.7	..	7.1	..
Central African Republic ^a	..	0.3	..	-1.4	..	-4.9	..	-1.3	..	-2.6	..	-4.0
Chad ^a	1.5	3.2	-1.8	-0.3	-8.3	6.5	4.0	10.4	2.3	32.5	-1.8	13.4
Chile	7.3	5.1	5.6	4.0	3.7	3.8	9.3	7.5	9.4	5.6	11.7	9.4
China	8.9	7.2	7.8	6.6	9.7	8.8	11.5	12.4	12.9	21.1	14.3	16.9
Hong Kong, China	3.9	2.5	2.1	2.0	3.3	1.3	7.7	1.0	7.8	8.7	8.3	7.6
Colombia	2.2	4.2	0.4	2.7	10.5	1.3	2.0	13.4	5.3	4.4	9.0	11.3
Congo, Dem. Rep. ^a	-4.5	..	-7.2	..	-17.4	..	-0.7	..	-0.5	6.5	-2.4	18.3
Congo, Rep. ^a	-1.8	..	..	..	-4.4	..	10.4	..	3.0	..	2.0	..
Costa Rica ^a	5.1	3.2	2.5	1.4	2.0	1.6	5.1	11.4	10.9	5.7	9.2	6.3
Côte d'Ivoire	4.1	0.0	1.2	-1.7	0.8	2.9	8.1	-0.9	1.9	7.2	8.2	3.4
Croatia	2.7	4.6	3.2	4.9	1.3	0.4	5.4	13.2	5.9	6.1	4.6	8.1
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	3.0	3.3	3.0	3.3	-0.9	2.5	4.6	5.1	8.7	10.4	12.0	9.9
Denmark	2.2	2.4	1.8	2.1	2.4	1.5	..	..	5.1	4.1	6.1	6.2
Dominican Republic ^a	5.3	3.3	3.4	1.8	5.2	6.1	10.4	0.7	9.1	2.6	9.4	0.5
Ecuador ^a	2.1	5.8	0.3	4.7	-1.5	2.5	-0.6	10.7	5.3	6.5	2.8	11.0
Egypt, Arab Rep.	4.0	3.6	2.1	1.8	4.4	3.5	6.0	3.6	3.6	11.4	3.1	8.5
El Salvador	5.3	3.1	3.3	1.6	2.8	1.6	7.1	2.5	13.4	4.5	11.6	4.6
Eritrea	-5.0	..	-6.7	..	22.6	..	19.1	-3.9	-2.5	-3.2	7.5	-3.3
Estonia	0.6	8.9	2.2	9.3	4.9	1.8	0.1	13.7	11.2	9.3	12.0	10.3
Ethiopia	3.5	7.3	1.1	4.7	9.5	-2.2	2.3	4.6	7.1	11.1	5.8	12.5
Finland	1.7	3.2	1.4	2.9	0.6	1.6	..	..	10.3	4.7	6.4	5.1
France	1.6	2.2	1.2	1.6	1.4	1.6	1.8	2.0	6.9	2.5	5.7	3.9
Gabon ^a	-0.3	2.7	-2.8	1.0	3.7	4.2	3.0	3.3	2.1	-2.9	0.1	-0.5
Gambia, The	3.6	..	-0.1	..	-2.2	..	1.9	8.2	0.1	4.3	0.1	0.8
Georgia	6.1	7.9	7.5	8.9	12.0	4.3	-12.5	16.1	12.2	5.6	11.2	6.9
Germany	1.9	0.3	1.6	0.3	1.9	0.5	..	..	6.0	6.8	5.8	4.8
Ghana	4.1	4.5	1.4	2.3	4.8	-0.8	4.3	17.2	10.1	3.5	10.4	6.8
Greece	2.1	4.0	1.4	3.6	2.1	1.9	..	..	7.6	1.5	7.4	2.1
Guatemala ^a	4.2	3.8	1.8	1.3	5.1	-0.3	6.1	5.6	6.1	0.1	9.2	5.3
Guinea	5.2	4.3	2.0	2.5	-0.5	0.0	0.1	-9.1	0.3	1.3	-1.1	-1.4
Guinea-Bissau	2.6	6.8	-0.4	3.8	1.9	-2.9	-6.5	0.8	15.4	4.1	-0.4	-0.6
Haiti	..	..	..	..	..	..	..	..	..	..	..	..

Growth of consumption and investment

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		Imports	
	Total	2000-06	1990-2000	2000-06	1990-2000	2000-06	1990-2000	2000-06	Exports	2000-06	1990-2000	2000-06
Honduras ^a	3.0	5.4	0.6	3.5	2.0	5.4	6.9	3.0	1.6	6.0	3.8	8.2
Hungary	-0.1	4.9	0.1	5.1	0.9	2.9	9.6	-0.6	9.9	10.1	11.4	8.9
India	4.7	5.3	2.9	3.8	6.4	5.2	6.9	11.8	12.3	11.6	14.4	10.2
Indonesia	6.6	3.8	5.0	2.5	0.1	8.1	-0.6	5.0	5.9	7.0	5.7	8.0
Iran, Islamic Rep.	3.2	6.7	1.6	5.2	1.6	2.8	-0.1	7.2	1.2	10.3	-6.8	20.2
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	5.3	..	4.5	..	4.2	..	..	..	15.7	..	14.5	..
Israel	4.6	2.9	2.0	1.0	2.9	1.6	1.7	-1.8	10.9	3.3	7.5	1.6
Italy	1.5	0.8	1.5	0.2	-0.3	1.7	..	..	5.1	0.3	3.8	1.2
Jamaica	..	..	..	..	..	..	..	..	..	..	..	..
Japan	1.5	..	1.3	..	2.9	..	-0.8	..	4.1	..	4.2	..
Jordan	4.9	5.6	1.1	3.2	4.7	2.7	0.3	7.0	2.6	8.2	1.5	6.6
Kazakhstan ^a	-8.1	9.8	-7.0	9.3	-7.1	7.4	-18.3	20.1	-2.6	6.5	-11.2	5.1
Kenya	3.6	3.9	0.6	1.3	6.9	1.5	6.1	7.1	1.0	6.6	9.4	6.4
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	4.9	3.1	3.9	2.6	4.7	4.8	3.4	3.0	16.0	10.3	10.0	8.4
Kuwait	4.5	..	0.6	..	-2.4	..	1.0	..	-1.6	..	0.8	..
Kyrgyz Republic	-6.5	10.6	-7.4	9.7	-8.8	0.3	-3.9	-1.4	-1.6	1.6	-8.2	11.0
Lao PDR	..	1.6	..	0.0	..	9.4	..	13.6	..	..	..	..
Latvia	-3.9	10.0	-2.7	10.6	1.8	2.6	-3.7	16.1	4.3	8.4	7.6	12.6
Lebanon	1.3	3.0	-0.5	1.8	10.5	2.7	-7.7	-3.8	15.1	11.6	-2.8	3.3
Lesotho	0.5	4.0	-1.2	3.0	6.2	2.3	1.5	-1.9	11.1	9.0	0.9	3.7
Liberia	..	..	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania ^a	5.3	8.9	6.0	9.4	1.9	4.1	11.1	12.1	4.9	12.6	7.5	14.2
Macedonia, FYR	2.2	2.6	1.7	2.3	-0.4	1.0	3.6	0.9	4.2	1.5	7.5	1.9
Madagascar	2.2	2.5	-0.8	-0.3	0.0	6.9	3.3	12.1	3.8	0.1	4.1	6.1
Malawi	5.4	4.1	3.4	1.5	-4.4	5.1	-8.4	21.3	4.0	-9.8	-1.1	4.3
Malaysia	5.3	6.3	2.6	4.4	4.8	9.2	5.3	1.2	12.0	5.3	10.3	6.0
Mali	3.0	0.8	0.3	-2.2	3.2	16.8	0.4	8.3	9.9	8.7	3.5	5.4
Mauritania	..	..	..	..	..	..	..	..	-1.3	11.9	0.6	..
Mauritius	5.1	4.9	3.9	4.0	4.8	4.7	4.7	3.5	5.4	3.7	5.2	2.9
Mexico	3.9	3.0	2.2	2.0	1.8	0.7	4.7	0.5	14.6	4.8	12.3	5.2
Moldova ^a	9.9	9.6	10.7	10.9	-12.4	13.1	-15.5	9.8	0.7	13.0	5.6	15.1
Mongolia ^a	..	..	..	..	..	..	..	..	..	..	..	..
Morocco	1.8	3.9	0.1	2.8	3.9	2.9	2.5	9.7	5.9	6.0	5.1	6.3
Mozambique ^a	3.9	4.5	0.8	2.1	4.2	8.5	10.0	1.5	13.1	18.9	5.0	5.2
Myanmar	3.9	..	..	..	..	..	15.3	..	10.0	..	5.8	..
Namibia	4.8	2.0	1.9	0.6	3.3	1.8	6.9	10.3	3.8	6.0	5.4	5.1
Nepal	..	..	..	..	..	..	..	..	..	..	..	..
Netherlands	3.1	0.4	2.4	0.0	2.0	3.2	4.4	0.2	7.3	4.1	7.6	3.9
New Zealand	3.2	..	2.0	..	2.5	..	6.1	..	5.2	..	6.2	..
Nicaragua ^a	6.1	3.3	3.9	2.0	-1.5	1.2	11.3	-0.3	9.3	7.9	12.2	4.0
Niger	1.8	..	..	..	0.8	..	4.0	..	3.1	..	-2.1	..
Nigeria	0.2	..	..	..	-1.8	..	5.4	..	5.0	..	4.0	..
Norway	3.5	3.5	2.9	2.9	2.7	2.4	6.1	5.1	5.5	1.2	5.8	4.9
Oman	5.4	..	2.6	..	2.4	..	4.0	..	6.2	..	5.9	..
Pakistan	4.9	4.4	2.3	2.1	0.7	9.6	1.8	5.3	1.7	10.5	2.5	9.7
Panama ^a	6.4	5.9	4.2	4.1	1.7	4.2	10.4	1.7	-0.4	4.3	1.2	4.3
Papua New Guinea	5.6	..	..	..	2.7	..	0.5	..	4.3	..	2.8	..
Paraguay	2.6	3.4	0.2	1.5	2.5	-1.8	0.7	3.6	3.1	4.4	2.9	5.0
Peru ^a	4.0	4.0	2.3	2.7	5.2	4.0	7.4	6.0	8.5	8.1	9.0	6.7
Philippines	3.7	4.7	1.5	2.7	3.8	0.4	4.1	-1.4	7.8	5.7	7.8	4.8
Poland ^a	5.2	3.1	5.1	3.3	3.7	3.3	10.6	1.6	11.3	9.2	16.7	6.6
Portugal	3.0	1.4	2.7	0.8	2.8	1.7	..	..	5.3	3.5	7.3	2.0
Puerto Rico	..	..	..	..	..	..	..	..	1.6	..	4.5	..



4.9

Growth of consumption and investment

	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		Imports	
	Total	2000-06	1990-2000	2000-06	1990-2000	2000-06	1990-2000	2000-06	Exports	2000-06	1990-2000	2000-06
Romania ^a	1.3	6.1	1.7	6.8	0.8	5.1	-5.1	9.7	8.1	10.3	6.0	11.5
Russian Federation	-0.9	7.6	-0.7	8.0	-2.2	1.7	-19.1	9.4	0.8	8.3	-6.1	17.2
Rwanda ^a	1.1	3.5	0.1	1.0	-1.7	9.3	1.4	6.0	-3.8	15.7	5.0	6.6
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal	2.6	4.3	-0.2	1.8	0.9	3.8	3.5	10.0	4.1	0.8	2.0	4.3
Serbia	..	4.7	..	4.9	..	4.2	..	20.8	..	9.1	..	13.1
Sierra Leone	-4.4	..	..	..	10.4	..	-5.6	..	-11.2	..	-0.2	..
Singapore	..	..	..	..	..	..	..	..	..	..	..	..
Slovak Republic	5.6	4.5	5.4	4.5	2.0	3.3	8.1	7.7	8.8	10.9	12.2	10.8
Slovenia	3.9	2.7	3.9	2.6	2.1	3.0	10.9	5.1	1.7	7.8	5.2	7.2
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	2.9	5.0	0.6	3.7	0.3	5.0	5.0	7.9	5.6	3.2	7.1	9.0
Spain	2.4	3.5	2.0	1.9	2.7	4.7	..	..	10.5	3.5	9.4	6.4
Sri Lanka ^a	5.7	..	..	..	7.5	..	6.9	5.9	7.5	3.9	8.6	5.0
Sudan	3.8	6.7	1.2	4.7	5.5	9.8	21.5	12.3	11.6	8.2	8.4	14.3
Swaziland ^a	3.8	1.6	0.6	0.4	5.5	-0.5	2.7	3.7	3.8	4.0	4.5	3.0
Sweden	1.3	1.8	0.9	1.4	0.6	1.1	1.8	2.4	8.6	5.2	6.3	3.6
Switzerland	1.1	..	0.5	..	0.8	..	..	..	4.0	..	4.2	..
Syrian Arab Republic	3.0	6.1	0.3	3.4	2.0	5.0	3.3	14.5	12.0	0.6	4.4	11.5
Tajikistan	-4.2	10.6	-5.6	9.4	-19.1	0.9	-17.6	5.8	-1.3	7.8	-3.9	8.3
Tanzania ^b	4.9	2.5	2.0	-0.1	-7.0	15.1	-1.6	7.1	9.3	10.4	3.9	4.2
Thailand	3.7	4.8	2.5	4.1	5.1	4.5	-4.0	6.2	9.5	5.9	4.5	6.4
Timor-Leste	..	-7.7	..	-12.2	..	6.4	..	-4.5	..	..	..	..
Togo	5.0	..	1.7	..	0.0	..	-0.1	..	1.2	..	1.1	..
Trinidad and Tobago	0.7	..	0.1	..	0.3	..	12.5	..	6.9	..	9.9	..
Tunisia	4.3	4.7	2.6	3.7	4.1	4.1	3.6	1.9	5.1	3.6	3.8	2.4
Turkey	3.6	3.7	1.7	2.3	4.9	1.0	5.0	5.7	11.6	10.1	11.0	8.3
Turkmenistan	..	..	..	..	..	..	1.9	..	-6.1	..	0.6	..
Uganda	6.7	4.8	3.3	1.6	7.1	5.9	8.9	8.5	14.7	7.7	10.0	6.6
Ukraine	-6.9	11.8	-6.4	12.7	-4.1	3.2	-18.5	8.3	-3.6	3.5	-6.6	5.3
United Arab Emirates	7.1	..	0.7	..	6.8	..	5.5	..	5.5	..	6.4	..
United Kingdom	2.9	2.7	2.6	2.4	1.0	2.9	5.0	3.6	6.6	4.8	6.8	5.9
United States	3.6	..	2.4	..	0.7	..	7.4	..	7.3	..	9.8	..
Uruguay ^a	5.0	0.6	4.3	0.5	2.3	-1.9	6.3	3.1	6.0	5.4	9.9	2.3
Uzbekistan	..	..	..	..	..	..	-2.5	5.1	2.4	4.4	-1.2	4.6
Venezuela, RB	0.6	7.0	-1.5	5.2	3.7	6.5	11.0	7.1	1.0	-1.0	8.2	10.7
Vietnam	5.4	6.8	3.9	5.4	3.2	7.0	19.8	10.5	24.1	16.2	28.2	17.1
West Bank and Gaza	5.3	-1.8	0.9	-5.8	12.7	1.0	9.2	-4.3	8.7	-1.4	7.5	-2.5
Yemen, Rep.	3.2	..	-0.7	..	1.7	..	11.4	..	16.6	..	8.3	..
Zambia	2.4	0.3	-0.2	-1.6	-8.1	21.1	13.3	-5.2	6.7	20.5	15.5	15.0
Zimbabwe	0.0	..	-1.9	..	-2.2	..	-2.5	..	10.5	..	9.4	..
World	3.0 w	.. w	1.5 w	.. w	1.7 w	.. w	3.5 w	.. w	6.9 w	6.2 w	7.0 w	.. w
Low income	4.2	5.0	2.1	3.1	4.2	5.9	6.4	10.6	8.7	10.2	9.4	10.5
Middle income	4.0	4.7	2.7	3.8	3.3	4.7	2.6	7.8	7.3	10.5	6.5	9.9
Lower middle income	5.5	6.0	4.2	5.0	6.5	6.9	5.6	10.6	7.3	14.1	5.8	12.1
Upper middle income	3.0	3.8	2.0	3.0	1.3	2.8	-0.1	4.1	7.2	6.8	7.0	7.9
Low & middle income	4.0	4.7	2.4	3.4	3.3	4.8	3.0	8.2	7.4	10.5	6.7	9.9
East Asia & Pacific	7.5	6.4	6.1	5.6	8.1	8.3	8.1	11.0	11.0	14.9	10.3	12.5
Europe & Central Asia	1.0	5.6	0.9	5.6	0.1	2.5	-7.8	7.3	3.1	8.9	1.2	10.6
Latin America & Carib.	3.6	3.1	2.0	1.7	2.1	2.4	5.4	3.1	8.5	5.4	10.8	5.7
Middle East & N. Africa	3.0	4.6	0.9	2.8	3.4	3.7	1.2	7.1	4.2	..	0.2	10.7
South Asia	4.5	5.1	2.5	3.4	5.6	5.9	6.5	10.9	10.0	11.0	11.1	9.6
Sub-Saharan Africa	3.1	4.3	0.4	1.8	0.4	4.9	4.5	7.6	5.0	4.5	5.6	8.3
High income	2.8	..	2.0	..	1.5	..	3.7	..	6.8	..	7.0	..
Euro area	1.9	1.4	1.6	0.9	1.4	1.8	..	..	6.6	4.2	6.1	4.1

a. Household final consumption expenditure includes statistical discrepancy. b. Covers 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

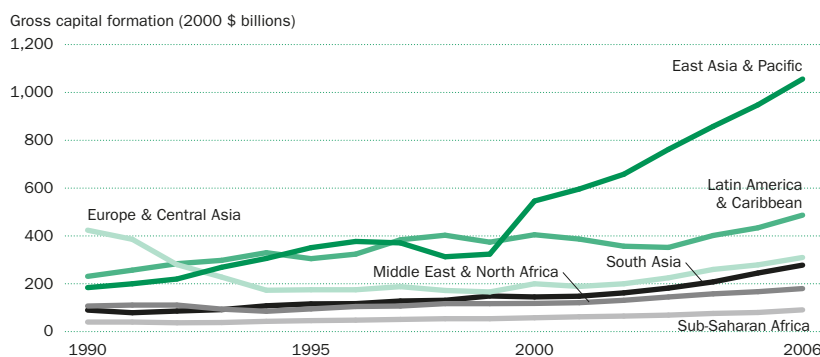
technique captures improvements in productivity or changes in the quality of government services. Deflators for household consumption are usually calculated on the basis of the consumer price index. Many countries estimate household consumption as a residual that includes statistical discrepancies associated 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 and computers), purchased by households. It excludes purchases of dwellings but includes imputed rent for owner-occupied dwellings. It also includes government fees for permits and licenses. Expenditures of nonprofit institutions serving households are included, even when reported separately. Household consumption expenditure may include any statistical discrepancy in the use of resources relative to the supply of resources.
- **Household final consumption expenditure per capita** is household final consumption expenditure divided by midyear population.
- **General government final consumption expenditure** is all government current expenditures for goods and services (including compensation of employees). It also includes most expenditures on national defense and security but excludes military expenditures with potentially wider public use that are part of government capital formation.
- **Gross capital formation** is outlays on additions to fixed assets of the economy, net changes in inventories, and net acquisitions of valuables. Fixed assets include land improvements (fences, ditches, drains); plant, machinery, and equipment purchases; and construction (roads, railways, schools, buildings, and so on). Inventories are goods held 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 (communication, construction, financial, information, business, personal, government services, and so on). They exclude compensation of employees and investment income (factor services in the 1968 SNA) and transfer payments.

Investment is rising rapidly in Asia

4.9a



Between 1990 and 2006 investment increased nearly sixfold in East Asia and Pacific and threefold in South Asia.

Source: World Development Indicators data files.

Data sources

Data on 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 (OECD) data files (see *Annual National Accounts for OECD Member Countries: Data from 1970 Onwards*).



	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	Interest % of revenue	
	1995	2006	1995	2006	1995	2006	Domestic	2006				1995
Afghanistan ^b	..	7.4	..	17.1	..	-1.7	..	0.3	..	2.1	9.3	0.2
Albania ^b	21.2	23.6	25.6	21.9	-8.9	-3.0	7.4	1.9	2.1	1.0	..	15.5
Algeria ^b	30.2	43.1	24.2	17.5	-1.3	13.8	-7.4	3.3	8.6	-2.0	..	1.9
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	..	18.1	..	18.3	..	-0.5	..	0.5	..	1.5	..	26.5
Armenia ^b	..	18.8	..	16.2	..	-0.3	..	0.3	..	1.0	..	1.8
Australia	..	26.0	..	24.2	..	1.7	..	..	..	..	20.5	3.6
Austria	38.4	39.8	44.2	42.0	-5.4	-1.6	..	..	..	..	63.4	6.9
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	36.0	28.7	30.4	-2.7	1.4	2.2	1.2	0.4	0.0	..	0.9
Belgium	41.5	41.2	45.6	41.4	-3.8	0.3	..	..	..	..	84.8	9.2
Benin ^b	..	16.7	..	13.4	..	0.2	..	-2.6	..	2.4	..	1.3
Bolivia	..	23.8	..	24.6	..	12.5	..	0.7	..	-11.2	..	7.9
Bosnia and Herzegovina	..	39.8	..	35.7	..	2.9	..	-0.5	..	0.1	..	1.4
Botswana ^b	40.5	..	30.4	..	4.9	..	0.2	..	-0.4	..	..	..
Brazil ^b	26.9	..	32.9	..	-2.7	..	..	..	..	..	..	..
Bulgaria ^b	35.5	36.8	39.4	31.9	-5.1	3.4	7.4	-0.9	-0.8	-1.2	..	3.4
Burkina Faso	..	12.1	..	12.0	..	-5.7	..	0.1	..	4.0	..	3.1
Burundi ^b	19.3	..	23.6	..	-4.7	..	3.1	..	4.0	..	..	..
Cambodia	..	9.8	..	8.6	..	-1.7	..	-0.3	..	2.1	..	1.5
Cameroon ^b	11.8	..	10.6	..	0.2	..	-0.3	..	0.3	..	..	..
Canada ^b	20.3	19.5	24.2	17.9	-4.3	1.5	4.9	0.1	0.0	0.3	48.6	6.9
Central African Republic ^b	..	8.1	..	9.4	..	-0.5	..	1.2	..	0.1	..	8.0
Chad	..	..	..	..	..	..	..	..	..	..	..	..
Chile	..	25.9	..	17.1	..	7.7	..	-1.9	..	-0.1	..	2.7
China ^b	5.4	9.6	..	10.8	..	-1.6	1.6	1.7	..	0.0	..	4.4
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	..	26.0	..	28.7	..	-3.9	..	9.7	..	1.5	68.0	35.5
Congo, Dem. Rep. ^b	5.3	..	8.2	..	0.0	..	0.0	..	0.2	..	..	..
Congo, Rep.	..	30.9	..	19.9	..	6.4	..	..	..	..	0.2	18.1
Costa Rica ^b	..	24.1	..	22.1	..	1.2	..	..	-0.8	..	..	15.9
Côte d'Ivoire ^b	20.1	17.4	..	19.0	..	-1.4	-1.2	-0.1	3.8	1.2	107.9	8.2
Croatia ^b	43.1	40.0	42.5	39.4	-1.3	-1.8	-2.7	2.1	0.8	-1.4	..	5.4
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic ^b	33.2	30.6	32.6	35.5	-0.9	-4.3	-0.5	2.4	-0.4	1.0	24.6	3.1
Denmark	39.1	36.0	38.2	32.2	1.5	5.1	..	..	..	..	29.0	5.5
Dominican Republic ^b	..	17.9	..	16.5	..	-1.2	..	-1.0	..	2.5	..	8.5
Ecuador ^b	30.9	..	26.3	..	0.1	..	..	..	..	..	..	..
Egypt, Arab Rep. ^b	25.9	24.1	23.8	26.8	-1.1	-5.8	..	..	..	..	..	..
El Salvador	..	17.2	..	19.3	..	-3.2	..	1.5	..	2.5	43.3	15.3
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	..	31.8	..	26.6	..	3.6	..	..	..	..	7.0	0.3
Ethiopia ^b	..	..	..	..	..	..	..	..	..	..	..	..
Finland	39.9	38.3	38.6	35.2	1.9	3.9	0.3	-1.0	-1.3	2.3	39.7	3.6
France	43.3	43.0	47.6	45.6	-4.1	-2.3	..	..	..	..	67.4	5.6
Gabon	..	..	..	..	..	..	..	..	..	..	..	..
Gambia, The ^b	23.7	..	..	..	..	..	..	..	..	..	..	..
Georgia ^b	12.2	22.5	15.4	20.3	-4.3	1.6	2.2	-0.2	2.4	-0.4	28.0	3.1
Germany	29.9	28.9	38.6	30.6	-8.3	-1.4	..	1.6	..	-0.1	43.5	5.9
Ghana ^b	17.0	23.8	..	20.9	..	-2.9	..	..	..	3.3	..	14.4
Greece	30.6	33.6	37.1	35.8	-8.0	-4.5	..	..	..	..	102.1	11.4
Guatemala ^b	8.4	10.7	7.6	11.6	-0.5	-1.7	..	1.6	0.4	1.0	19.0	10.7
Guinea ^b	11.2	..	12.1	..	-4.3	..	-0.1	..	4.5	..	..	..
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		Foreign	Total debt % of GDP	Interest % of revenue	
	1995	2006	1995	2006	1995	2006	Domestic	2006				1995	2006
Honduras	..	19.4	..	20.8	..	-1.3	..	1.4	..	1.0	..	4.7
Hungary	42.6	35.8	49.6	44.1	-4.7	-8.6	3.9	2.0	-0.7	4.4	70.2	10.7
India ^b	12.3	12.7	14.4	15.1	-2.2	-2.8	5.1	3.2	0.0	0.2	60.0	25.8
Indonesia ^b	17.7	18.4	9.7	16.9	3.0	-1.1	-0.6	0.0	-0.4	-0.4	28.8	14.8
Iran, Islamic Rep. ^b	24.2	36.2	15.8	24.8	1.1	3.3	..	1.4	0.1	0.0	..	0.8
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	33.6	34.2	37.5	30.9	-2.2	2.7	..	..	..	..	28.2	2.9
Israel	..	39.9	..	44.0	..	-1.6	..	..	..	..	..	10.7
Italy	40.4	37.2	48.0	40.8	-7.5	-3.3	..	..	..	..	109.8	11.9
Jamaica ^b	..	39.2	33.3	38.7	..	0.3	..	..	..	..	140.1	37.6
Japan	20.7	..	..	..	..	..	1.5	..	..	..	..	..
Jordan ^b	28.2	31.7	26.1	35.0	0.9	-3.9	-2.5	3.1	6.1	-3.0	77.5	7.7
Kazakhstan ^b	14.0	16.8	18.7	14.6	-1.8	1.6	0.8	-0.5	2.8	0.0	7.1	1.5
Kenya ^b	21.6	19.8	25.9	17.8	-5.1	1.5	3.9	-0.5	-1.3	-3.8	..	8.9
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep. ^b	17.8	23.3	14.3	21.3	2.4	0.7	-0.3	-0.1	-0.1	-0.3	..	5.4
Kuwait	36.8	37.2	46.4	26.2	-13.6	8.2	..	..	..	..	..	0.1
Kyrgyz Republic ^b	..	18.5	..	17.5	..	-0.6	..	..	..	..	..	4.4
Lao PDR	..	..	..	..	..	..	..	..	..	..	..	..
Latvia ^b	25.8	27.0	28.3	28.7	-2.7	-0.5	2.4	0.6	1.5	0.4	..	1.6
Lebanon	..	21.6	..	26.5	..	-8.5	..	-1.3	..	12.4	..	56.0
Lesotho ^b	49.9	50.0	34.5	40.3	5.1	4.1	0.0	..	6.3	..	..	4.8
Liberia	..	..	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	..	29.0	..	28.2	..	-0.2	..	-3.3	..	4.1	20.0	2.4
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..	..	..
Madagascar	..	11.7	..	11.6	..	9.9	..	0.8	..	3.0	..	11.2
Malawi	..	..	..	..	..	..	..	..	..	..	..	..
Malaysia ^b	24.4	23.7	17.2	20.1	2.4	-4.3	..	..	-0.8	..	..	10.5
Mali	..	16.7	..	15.7	..	32.1	..	-1.0	..	-34.0	..	0.9
Mauritania	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius ^b	21.6	21.5	19.9	22.2	-1.3	-3.0	3.1	4.7	-0.6	-0.6	43.2	12.0
Mexico ^b	15.3	..	15.0	..	-0.6	..	..	..	5.5	..	..	..
Moldova ^b	28.4	33.8	38.4	32.4	-6.3	0.2	3.0	0.0	2.7	-0.5	29.6	2.8
Mongolia	..	33.3	..	27.1	..	-0.4	..	9.9	..	-6.0	105.5	3.1
Morocco ^b	..	25.1	..	25.9	..	-1.8	..	1.0	..	-0.5	43.7	12.6
Mozambique	..	..	..	..	..	..	..	..	..	..	..	..
Myanmar	6.4	8.0	..	3.4	..	-1.8	..	1.8	..	0.0	..	..
Namibia ^b	31.7	28.1	35.7	31.1	-5.0	-6.8	..	-20.0	..	-0.1	..	9.1
Nepal ^b	10.5	10.9	..	14.7	..	-1.6	0.6	0.7	2.5	0.2	50.3	7.3
Netherlands	41.5	42.2	50.8	41.5	-9.2	0.5	..	..	..	..	49.0	4.4
New Zealand	..	39.6	..	33.8	..	4.7	..	-1.7	..	2.8	45.9	3.9
Nicaragua ^b	12.8	18.8	14.2	19.2	0.6	0.1	..	..	3.4	..	..	7.9
Niger	..	..	..	..	..	..	..	..	..	..	..	..
Nigeria	..	..	..	..	..	..	..	..	..	..	..	..
Norway	..	50.4	..	32.1	..	17.9	..	0.5	..	15.1	48.4	2.3
Oman ^b	27.8	..	32.4	..	-8.9	..	-0.1	..	0.0	..	..	..
Pakistan ^b	17.2	13.5	19.1	15.3	-5.3	-4.2	..	..	..	..	..	33.9
Panama ^b	26.1	..	22.0	..	1.5	..	..	..	..	..	..	..
Papua New Guinea ^b	23.9	..	25.8	..	-0.5	..	1.5	..	-0.7	..	..	..
Paraguay ^b	..	21.3	..	16.7	..	1.2	..	1.0	..	-0.3	..	4.6
Peru ^b	17.4	17.6	17.4	17.3	-1.3	-0.8	..	1.9	3.9	-1.2	..	10.6
Philippines ^b	17.7	16.2	15.9	17.5	-0.8	-1.3	-0.5	-0.1	-0.7	2.0	77.7	33.1
Poland	..	32.2	..	36.2	..	-3.6	..	2.9	..	2.2	47.9	7.1
Portugal	35.3	38.6	37.8	42.3	-3.0	-3.9	-3.5	0.3	4.1	6.3	72.2	6.9
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	Interest % of revenue	
	1995	2006	1995	2006	1995	2006	Domestic	2006				1995
Romania	..	24.5	..	24.0	..	-1.0	..	-1.0	..	0.1	..	4.1
Russian Federation	21.3	28.8	11.6	19.6	9.3	8.1	..	0.5	..	-2.8	..	2.2
Rwanda ^b	10.6	..	15.0	..	-5.6	..	2.9	..	..	..	..	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal ^b	15.2	..	..	..	..	..	..	..	..	..	..	..
Serbia ^b	..	..	..	..	..	..	..	..	..	..	..	..
Sierra Leone ^b	9.4	12.3	..	23.8	..	-2.5	0.3	..	..	..	..	21.0
Singapore ^b	26.7	19.9	12.4	13.8	19.8	7.0	10.3	6.1	0.0	..	104.0	0.5
Slovak Republic	..	30.5	..	33.6	..	-3.4	..	4.5	..	0.4	42.4	5.2
Slovenia ^b	36.7	40.2	35.2	40.3	-0.2	-0.8	-0.4	1.5	0.3	-0.4	..	3.7
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	..	31.8	..	30.4	..	1.2	..	0.2	..	0.1	..	9.5
Spain	32.0	27.2	37.1	25.2	-5.8	1.9	..	..	..	..	39.8	4.8
Sri Lanka ^b	20.4	17.0	26.0	22.2	-7.6	-7.2	5.2	6.1	3.2	1.5	93.0	29.7
Sudan ^b	7.2	..	6.8	..	-0.4	..	0.3	..	..	..	..	..
Swaziland ^b	..	26.6	..	24.4	..	-2.6	..	..	..	..	..	4.5
Sweden	40.4	37.9	39.0	35.4	2.2	1.9	..	..	..	..	48.5	4.3
Switzerland ^b	22.7	18.6	25.8	19.5	-0.6	-0.4	-0.5	0.3	..	..	28.6	4.3
Syrian Arab Republic ^b	22.9	..	..	..	..	..	..	..	..	..	..	..
Tajikistan ^b	9.3	13.5	11.4	13.7	-3.3	-6.6	0.1	..	2.3	..	..	5.1
Tanzania	..	..	..	..	..	..	..	..	..	..	..	..
Thailand	..	20.2	..	16.2	..	1.9	..	3.0	..	-0.6	26.2	7.1
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	..
Togo ^b	..	17.7	..	17.8	..	-0.1	..	..	..	..	..	..
Trinidad and Tobago ^b	27.2	32.5	25.3	24.0	-0.1	6.1	2.8	..	2.6	..	..	8.2
Tunisia ^b	30.0	30.1	28.4	29.4	-2.5	-2.8	0.9	0.9	2.9	-2.3	55.1	9.3
Turkey ^b	..	32.9	..	29.1	..	2.5	..	2.2	..	-0.1	67.8	25.4
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda ^b	10.6	13.5	..	17.4	..	-2.0	..	1.7	..	1.6	..	7.8
Ukraine ^b	..	36.6	..	37.2	..	-1.0	..	-0.4	..	0.9	..	1.7
United Arab Emirates ^b	10.1	..	9.3	..	0.5	..	..	..	..	..	..	..
United Kingdom	37.2	38.8	37.1	41.2	0.3	-2.8	-0.3	3.5	0.0	0.0	49.9	5.3
United States	..	19.3	..	21.3	..	-2.0	..	1.4	..	0.6	46.9	10.9
Uruguay ^b	27.6	27.7	27.1	27.2	-1.2	-0.9	7.9	0.5	1.1	-1.9	70.0	15.4
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB ^b	16.9	28.4	18.5	25.2	-2.3	2.2	1.1	1.2	0.1	3.3	..	10.4
Vietnam	..	..	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep. ^b	17.3	..	19.1	..	-3.9	..	..	..	..	..	..	..
Zambia ^b	20.0	17.7	21.4	20.0	-3.1	-2.8	28.0	..	16.2	..	..	13.7
Zimbabwe ^b	26.7	..	32.1	..	-5.4	..	-1.4	..	1.6	..	..	..
World	.. w	27.0 w	.. w	28.0 w	.. w	-1.2 w	.. m	.. m	.. m	.. m	.. m	5.8 m
Low income	13.3	12.9	15.4	15.2	-2.6	-2.6	..	..	..	..	..	..
Middle income	17.2	..	..	..	..	..	..	1.3	..	0.1	..	7.1
Lower middle income	11.5	16.0	..	15.8	..	-0.9	..	1.4	..	0.3	..	7.7
Upper middle income	..	..	..	..	..	..	..	0.6	..	0.0	..	5.4
Low & middle income	16.5	..	..	..	..	..	..	..	..	..	..	9.4
East Asia & Pacific	8.4	11.0	..	11.7	..	-1.3	..	2.1	..	0.0	..	7.6
Europe & Central Asia	..	31.5	..	28.9	..	1.8	..	0.4	..	0.0	..	2.8
Latin America & Carib.	21.2	..	23.4	..	-1.5	..	..	1.5	..	1.2	..	9.6
Middle East & N. Africa	26.1	31.8	..	25.0	..	1.0	..	..	..	..	..	..
South Asia	13.1	12.9	15.3	15.4	-2.7	-3.1	3.8	1.9	1.1	0.8	55.1	25.8
Sub-Saharan Africa	..	..	..	..	..	..	..	..	..	..	..	..
High income	..	27.2	..	28.6	..	-1.3	..	..	..	..	47.6	5.1
Euro area	34.7	35.5	42.2	37.1	-7.4	-1.3	..	..	..	..	63.4	5.7

a. Excludes 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 tables are based on the concepts and recommendations of the International Monetary Fund's (IMF) *Government Finance Statistics Manual 2001*, 2nd edition. Before 2005 *World Development Indicators* reported data derived on the basis of the 1986 manual. The 2001 manual, harmonized with the 1993 System of National Accounts, recommends an accrual accounting method over the cash-based method of the 1986 manual. The new manual focuses on all economic events affecting assets, liabilities, revenues, and expenses, not only those represented by cash transactions. It takes all stocks into account, so that stock data at the end of an accounting period are equal to stock data at the beginning of the period plus 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 1986 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.

The 2001 manual 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. Government activities are financed mainly by taxation and other income transfers, 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 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. Still, different accounting concepts of central government make cross-country comparisons potentially misleading.

Central government can refer to consolidated or budgetary accounting concepts. 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 is usually incomplete.

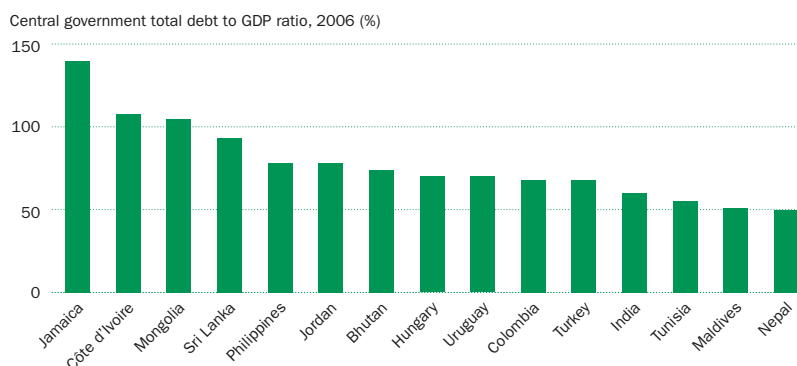
Data on government revenue and expense are collected by the IMF through questionnaires to member countries and by the Organisation for Economic Co-operation and Development. Despite IMF efforts to standardize the collection of public finance data, statistics are often incomplete, untimely, and not comparable 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, usually considered revenue, are excluded.
- **Expense** is cash payments for government operating activities in providing goods and services. It includes compensation of employees, 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 editions before 2005 nonfinancial assets were included under revenue and expenditure in gross terms. This cash surplus or deficit is close 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 liabilities** is 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** are interest payments on government debt—including long-term bonds, long-term loans, and other debt instruments—to domestic and foreign residents.

Fifteen developing economies had a total debt to GDP ratio of 50 percent or higher 4.10a



Note: Data are for the most recent year available for 2004–06.

Source: International Monetary Fund, *Government Finance Statistics* data files, and *World Development Indicators* data files.

Data sources

Data on central government finances are from the IMF's *Government Finance Statistics Yearbook 2007* and 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	2006	1995	2006	1995	2006	1995	2006	1995	2006
Afghanistan ^a	..	57	..	37	..	0	..	6	..	0
Albania ^a	18	12	14	30	9	17	59	42	0	0
Algeria ^a	6	6	39	28	13	5	34	31	8	29
Angola	..	..	..	..	..	..	..	..	..	..
Argentina	..	5	..	12	..	26	..	50	..	7
Armenia ^a	..	37	..	23	..	2	..	33	..	5
Australia	..	10	..	10	..	4	..	70	..	6
Austria	5	5	13	12	8	7	65	65	11	12
Azerbaijan ^a	49	..	10	..	0	..	41	..	0	..
Bangladesh ^a	..	17	..	25	..	20	..	29	..	9
Belarus ^a	39	12	5	12	1	1	55	69	0	5
Belgium	3	2	7	7	18	9	71	79	3	3
Benin ^a	..	31	..	40	..	2	..	8	..	20
Bolivia	..	14	..	21	..	13	..	47	..	5
Bosnia and Herzegovina	..	25	..	29	..	2	..	41	..	4
Botswana ^a	32	..	30	..	2	..	36	..	2	..
Brazil ^a	5	..	8	..	45	..	45	..	1	..
Bulgaria ^a	18	14	7	18	37	4	38	61	2	3
Burkina Faso	..	21	..	39	..	4	..	35	..	0
Burundi ^a	20	..	30	..	6	..	14	..	10	..
Cambodia	..	41	..	33	..	2	..	19	..	5
Cameroon ^a	17	..	40	..	26	..	14	..	..	..
Canada ^a	8	8	10	12	18	8	64	67	..	6
Central African Republic ^a	..	27	..	53	..	9	..	..	..	11
Chad	..	..	..	..	..	..	..	..	..	..
Chile	..	11	..	21	..	4	..	57	..	11
China ^a	..	28	..	1	..	4	..	62	..	5
Hong Kong, China	..	..	..	..	..	..	..	..	..	..
Colombia	..	5	..	19	..	32	..	41	..	3
Congo, Dem. Rep. ^a	37	..	58	..	1	..	2	..	..	..
Congo, Rep.	..	29	..	37	..	29	..	5	..	0
Costa Rica ^a	..	11	..	42	..	17	..	16	..	14
Côte d'Ivoire ^a	..	22	..	34	..	8	..	16	..	20
Croatia ^a	35	9	27	26	3	5	32	53	3	6
Cuba	..	..	..	..	..	..	..	..	..	..
Czech Republic ^a	7	6	9	8	3	3	75	69	5	13
Denmark	8	10	13	14	13	6	64	68	4	4
Dominican Republic ^a	..	16	..	25	..	9	..	42	..	7
Ecuador ^a	6	..	49	..	26	..	..	..	..	..
Egypt, Arab Rep. ^a	21	9	26	28	31	..	7	33	..	12
El Salvador	..	16	..	37	..	14	..	25	..	10
Eritrea	..	..	..	..	..	..	..	..	..	..
Estonia	..	15	..	21	..	0	..	46	..	4
Ethiopia ^a	..	..	..	..	..	..	..	..	..	..
Finland	10	10	10	10	9	4	68	71	7	7
France	8	6	23	22	6	5	59	53	6	2
Gabon	..	..	..	..	..	..	..	..	..	..
Gambia, The ^a	..	..	..	..	..	..	..	..	..	..
Georgia ^a	52	24	11	16	10	4	26	49	..	7
Germany	4	5	5	5	6	6	67	82	20	3
Ghana ^a	..	..	..	45	..	21	..	5	..	..
Greece	10	10	22	25	27	11	36	43	5	3
Guatemala ^a	15	13	50	24	12	10	18	25	6	27
Guinea ^a	17	..	34	..	28	..	9	..	1	..
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	2006	1995	2006	1995	2006	1995	2006	1995	2006
Honduras	..	15	..	46	..	5	..	22	..	12
Hungary	8	9	10	13	20	9	57	62	13	10
India ^a	14	13	10	8	27	22	33	34	0	0
Indonesia ^a	21	8	20	13	16	16	41	63	2	0
Iran, Islamic Rep. ^a	21	11	56	40	0	1	..	29	..	19
Iraq	..	..	..	..	..	..	..	..	..	..
Ireland	5	12	15	26	14	3	33	36	1	1
Israel	..	27	..	24	..	10	..	32	..	9
Italy	4	4	14	15	24	11	54	61	6	10
Jamaica ^a	22	19	24	32	32	38	1	3	21	8
Japan	..	..	..	..	..	..	..	..	..	..
Jordan ^a	7	7	67	40	11	8	12	31	4	16
Kazakhstan ^a	..	20	..	8	3	2	58	54	..	15
Kenya ^a	15	23	28	60	46	10	..	5	2	2
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..
Korea, Rep. ^a	16	10	15	11	3	6	63	52	3	21
Kuwait	33	21	31	32	5	0	24	26	7	21
Kyrgyz Republic ^a	..	26	..	26	..	5	..	35	..	8
Lao PDR	..	..	..	..	..	..	..	..	..	..
Latvia ^a	20	13	20	16	3	2	56	40	0	30
Lebanon	..	3	..	33	..	46	..	16	..	2
Lesotho ^a	32	28	45	37	5	6	8	29	3	..
Liberia	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..
Lithuania	..	14	..	20	..	3	..	60	..	6
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..
Madagascar	..	14	..	43	..	21	..	14	..	8
Malawi	..	..	..	..	..	..	..	..	..	..
Malaysia ^a	23	26	34	30	17	12	27	31	1	1
Mali	..	32	..	33	..	3	..	19	..	13
Mauritania	..	..	..	..	..	..	..	..	..	..
Mauritius ^a	12	13	45	36	12	12	28	35	2	4
Mexico ^a	9	..	19	..	19	..	..	..	..	..
Moldova ^a	10	19	8	16	11	3	71	57	1	6
Mongolia	..	36	..	30	..	4	..	31	..	0
Morocco ^a	..	12	..	43	..	12	..	27	..	6
Mozambique	..	..	..	..	..	..	..	..	..	..
Myanmar	..	..	..	..	..	..	..	..	..	..
Namibia ^a	28	28	53	49	1	8	..	14	4	2
Nepal ^a	..	..	..	..	..	6	..	..	..	..
Netherlands	5	7	8	8	9	5	77	80	3	3
New Zealand	..	30	..	25	..	5	..	37	..	6
Nicaragua ^a	14	15	25	34	17	9	29	35	14	7
Niger	..	..	..	..	..	..	..	..	..	..
Nigeria	..	..	..	..	..	..	..	..	..	..
Norway	..	11	..	16	..	4	..	67	..	5
Oman ^a	55	..	30	..	7	..	8	..	0	..
Pakistan ^a	..	37	..	4	28	31	2	28	..	..
Panama ^a	16	..	45	..	8	..	30	..	1	..
Papua New Guinea ^a	19	..	36	..	20	..	26	..	1	..
Paraguay ^a	..	12	..	53	..	6	..	24	..	5
Peru ^a	20	20	19	20	19	11	33	45	8	4
Philippines ^a	15	19	34	31	33	31	15	18	..	2
Poland	..	7	..	12	..	7	..	70	..	7
Portugal	7	6	30	28	10	6	43	48	11	2
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	2006	1995	2006	1995	2006	1995	2006	1995	2006
Romania	..	21	..	19	..	4	..	44	..	12
Russian Federation	27	19	..	20	..	3	..	55	..	3
Rwanda ^a	52	..	36	..	12	..	5	..	..	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..
Senegal ^a	..	..	..	..	..	..	..	..	..	..
Serbia	..	..	..	..	..	..	..	..	..	..
Sierra Leone ^a	..	28	..	26	..	19	..	9	..	18
Singapore ^a	38	40	39	34	8	1	15	26	..	..
Slovak Republic	..	11	..	14	..	5	..	63	..	7
Slovenia ^a	19	12	21	19	3	4	55	62	3	3
Somalia	..	..	..	..	..	..	..	..	..	..
South Africa	..	11	..	14	..	10	..	58	..	8
Spain	5	5	14	9	11	5	42	75	2	8
Sri Lanka ^a	23	13	20	28	22	24	24	26	10	9
Sudan ^a	44	..	38	..	8	..	10	..	..	..
Swaziland ^a	..	29	..	42	..	5	..	21	..	2
Sweden	11	11	9	10	13	5	64	52	5	3
Switzerland ^a	24	8	6	7	4	4	66	75	0	5
Syrian Arab Republic ^a	..	..	..	..	..	..	..	..	..	..
Tajikistan ^a	47	29	8	9	12	5	33	27	..	30
Tanzania	..	..	..	..	..	..	..	..	..	..
Thailand	..	21	..	40	..	9	..	29	..	4
Timor-Leste	..	..	..	..	..	..	..	..	..	..
Togo ^a	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago ^a	20	19	36	31	20	11	24	37	1	1
Tunisia ^a	7	6	37	39	13	10	36	36	7	9
Turkey ^a	..	9	..	22	..	29	..	40	..	1
Turkmenistan	..	..	..	..	..	..	..	..	..	..
Uganda ^a	..	30	..	12	..	8	..	49	..	0
Ukraine ^a	..	12	..	13	..	2	..	69	..	4
United Arab Emirates ^a	50	..	37	..	..	..	..	..	..	..
United Kingdom	22	18	7	15	9	5	54	30	9	1
United States	..	15	..	13	..	10	..	61	..	2
Uruguay ^a	13	15	17	22	6	16	64	46	0	..
Uzbekistan	..	..	..	..	..	..	..	..	..	..
Venezuela, RB ^a	6	6	22	16	27	12	61	64	2	3
Vietnam	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..
Yemen, Rep. ^a	8	..	67	..	16	..	8	..	0	..
Zambia ^a	32	28	35	37	16	15	19	15	0	5
Zimbabwe ^a	16	..	34	..	31	..	19	..	..	..
World	.. m	13 m	.. m	21 m	.. m	6 m	.. m	45 m	.. m	5 m
Low income	..	..	..	..	..	..	..	..	..	..
Middle income	..	13	..	24	..	7	..	40	..	7
Lower middle income	..	14	..	28	..	9	..	32	..	7
Upper middle income	..	11	..	20	..	5	..	55	..	7
Low & middle income	..	16	..	26	..	10	..	34	..	..
East Asia & Pacific	..	27	..	31	..	7	..	31	..	0
Europe & Central Asia	..	14	..	16	..	3	..	55	..	6
Latin America & Carib.	..	14	..	29	..	11	..	30	..	8
Middle East & N. Africa	8	8	39	40	13	..	..	25	..	11
South Asia	..	25	..	18	27	22	24	27	..	0
Sub-Saharan Africa	..	..	..	..	..	..	..	..	..	..
High income	7	10	15	14	8	5	59	62	5	4
Euro area	5	6	14	12	11	5	55	65	3	3

Note: Components may not sum to 100 percent because of rounding or missing data.
a. Data were reported on a cash basis and have been adjusted to the accrual framework.

About the data

The term *expense* has replaced *expenditure* in the table since 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 2.15.

The classification of expenses by economic type in the 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.

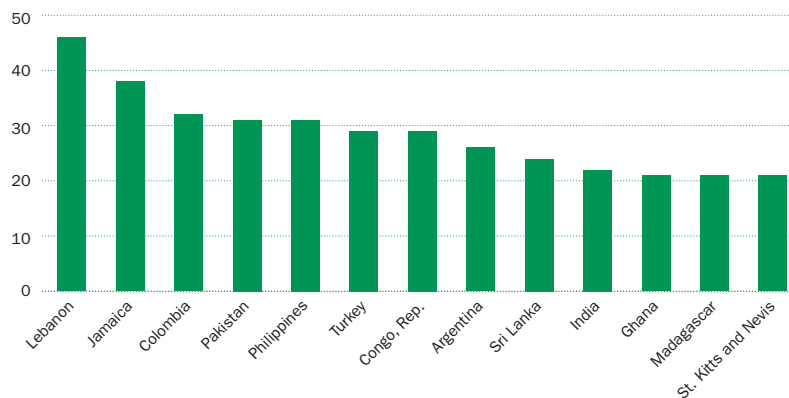
Definitions

- **Goods and services** are 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** is 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 unrequired, 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.

Interest payments are a large part of government expenses for some developing countries

4.11a

Central government interest payments as a share of total expense, 2006 (%)



Interest payments accounted for more than 20 percent of total expenses in 2006 for 13 countries.

Note: Data are for the most recent year for 2004–06.

Source: International Monetary Fund, *Government Finance Statistics* data files, and *World Development Indicators* data files.

Data sources

Data on central government expenses are from the IMF's *Government Finance Statistics Yearbook 2007* and 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	2006	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Afghanistan ^a	..	4	..	6	..	11	..	2	..	0	..	76
Albania ^a	8	15	39	49	14	8	1	1	15	18	22	10
Algeria ^a	65	6	10	64	18	3	1	1	..	..	5	26
Angola	..	..	..	..	..	..	..	..	..	..	..	..
Argentina	..	19	..	29	..	16	..	14	..	17	..	5
Armenia ^a	..	20	..	32	..	3	..	20	..	12	..	14
Australia	..	65	..	24	..	2	..	0	..	..	..	9
Austria	20	24	21	22	0	0	5	4	41	38	14	12
Azerbaijan ^a	31	..	34	..	33	..	2	..	23	..	0	..
Bangladesh ^a	..	12	..	29	..	33	..	4	..	..	..	22
Belarus ^a	16	7	33	40	6	7	11	8	31	33	3	6
Belgium	36	37	23	25	..	..	2	1	36	35	3	2
Benin ^a	..	19	..	36	..	24	..	6	..	..	..	15
Bolivia	..	7	..	29	..	2	..	6	..	5	..	52
Bosnia and Herzegovina	..	2	..	42	..	0	..	11	..	33	..	11
Botswana ^a	21	..	4	..	15	..	0	..	..	..	59	..
Brazil ^a	14	..	24	..	2	..	4	..	31	..	26	..
Bulgaria ^a	17	14	28	46	8	2	3	0	21	23	23	15
Burkina Faso	..	15	..	35	..	13	..	2	..	..	..	35
Burundi ^a	14	..	30	..	20	..	1	..	5	..	30	..
Cambodia	..	10	..	40	..	22	..	0	..	..	..	28
Cameroon ^a	17	..	25	..	28	..	3	..	2	..	25	..
Canada ^a	50	55	17	16	2	1	..	..	22	22	10	6
Central African Republic ^a	..	14	..	23	..	19	..	4	..	6	..	34
Chad	..	..	..	..	..	..	..	..	..	..	..	..
Chile	..	41	..	34	..	2	..	3	..	5	..	15
China ^a	9	24	61	79	7	-16	0	0	..	..	22	12
Hong Kong, China	..	..	..	..	..	..	..	..	..	..	..	..
Colombia	..	18	..	23	..	9	..	4	..	4	..	42
Congo, Dem. Rep. ^a	21	..	12	..	21	..	5	..	1	..	41	..
Congo, Rep.	..	4	..	16	..	7	..	1	..	4	..	69
Costa Rica ^a	..	14	..	37	..	5	..	2	..	31	..	11
Côte d'Ivoire ^a	15	15	14	15	58	44	3	11	5	8	5	8
Croatia ^a	11	8	42	47	9	2	1	1	33	34	4	8
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic ^a	15	18	32	27	4	0	1	1	40	46	8	8
Denmark	34	37	40	44	..	..	7	3	5	4	14	12
Dominican Republic ^a	..	20	..	54	..	14	..	4	..	1	..	8
Ecuador ^a	50	..	26	..	11	..	1	..	..	..	12	..
Egypt, Arab Rep. ^a	22	32	17	23	13	6	13	3	..	..	35	35
El Salvador	..	24	..	44	..	6	..	1	..	11	..	14
Eritrea	..	..	..	..	..	..	..	..	..	..	..	..
Estonia	..	11	..	30	..	0	..	0	..	33	..	..
Ethiopia ^a	..	..	..	..	..	..	..	..	..	..	..	..
Finland	21	20	34	34	0	..	2	2	32	31	12	13
France	17	25	25	24	0	0	3	4	47	42	8	6
Gabon	..	..	..	..	..	..	..	..	..	..	..	..
Gambia, The ^a	14	..	32	..	42	..	0	..	0	..	7	..
Georgia ^a	7	10	48	51	10	4	..	0	13	15	22	20
Germany	16	17	20	22	..	..	0	..	58	57	6	4
Ghana ^a	15	22	31	22	24	29	..	2	..	..	9	26
Greece	17	19	32	29	0	0	3	3	31	34	16	11
Guatemala ^a	19	28	46	55	23	9	3	1	2	2	6	4
Guinea ^a	8	..	4	..	62	..	2	..	1	..	23	..
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	2006	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Honduras	..	25	..	52	..	6	..	1	..	..	..	15
Hungary	18	20	28	34	8	0	1	2	33	35	12	10
India ^a	23	39	28	30	24	15	0	0	0	0	25	16
Indonesia ^a	46	28	33	32	4	3	1	4	6	3	9	30
Iran, Islamic Rep. ^a	12	13	5	2	9	6	1	1	6	11	66	68
Iraq	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	37	38	35	35	0	0	2	6	17	17	9	4
Israel	..	33	..	28	..	1	..	5	..	16	..	17
Italy	32	34	21	22	..	..	5	5	35	35	6	4
Jamaica ^a	..	14	..	32	..	8	..	21	..	9	..	17
Japan	35	..	14	..	1	..	5	..	26	..	18	..
Jordan ^a	10	12	23	38	22	10	9	15	..	0	36	24
Kazakhstan ^a	11	42	28	42	3	6	5	0	48	..	6	9
Kenya ^a	35	33	40	44	14	10	1	0	0	0	10	12
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep. ^a	31	29	32	28	7	3	10	7	8	16	12	16
Kuwait	1	0	0	..	2	1	0	0	..	..	97	98
Kyrgyz Republic ^a	..	11	..	52	..	13	..	..	..	..	..	24
Lao PDR	..	..	..	..	..	..	..	..	..	..	..	..
Latvia ^a	7	13	41	40	3	1	0	0	35	29	13	17
Lebanon	..	11	..	45	..	8	..	12	..	1	..	24
Lesotho ^a	15	19	12	16	49	49	1	0	..	..	24	15
Liberia	..	..	..	..	..	..	..	..	..	..	..	..
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	..	24	..	36	..	0	..	0	..	31	..	10
Macedonia, FYR	..	..	..	..	..	..	..	..	..	..	..	..
Madagascar	..	9	..	12	..	25	..	4	..	..	..	50
Malawi	..	..	..	..	..	..	..	..	..	..	..	..
Malaysia ^a	37	47	26	21	12	6	5	0	1	..	19	26
Mali	..	5	..	15	..	4	..	3	..	..	..	73
Mauritania	..	..	..	..	..	..	..	..	..	..	..	..
Mauritius ^a	12	17	25	44	34	17	6	5	6	5	16	11
Mexico ^a	27	..	54	..	4	..	2	..	14	..	16	..
Moldova ^a	6	3	38	50	5	4	1	0	38	28	2	15
Mongolia	..	16	..	35	..	6	..	0	..	16	..	27
Morocco ^a	..	33	..	38	..	9	..	7	..	..	..	12
Mozambique	..	..	..	..	..	..	..	..	..	..	..	..
Myanmar	20	25	26	31	12	2	..	..	..	..	42	42
Namibia ^a	27	38	32	20	28	32	2	2	..	1	11	8
Nepal ^a	10	11	33	34	26	18	4	5	..	..	27	32
Netherlands	26	26	24	27	..	1	2	3	40	35	8	9
New Zealand	..	58	..	26	..	2	..	0	..	0	..	14
Nicaragua ^a	9	23	52	49	7	5	0	0	11	19	31	23
Niger	..	..	..	..	..	..	..	..	..	..	..	..
Nigeria	..	..	..	..	..	..	..	..	..	..	..	..
Norway	..	33	..	23	..	0	..	1	..	17	..	25
Oman ^a	21	..	1	..	3	..	2	..	..	..	74	..
Pakistan ^a	18	20	27	33	24	13	7	1	..	..	24	33
Panama ^a	20	..	17	..	11	..	3	..	16	..	34	..
Papua New Guinea ^a	40	..	8	..	27	..	2	..	0	..	23	..
Paraguay ^a	..	9	..	35	..	8	..	4	..	15	..	28
Peru ^a	15	24	46	40	10	6	8	6	10	9	11	15
Philippines ^a	33	39	26	25	29	20	4	4	..	..	8	12
Poland	..	14	..	38	..	0	..	1	..	37	..	10
Portugal	23	21	32	34	0	0	2	2	29	32	14	14
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	2006	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Romania	..	13	..	33	..	3	..	0	..	39	..	13
Russian Federation	..	7	..	21	..	29	..	0	..	19	..	24
Rwanda ^a	11	..	25	..	23	..	3	..	2	..	36	..
Saudi Arabia	..	..	..	..	..	..	..	..	..	..	..	..
Senegal ^a	17	..	19	..	36	..	2	..	..	..	26	..
Serbia ^a	..	..	..	..	..	..	..	..	..	..	..	..
Sierra Leone ^a	15	16	34	9	39	27	0	..	..	..	12	48
Singapore ^a	26	30	20	23	1	0	15	10	..	..	38	36
Slovak Republic	..	11	..	35	..	0	..	0	..	40	..	15
Slovenia ^a	13	18	33	32	9	0	0	3	42	38	3	9
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	..	51	..	33	..	4	..	3	..	2	..	7
Spain	28	26	21	18	0	0	0	0	40	46	..	7
Sri Lanka ^a	12	16	49	51	17	15	4	3	1	1	18	14
Sudan ^a	17	..	41	..	27	..	1	..	..	..	14	..
Swaziland ^a	..	28	..	19	..	48	..	0	..	..	..	5
Sweden	15	10	26	34	..	..	12	12	35	34	13	10
Switzerland ^a	11	19	21	33	1	1	2	2	49	37	17	8
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	..	36	..	40	..	6	..	1	..	5	..	12
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	..
Togo ^a	..	..	..	..	..	..	..	..	..	..	..	..
Trinidad and Tobago ^a	50	52	26	15	6	5	1	15	2	4	15	10
Tunisia ^a	16	26	20	33	28	6	4	4	15	19	17	12
Turkey ^a	..	22	..	49	..	1	..	7	..	..	..	21
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda ^a	10	19	45	30	7	21	2	0	..	..	37	30
Ukraine ^a	..	13	..	31	..	4	..	0	..	35	..	16
United Arab Emirates ^a	..	..	15	..	..	..	..	..	1	..	84	..
United Kingdom	39	39	31	31	..	..	6	6	19	21	5	4
United States	..	57	..	3	..	1	..	1	..	36	..	3
Uruguay ^a	10	11	32	49	4	5	10	4	31	21	8	10
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB ^a	38	21	33	25	9	5	0	4	4	2	19	43
Vietnam	..	..	..	..	..	..	..	..	..	..	..	..
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep. ^a	17	..	10	..	18	..	3	..	..	..	51	..
Zambia ^a	27	33	22	36	36	9	0	0	0	..	15	21
Zimbabwe ^a	36	..	22	..	17	..	3	..	2	..	19	..
World	.. m	21 m	.. m	34 m	.. m	6 m	.. m	2 m	.. m	.. m	.. m	14 m
Low income	..	..	..	..	..	..	..	..	..	..	..	..
Middle income	..	16	..	38	..	5	..	2	..	15	..	14
Lower middle income	19	17	34	39	14	6	..	4	..	13	16	15
Upper middle income	..	14	..	38	..	2	..	1	..	27	..	11
Low & middle income	..	16	..	36	..	8	..	2	..	..	..	17
East Asia & Pacific	35	26	26	35	12	6	..	1	..	..	20	22
Europe & Central Asia	..	13	..	40	..	3	..	0	..	32	..	15
Latin America & Carib.	..	19	..	41	..	6	..	3	..	7	..	15
Middle East & N. Africa	19	11	14	36	16	8	4	4	..	..	35	27
South Asia	15	16	31	33	24	15	4	2	..	0	25	32
Sub-Saharan Africa	..	..	..	..	..	..	..	..	..	..	..	..
High income	24	26	24	27	..	1	3	3	33	34	8	9
Euro area	26	24	23	26	0	0	2	3	40	35	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 work-force; property; goods and services; international trade and transactions; and other. 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.

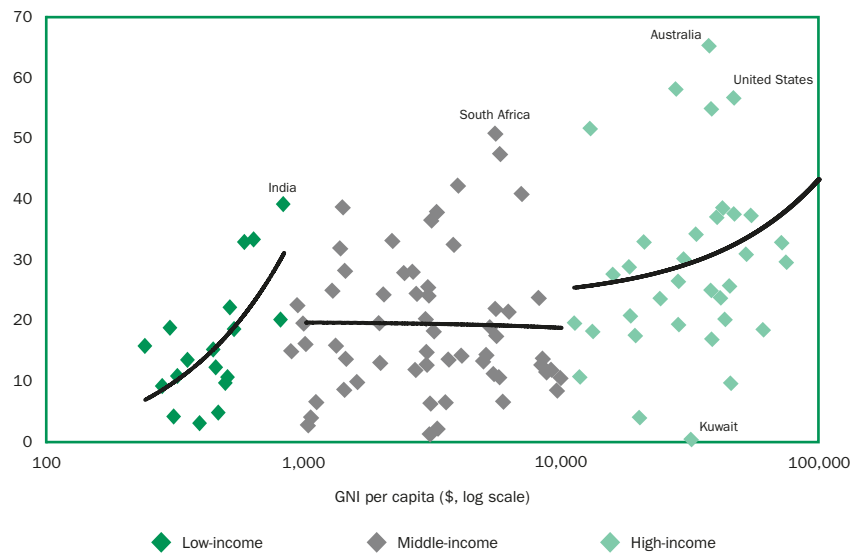
Definitions

- **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.

Rich countries rely more on direct taxes

4.12a

Taxes on income and capital gains as a share of central government revenue, 2006 (%)



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

Note: Data are for the most recent year for 2004–06.

Source: International Monetary Fund, *Government Finance Statistics* data files, and *World Development Indicators* data files.

Data sources

Data on central government revenues are from the IMF's *Government Finance Statistics Yearbook 2007* and 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	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	51.8	16.0	1.8	12.4	-8.3	1.9	15.3	5.2	19.7	12.9	8.9	10.8
Algeria	9.6	20.6	1.0	3.4	-10.0	-11.0	16.0	1.8	18.4	8.0	-7.9	-1.0
Angola	4,105.6	57.3	471.4	34.5	119.5	-85.0	125.9	4.5	206.3	19.5	-84.7	4.2
Argentina	-2.8	20.3	-1.1	13.1	7.8	-15.0	11.9	6.4	17.9	8.6	14.2	-4.3
Armenia	64.3	32.9	70.3	14.8	7.2	-10.1	63.2	5.8	111.9	16.5	-18.9	11.4
Australia	8.5	15.2	12.5	18.1	0.4	-0.9	6.1	4.0	10.7	9.4	8.2	4.6
Austria ^a	..	..	..	..	..	..	2.2	..	6.4	..	6.1	..
Azerbaijan	25.4	86.9	6.1	55.7	-32.7	5.5	..	10.6	..	17.9	..	10.1
Bangladesh	12.1	20.2	25.0	12.2	4.8	6.3	6.0	9.1	14.0	15.3	6.2	9.7
Belarus	158.4	39.9	61.4	45.5	44.7	-4.3	100.8	7.7	175.0	8.8	-63.9	-1.7
Belgium ^a	..	..	..	..	..	..	4.0	1.6	8.4	7.5	7.1	5.4
Benin	-1.8	14.5	2.2	6.4	6.0	-13.3	3.5	3.5	16.8	..	13.0	..
Bolivia	7.7	24.0	13.7	4.3	1.1	-11.5	18.9	4.0	51.0	11.9	35.5	-0.3
Bosnia and Herzegovina	22.0	25.7	23.9	20.4	-0.4	-0.9	51.9	3.7	73.5	8.0	76.3	1.4
Botswana	12.3	67.4	-1.7	14.2	10.0	-55.0	9.8	8.9	14.4	16.5	5.2	2.6
Brazil	44.3	18.9	40.5	14.3	14.6	10.8	52.2	13.9	78.2	50.8	65.5	44.6
Bulgaria	40.5	27.6	22.1	17.8	-7.2	-7.0	35.9	3.2	79.4	8.9	10.1	0.7
Burkina Faso	22.3	11.0	2.9	12.1	-7.3	-7.5	3.5	3.5	16.8	..	16.6	..
Burundi	-10.2	24.6	-9.9	13.6	-2.2	27.6	..	..	15.3	17.1	-0.7	14.1
Cambodia	43.6	40.5	12.5	25.5	1.2	-9.8	8.7	1.8	18.7	16.4	6.4	11.2
Cameroon	-6.2	10.3	0.3	1.8	-2.2	-22.6	5.5	4.3	16.0	15.3	-0.8	11.2
Canada	4.8	12.6	3.8	13.3	0.2	1.2	5.3	1.8	8.7	5.8	6.2	3.4
Central African Republic	4.3	-4.2	3.9	2.2	-7.9	5.7	5.5	4.3	16.0	15.3	5.2	11.0
Chad	48.8	52.3	6.4	-1.3	-18.6	-25.1	5.5	4.3	16.0	15.3	6.6	5.2
Chile	24.3	16.1	34.9	20.4	-2.0	-4.5	13.7	5.1	18.2	8.0	7.0	-3.3
China	29.5	16.0	21.1	10.1	0.7	0.1	11.0	2.5	12.1	6.1	-1.5	2.4
Hong Kong, China	10.6	16.2	9.8	1.0	-2.4	-0.7	5.6	2.7	8.8	7.8	6.1	7.9
Colombia	28.2	20.2	34.3	43.9	2.9	-10.6	32.3	6.3	42.7	12.9	20.1	7.1
Congo, Dem. Rep.	357.6	57.5	59.6	19.3	-7.9	13.6	60.0	..	293.9	..	-30.5	..
Congo, Rep.	-0.1	45.7	6.3	1.5	2.0	-89.6	5.5	4.3	16.0	15.3	12.2	0.1
Costa Rica	4.8	26.3	0.0	21.7	5.7	-2.2	23.9	9.8	36.7	22.2	11.9	11.0
Côte d'Ivoire	18.1	10.3	13.3	4.8	0.3	-1.7	3.5	3.5	16.8	..	16.8	..
Croatia	40.4	18.0	30.5	20.6	-2.4	-1.5	5.5	1.7	20.2	9.9	14.2	6.3
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	29.3	9.9	15.8	10.5	2.1	2.3	7.0	1.2	12.8	5.6	-3.6	3.5
Denmark	6.2	9.6	2.6	39.7	-1.5	-3.3	3.9	2.4	10.3	..	9.0	..
Dominican Republic	17.8	12.5	15.3	7.0	-2.6	37.5	14.9	9.8	30.7	19.5	16.0	11.1
Ecuador	6.8	13.1	15.1	14.1	-74.8	-5.5	43.3	4.1	55.7	9.5	45.7	2.2
Egypt, Arab Rep.	9.9	15.0	12.1	5.5	0.6	6.8	10.9	6.0	16.5	12.6	4.5	4.9
El Salvador	13.5	11.9	22.6	9.9	-0.9	-2.5	14.4	..	19.1	..	7.8	..
Eritrea	21.0	5.8	27.8	0.9	20.5	8.6	..	..	..	..	..	..
Estonia	27.5	28.2	22.0	74.3	-5.5	-1.2	8.7	2.8	19.0	5.0	-9.4	-1.0
Ethiopia	9.0	20.0	13.4	14.7	-3.5	5.4	11.5	3.6	15.1	7.0	2.1	-0.7
Finland ^a	..	..	..	..	..	..	3.2	1.0	7.8	3.7	2.9	3.0
France ^a	..	..	..	..	..	..	4.5	2.4	8.1	6.6	6.7	4.9
Gabon	10.1	16.4	11.9	10.1	5.8	-13.7	5.5	4.3	16.0	15.3	14.5	6.9
Gambia, The	14.2	26.2	-5.0	8.3	15.2	3.8	12.5	12.7	25.0	29.8	20.3	24.7
Georgia	40.2	39.7	-11.1	50.5	73.8	-11.2	31.0	11.4	58.2	18.8	10.6	9.5
Germany ^a	..	..	..	..	..	..	3.9	..	10.9	..	8.9	..
Ghana	43.2	42.8	10.2	20.1	28.1	10.9	28.7	8.9	..	..	..	..
Greece ^a	..	..	..	..	..	..	15.8	2.2	23.1	6.8	12.1	3.1
Guatemala	15.6	13.4	36.1	12.0	-7.1	0.8	7.9	4.5	21.2	12.8	11.5	6.1
Guinea	11.3	33.4	12.1	19.8	8.4	18.1	17.5	14.4	21.5	..	14.7	..
Guinea-Bissau	43.0	4.4	-6.7	5.7	-20.4	-1.5	3.5	3.5	32.9	..	-8.2	..
Haiti	27.1	4.6	15.7	3.1	0.1	-5.4	10.7	6.2	24.8	43.3	-2.4	27.2

Monetary indicators

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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	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Honduras	29.2	22.5	16.5	24.0	-7.4	-1.6	12.0	9.3	27.0	17.4	1.7	11.7
Hungary	20.9	14.3	4.9	17.1	20.2	5.5	24.4	7.4	32.6	8.1	4.6	4.2
India	11.0	21.6	6.0	16.8	3.4	2.4	..	..	15.5	11.2	5.9	5.0
Indonesia	27.5	14.9	25.9	7.4	-2.3	0.8	16.7	11.4	18.9	16.0	8.3	2.1
Iran, Islamic Rep.	30.1	29.1	9.8	27.0	17.3	-8.4	..	11.8	..	14.0	..	2.7
Iraq	..	30.8	..	6.7	..	-29.9	..	..	..	14.4	..	..
Ireland ^a	..	..	..	..	..	..	0.4	0.0	6.6	2.7	3.4	-0.8
Israel	21.7	5.1	18.3	3.4	-0.5	-1.8	14.1	3.2	20.2	7.4	1.9	5.0
Italy ^a	..	..	..	..	..	..	6.4	0.9	13.2	5.6	7.9	3.8
Jamaica	28.0	15.8	18.0	11.5	6.1	-3.5	23.2	7.0	43.6	17.6	17.5	10.7
Japan	4.1	-0.7	1.3	-0.1	2.5	-0.3	0.9	0.7	3.5	1.7	4.0	2.5
Jordan	5.7	12.8	9.6	15.6	-3.8	-1.0	7.7	4.6	10.7	8.2	8.6	2.3
Kazakhstan	108.2	78.1	-72.5	105.2	24.7	-44.4	..	..	..	..	..	..
Kenya	29.0	18.0	26.7	10.2	6.6	3.1	13.6	5.1	28.8	13.6	15.8	14.1
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	15.6	4.4	21.6	19.5	-1.2	1.2	8.8	4.5	9.0	6.0	1.5	6.4
Kuwait	9.4	21.7	10.9	23.7	-0.2	-5.7	6.5	4.9	8.4	8.6	3.4	-13.6
Kyrgyz Republic	14.8	51.5	0.1	18.1	62.6	-0.5	36.7	5.6	65.0	23.2	21.9	12.8
Lao PDR	16.4	26.7	18.1	-1.5	-7.2	1.8	14.0	5.0	25.7	30.0	5.0	24.2
Latvia	-21.4	38.7	-23.8	88.8	6.5	-2.3	14.8	3.5	34.6	7.3	5.5	-3.4
Lebanon	16.4	7.8	13.1	1.9	6.0	6.6	16.3	8.0	24.7	10.3	12.8	4.4
Lesotho	9.8	35.3	-2.3	4.8	-18.7	-22.7	13.3	4.5	16.4	12.2	6.5	7.7
Liberia	29.5	34.6	-6.0	15.9	37.2	76.6	6.4	3.4	15.6	15.5	8.5	2.7
Libya	9.6	14.1	3.1	1.0	3.6	-112.6	5.5	2.5	7.0	6.3	..	-7.4
Lithuania	28.9	22.5	12.7	40.3	-2.4	-8.3	20.1	1.2	27.1	5.1	-14.5	-1.4
Macedonia, FYR	11.7	21.5	-147.3	16.5	-243.6	-4.7	24.1	6.6	46.0	12.2	24.6	8.1
Madagascar	16.2	26.4	9.6	9.6	-13.1	-17.4	18.5	22.3	37.5	29.5	-5.3	16.4
Malawi	56.2	16.4	2.8	19.0	-10.4	-9.8	37.3	11.0	47.3	32.3	-16.9	11.6
Malaysia	18.5	11.5	29.2	6.2	-0.7	1.6	5.9	3.1	8.7	6.5	4.9	2.3
Mali	7.3	6.0	18.9	1.4	-11.6	-9.9	3.5	3.5	16.8	..	14.5	..
Mauritania	-5.1	10.5	-42.5	18.7	-28.9	-15.8	9.0	8.0	20.3	23.1	17.0	4.3
Mauritius	18.6	10.1	8.7	7.2	3.0	0.5	12.2	9.6	20.8	21.1	16.1	16.3
Mexico	31.9	11.1	-2.9	17.7	27.6	3.2	39.8	3.3	59.4	7.5	15.6	2.9
Moldova	65.3	23.5	34.6	21.5	19.1	-0.7	25.4	11.9	36.7	18.1	7.7	4.9
Mongolia	32.6	30.8	14.4	31.8	-31.8	-37.3	74.6	13.0	134.4	21.4	46.9	-1.4
Morocco	7.0	17.0	6.9	10.4	5.1	0.0	7.3	3.7	10.0	11.5	8.3	11.9
Mozambique	47.7	22.6	21.8	13.4	-12.5	-8.3	38.8	10.4	24.4	18.6	18.0	11.9
Myanmar	36.5	27.3	13.4	6.8	19.7	23.5	9.8	9.5	16.5	15.0	-2.4	-2.2
Namibia	22.6	29.6	30.5	20.3	1.7	-7.2	10.8	6.3	18.5	11.2	12.1	1.9
Nepal	15.6	14.7	18.0	11.0	3.6	0.1	9.6	2.3	12.9	8.0	4.7	1.2
Netherlands ^a	..	..	..	..	..	..	4.4	3.0	7.2	3.5	5.0	2.0
New Zealand	9.3	16.0	15.8	16.6	-3.9	-1.0	8.5	6.9	12.1	12.3	9.9	10.8
Nicaragua	35.1	8.4	30.3	22.5	-21.5	-10.0	11.1	4.9	19.9	11.6	5.7	0.9
Niger	3.8	14.8	-22.8	15.2	10.2	-31.6	3.5	3.5	16.8	..	15.5	..
Nigeria	19.4	-33.9	22.3	19.5	-9.1	-23.6	13.5	9.7	20.2	16.9	-22.9	8.3
Norway	3.8	3.4	9.5	10.4	-1.9	-5.3	5.0	1.8	7.6	4.0	4.4	-4.2
Oman	7.7	24.6	9.3	20.6	-2.3	-5.5	6.5	4.0	9.4	7.4	7.5	-1.4
Pakistan	13.8	14.6	10.8	10.6	8.7	1.6	..	4.2	..	11.0	..	1.6
Panama	8.4	22.3	14.5	13.8	-4.3	0.1	7.2	3.8	11.1	8.4	10.6	6.1
Papua New Guinea	13.7	38.9	0.2	16.1	5.0	-3.0	7.3	1.0	13.1	10.6	0.0	0.8
Paraguay	0.5	8.7	4.9	6.0	0.1	-3.1	21.2	6.7	33.9	30.1	17.9	17.5
Peru	29.3	11.8	31.1	4.2	-8.1	-5.1	9.6	3.2	36.2	23.9	20.5	15.5
Philippines	23.9	19.6	27.9	3.7	3.0	1.2	8.4	5.3	14.7	9.8	6.6	4.3
Poland	35.6	14.8	19.1	15.7	3.1	2.1	26.8	2.8	33.5	5.5	-5.2	4.5
Portugal ^a	8.4	..	13.8	..	10.0	..
Puerto Rico



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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	
	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006	1995	2006
Romania	69.6	36.2	23.1	34.6	11.6	-0.9	..	..	..	..	..	..
Russian Federation	112.6	40.5	46.2	37.2	73.6	-21.8	102.0	4.1	320.3	10.4	72.3	-4.9
Rwanda	69.5	18.0	32.7	14.5	-41.0	-13.8	10.9	7.9	18.5	16.1	6.9	6.4
Saudi Arabia	3.4	20.4	3.4	7.3	1.4	-17.7	6.2	5.0	..	..	..	..
Senegal	7.4	12.5	1.2	4.8	1.0	2.7	3.5	3.5	16.8	..	17.8	..
Serbia	33.0	38.3	88.5	18.5	34.1	-16.0	19.1	5.1	78.0	16.6	..	0.8
Sierra Leone	19.6	21.4	1.6	4.1	-101.6	-62.0	7.0	10.4	28.8	24.0	-3.6	8.6
Singapore	8.5	19.4	19.7	4.2	-8.1	2.5	3.5	0.6	6.4	5.3	4.0	5.1
Slovak Republic	18.4	14.5	3.4	14.0	-4.8	-1.1	9.0	3.6	16.8	7.7	6.3	4.8
Slovenia	31.5	8.4	36.8	27.7	5.8	-2.3	15.4	2.8	23.4	7.4	-1.5	5.0
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	16.0	21.2	18.9	29.2	-4.1	-5.2	13.5	7.1	17.9	11.2	6.9	4.0
Spain ^a	..	..	..	..	..	..	7.7	..	10.1	..	4.9	..
Sri Lanka	35.8	19.0	75.4	15.9	5.4	3.1	12.1	10.2	18.0	7.0	8.0	-2.7
Sudan	72.7	29.7	10.6	26.3	389.1	17.7	..	..	..	..	..	..
Swaziland	3.9	25.1	1.3	22.5	-14.8	-24.6	9.4	4.9	17.1	11.2	-0.2	5.2
Sweden	3.1	11.9	-1.1	24.5	-4.0	0.2	6.2	0.8	11.1	3.3	7.3	2.1
Switzerland	4.6	4.9	4.0	10.0	0.2	0.4	1.3	1.4	5.5	3.0	4.6	1.6
Syrian Arab Republic	9.2	7.3	3.9	2.9	6.1	0.9	4.0	1.0	9.0	8.0	2.2	-4.4
Tajikistan	..	59.7	..	45.5	..	-13.8	23.9	9.1	75.5	24.4	6.2	3.4
Tanzania	33.0	18.3	-3.9	13.2	16.3	-16.2	24.6	6.6	42.8	15.4	12.6	8.6
Thailand	17.7	6.7	40.3	3.5	-4.2	-1.8	11.6	4.4	13.3	7.4	7.3	2.2
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	..
Togo	22.3	22.6	17.6	0.0	14.9	0.1	3.5	3.5	17.5	..	13.8	..
Trinidad and Tobago	4.0	21.7	9.0	16.0	0.6	-18.3	6.9	4.8	15.2	10.9	10.7	3.1
Tunisia	6.6	11.6	10.4	8.0	-1.2	3.4	..	..	..	..	..	..
Turkey	104.2	32.6	66.9	24.8	30.1	4.3	76.0	21.6	..	..	..	..
Turkmenistan	449.5	..	76.3	..	-573.1	..	..	..	..	..	..	..
Uganda	13.9	17.6	9.6	10.8	-41.2	-10.1	7.6	9.1	20.2	18.7	9.9	10.7
Ukraine	115.5	34.3	7.7	51.4	95.4	-0.5	70.3	7.6	122.7	15.2	-56.8	1.3
United Arab Emirates	10.2	23.2	10.7	29.5	-4.3	1.1	..	..	..	..	..	..
United Kingdom	20.3	11.9	19.6	16.4	9.5	-1.1	4.1	..	6.7	4.7	3.9	2.2
United States	6.9	9.0	6.0	7.3	0.2	0.8	..	..	8.8	8.0	6.7	4.6
Uruguay	39.0	11.7	34.2	5.3	1.0	-12.8	57.7	1.8	93.1	9.3	36.9	2.3
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	36.6	75.4	15.3	38.1	32.8	11.2	24.7	10.3	39.7	15.5	-7.9	-1.2
Vietnam	25.7	29.7	12.7	21.8	0.8	0.9	8.5	7.6	20.1	11.2	10.5	3.6
West Bank and Gaza	..	5.6	..	2.9	..	2.4	..	3.0	..	7.7	..	8.0
Yemen, Rep.	50.7	26.1	6.0	3.6	13.3	-5.2	23.8	13.0	31.5	18.0	-3.2	4.1
Zambia	55.5	44.2	34.2	22.4	185.8	-36.9	30.2	10.3	45.5	23.2	5.4	9.8
Zimbabwe	25.5	1,453.0	25.5	624.0	-0.3	274.6	25.9	203.4	34.7	496.5	23.0	-0.7

a. As members of the euro area, 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 prior 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 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** are 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

Data on monetary and financial statistics 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. Data on real interest rates are derived from World Bank data on the GDP deflator.



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Exchange rates and prices

	Official exchange rate		Purchasing power parity (PPP) conversion factor		Ratio of PPP conversion factor to market 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	
	2006	2007 ^a	1995	2006				2006	1990-2000	2000-06	1990-2000	2000-06	1990-2000	2000-06
Afghanistan	49.50	..	..	17.5	0.4	..	..	11.8	..	..	..	..
Albania	98.10	83.02	27.1	48.0	0.5	..	38.0	3.8	31.5	3.0	..	5.1	
Algeria	72.65	67.07	18.2	39.6	0.5	83.2	18.5	8.1	17.3	2.6	2.1	3.5	
Angola	80.37	75.02	0.0	49.4	0.6	..	739.4	67.2	711.0	65.1	..	..
Argentina	3.05	3.12	0.9	1.4	0.5	..	5.2	12.2	8.9	10.9	0.3	19.8	
Armenia	416.04	304.10	116.3	181.0	0.4	106.3	212.5	4.2	103.3	3.4	13.2	0.9	
Australia	1.33	1.15	1.3	1.4	1.1	124.7	1.5	3.7	2.1	3.0	1.1	3.2	
Austria ^b	0.80	0.69	1.0	0.9	1.1	105.4	1.7	1.6	2.2	1.9	0.3	2.2	
Azerbaijan	0.89	0.85	0.2	0.3	0.4	..	203.0	7.3	192.4	5.5	..	..
Bangladesh	68.93	68.59	19.2	23.1	0.3	..	4.0	4.1	5.5	5.9	..	..
Belarus	2,144.56	2,153.40	3.5	836.5	0.4	..	355.1	31.3	267.6	25.7	266.4	30.0	
Belgium ^b	0.80	0.69	0.9	0.9	1.1	109.4	1.8	2.0	1.9	2.0	1.2	2.0	
Benin	522.89	449.94	187.1	225.7	0.4	..	8.7	3.3	8.3	2.7	..	..
Bolivia	8.01	7.65	1.6	2.4	0.3	79.5	8.6	6.0	8.7	3.4	..	..
Bosnia and Herzegovina	1.56	1.34	0.6	0.8	0.5	..	3.3	3.4	..	..	..	..
Botswana	5.84	6.03	1.4	2.7	0.5	..	9.7	6.1	10.4	8.4	..	..
Brazil	2.18	1.79	0.7	1.4	0.6	..	211.9	9.2	199.5	8.4	204.9	13.2	
Bulgaria	1.56	1.34	0.0	0.6	0.4	125.4	103.3	4.5	117.5	5.3	85.7	5.0	
Burkina Faso	522.89	449.94	184.3	198.9	0.4	..	3.7	3.1	5.5	2.6	..	..
Burundi	1,028.43	1,137.21	126.3	341.2	0.3	73.2	13.4	8.3	16.1	7.3	..	..
Cambodia	4,103.25	3,999.00	1,140.0	1,297.1	0.3	94.3	3.4	3.4	4.9	3.1	..	..
Cameroon	522.89	449.94	236.0	252.4	0.5	113.2	6.3	2.4	6.5	2.1	..	..
Canada	1.13	1.00	1.2	1.2	1.1	126.8	1.5	2.5	1.7	2.3	2.7	1.0	
Central African Republic	522.89	449.94	267.5	265.2	0.5	129.3	4.5	2.1	5.3	2.1	6.3	4.4	
Chad	522.89	449.94	134.9	221.1	0.4	126.7	7.1	8.8	6.9	2.8	..	..
Chile	530.29	499.28	261.8	361.2	0.7	96.6	7.9	6.8	8.9	2.6	7.0	5.7	
China	7.97	7.37	3.3	3.5	0.4	94.4	7.9	3.5	8.6	1.5	..	..
Hong Kong, China	7.77	7.80	8.2	5.5	0.7	..	4.0	-2.9	5.9	-1.0	0.6	0.1	
Colombia	2,361.14	2,016.70	484.1	1,104.8	0.5	103.6	21.7	6.7	20.3	6.1	16.4	6.0	
Congo, Dem. Rep.	468.28	..	0.0	234.8	0.5	32.8	964.9	35.7	932.8	41.1	..	..
Congo, Rep.	522.89	449.94	153.5	300.1	0.6	..	9.0	4.7	9.6	2.7	0.6	..	
Costa Rica	511.30	498.69	106.3	270.2	0.5	92.7	15.9	9.8	15.6	11.2	14.1	11.8	
Côte d'Ivoire	522.89	449.94	261.4	294.1	0.6	115.9	9.2	3.1	7.2	3.0	..	..
Croatia	5.84	5.02	3.1	3.9	0.7	111.8	86.0	3.7	86.2	2.5	83.7	2.3	
Cuba	..	..	..	..	..	..	2.5	2.6	..	..	..	..
Czech Republic	22.60	18.04	11.2	14.2	0.6	132.3	12.8	2.3	6.9	2.0	8.2	2.0	
Denmark	5.95	5.12	8.4	8.4	1.4	108.4	1.6	2.3	2.1	1.9	1.1	1.9	
Dominican Republic	33.37	33.76	6.9	18.7	0.6	99.1	9.4	19.0	8.7	19.0	..	..
Ecuador	1.00	1.00	0.4	0.4	0.4	147.1	4.3	10.6	37.1	8.9	..	8.5	
Egypt, Arab Rep.	5.73	5.53	1.2	1.7	0.3	..	8.7	6.4	8.8	5.8	6.1	9.5	
El Salvador	1.00	1.00	0.4	0.5	0.5	..	6.2	3.2	8.5	3.4	..	3.9	
Eritrea	15.38	15.38	1.8	5.2	0.3	..	6.4	15.4	..	..	..	..
Estonia	12.47	10.74	4.6	8.0	0.6	..	53.8	4.0	23.1	3.4	8.2	2.0	
Ethiopia	8.70	9.12	2.2	2.4	0.3	100.0	5.8	4.6	5.5	7.1	..	..
Finland ^b	0.80	0.69	1.1	1.0	1.2	104.0	2.0	0.8	1.5	1.1	1.0	1.3	
France ^b	0.80	0.69	1.0	0.9	1.1	107.6	1.3	1.9	1.6	1.9	..	1.6	
Gabon	522.89	449.94	187.6	268.0	0.5	102.1	7.0	4.3	4.6	1.2	..	..
Gambia, The	28.07	22.24	3.9	7.6	0.3	54.3	4.2	14.3	4.1	10.6	..	..
Georgia	1.78	1.60	0.4	0.8	0.4	..	356.7	6.5	27.1	5.6	..	..
Germany ^b	0.80	0.69	1.0	0.9	1.1	106.7	1.7	0.9	2.1	1.6	0.4	2.4	
Ghana	0.92	0.97	573.5	4,133.3	0.5	116.1	26.7	21.1	28.4	18.2	..	..
Greece ^b	0.80	0.69	0.6	0.7	0.9	114.6	9.2	3.4	9.0	3.4	3.0	3.8	
Guatemala	7.60	7.63	2.3	4.0	0.5	..	10.4	7.1	10.1	7.2	..	..
Guinea	3,644.33	..	645.8	1,635.0	0.3	..	5.5	17.2	..	..	..	..
Guinea-Bissau	522.89	449.94	116.0	202.6	0.4	..	32.5	0.7	34.0	1.2	
Haiti	40.41	36.22	5.4	17.4	0.4	..	22.8	17.4	21.9	20.4	

Exchange rates and prices

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	Official exchange rate		Purchasing power parity (PPP) conversion factor		Ratio of PPP conversion factor to market 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	
	2006	2007 ^a	1995	2006				2006	1990-2000	2000-06	1990-2000	2000-06	1990-2000	2000-06
Honduras	18.90	18.90	2.8	7.1	0.4	..	18.9	7.8	22.8	8.0	..	..
Hungary	210.39	173.86	60.2	129.1	0.6	127.0	19.6	5.3	20.3	5.4	16.8	2.9	
India	45.31	39.44	11.2	15.1	0.3	..	8.1	4.2	9.1	4.2	7.4	4.9	
Indonesia	9,159.32	9,333.60	1,025.3	4,332.6	0.5	..	15.8	9.6	13.7	9.3	15.4	8.6	
Iran, Islamic Rep.	9,170.94	9,368.13	564.5	2,877.9	0.3	135.2	27.7	17.4	26.0	14.1	28.4	10.2	
Iraq	1,467.42	..	..	558.7	..	..	13.9	0.3	..	..	..	..
Ireland ^b	0.80	0.69	0.8	1.0	1.3	125.9	3.5	3.3	2.3	3.4	1.6	0.1	
Israel	4.46	3.90	3.1	3.7	0.8	78.0	10.8	1.3	9.7	1.6	8.1	4.5	
Italy ^b	0.80	0.69	0.8	0.9	1.1	110.8	3.8	2.8	3.7	2.4	2.9	2.4	
Jamaica	65.74	71.17	14.2	32.6	0.5	..	23.0	10.0	23.5	10.8	..	..
Japan	116.30	112.25	174.9	124.5	1.1	72.0	0.1	-1.3	0.8	-0.3	-0.9	0.0	
Jordan	0.71	0.71	0.4	0.4	0.6	..	3.2	2.6	3.5	2.9	..	8.2	
Kazakhstan	126.09	120.78	17.4	67.9	0.5	..	204.7	13.5	86.7	7.1	12.6	11.5	
Kenya	72.10	63.30	15.4	30.6	0.4	..	16.6	5.3	15.6	8.9	..	..
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	954.79	930.76	735.8	761.8	0.8	..	5.7	2.0	5.1	3.2	3.6	2.3	
Kuwait	0.29	0.27	0.1	0.2	0.7	..	0.8	8.3	2.0	1.8	1.4	2.3	
Kyrgyz Republic	40.15	35.01	3.5	12.0	0.3	..	110.6	5.3	18.1	4.0	36.0	7.2	
Lao PDR	10,159.92	9,541.42	308.9	3,032.3	0.3	..	27.0	10.3	28.2	10.3	..	..
Latvia	0.56	0.48	0.2	0.3	0.6	..	48.0	6.1	33.8	4.5	15.2	5.3	
Lebanon	1,507.50	1,507.50	841.3	867.1	0.6	..	17.8	1.7	21.3	..	..	..
Lesotho	6.77	6.81	2.1	3.5	0.5	129.4	9.8	5.5	9.9	8.1	..	..
Liberia	58.01	60.77	0.6	30.6	0.5	..	51.8	10.1	..	..	..	..
Libya	1.31	1.22	..	0.9	0.7	..	..	22.8	5.6	-3.0	..	..
Lithuania	2.75	2.37	1.2	1.5	0.6	..	75.1	2.0	40.5	1.1	32.6	3.5	
Macedonia, FYR	48.80	42.02	17.1	19.0	0.4	100.0	79.3	2.3	14.4	1.8	10.9	0.7	
Madagascar	2,142.30	1,792.15	286.8	700.4	0.3	..	19.1	11.5	18.7	10.5	..	..
Malawi	136.01	140.17	3.9	45.3	0.3	73.3	33.6	23.6	33.8	13.8	..	..
Malaysia	3.67	3.33	1.4	1.7	0.5	99.0	3.9	4.9	3.6	1.9	3.4	4.3	
Mali	522.89	449.94	226.3	242.2	0.5	..	7.0	3.7	5.2	1.7	..	..
Mauritania	265.53	..	62.2	124.3	0.5	..	8.7	11.4	6.1	7.3	..	..
Mauritius	31.71	29.04	10.5	14.8	0.5	..	6.4	5.4	6.9	5.4	..	..
Mexico	10.90	10.85	2.7	7.2	0.7	..	19.0	6.7	19.4	4.7	18.4	6.5	
Moldova	13.13	11.29	1.2	4.8	0.4	102.9	119.6	10.9	14.5	10.7	..	..
Mongolia	1,165.37	1,187.63	158.3	497.8	0.4	..	57.8	13.3	39.8	6.5	..	..
Morocco	8.80	7.78	4.9	4.8	0.5	92.9	4.0	1.0	3.8	1.7	2.9	-0.6	
Mozambique	25.40	25.84	3,938.1	11,203.4	0.4	..	34.7	8.0	31.8	12.2	..	..
Myanmar	5.78	5.45	40.9	254.4	..	..	25.5	21.1	25.9	23.7	..	..
Namibia	6.77	6.81	2.5	4.5	0.7	..	10.4	5.2	..	4.3	..	..
Nepal	72.76	63.63	15.5	23.4	0.3	..	8.0	5.2	8.7	4.7	..	..
Netherlands ^b	0.80	0.69	0.9	0.9	1.1	111.9	2.1	2.3	2.4	2.2	1.3	2.3	
New Zealand	1.54	1.30	1.5	1.5	1.0	128.1	1.7	2.4	1.7	2.5	1.4	2.5	
Nicaragua	17.57	18.87	3.0	6.0	0.3	88.2	42.4	7.2	..	7.4	..	..
Niger	522.89	449.94	203.1	221.8	0.4	..	6.0	2.3	6.1	2.0	..	..
Nigeria	128.65	118.21	17.3	63.0	0.5	133.1	29.5	15.8	32.5	14.6	..	..
Norway	6.41	5.50	7.0	9.2	1.4	111.3	2.7	3.9	2.2	1.7	1.6	5.8	
Oman	0.39	0.39	0.2	0.2	0.6	..	0.1	4.3	..	0.7	..	..
Pakistan	60.27	61.22	10.1	20.2	0.3	97.0	11.1	6.1	9.7	5.6	10.4	6.7	
Panama	1.00	1.00	0.5	0.6	0.6	..	3.6	1.7	1.1	1.1	1.0	2.0	
Papua New Guinea	3.06	2.83	0.8	1.5	0.5	101.3	7.0	7.9	9.3	7.1	..	..
Paraguay	5,635.46	4,731.70	966.4	2,153.9	0.4	88.1	11.5	10.9	13.1	8.8	5.8	13.1	
Peru	3.27	2.98	1.2	1.5	0.5	..	26.7	3.4	27.3	2.0	23.7	2.2	
Philippines	51.31	41.74	14.1	22.2	0.4	102.5	8.3	5.3	7.7	5.3	5.0	9.0	
Poland	3.10	2.48	1.2	1.9	0.6	109.8	24.7	2.3	25.3	2.3	19.8	2.8	
Portugal ^b	0.80	0.69	0.6	0.7	0.9	111.5	5.2	3.1	4.5	3.0	..	2.3	
Puerto Rico	1.00	1.00	3.0	



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Exchange rates and prices

	Official exchange rate		Purchasing power parity (PPP) conversion factor		Ratio of PPP conversion factor to market 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	
	2006	2007 ^a	1995	2006	2006	2006	1990-2000	2000-06	1990-2000	2000-06	1990-2000	2000-06
Romania	2.81	2.43	0.1	1.5	0.5	128.9	98.0	19.6	100.5	15.6	93.8	19.3
Russian Federation	27.19	24.57	1.5	14.3	0.5	163.4	161.5	17.0	108.0	13.6	110.8	17.2
Rwanda	551.71	..	133.6	196.9	0.4	..	14.6	6.6	15.8	7.4	..	..
Saudi Arabia	3.75	3.75	1.8	2.5	0.7	81.7	1.6	7.5	1.0	0.5	1.3	1.5
Senegal	522.89	449.94	252.4	250.9	0.5	..	6.0	1.7	5.4	1.4	..	..
Serbia	67.15	54.68	..	30.5	0.5	..	..	21.9	42.4	20.3	..	..
Sierra Leone	2,961.91	2,982.38	382.8	1,188.0	0.4	73.5	32.1	8.3	29.3	7.3	..	..
Singapore	1.59	1.45	1.3	1.0	0.7	94.3	1.3	0.2	1.7	0.7	-1.0	3.3
Slovak Republic	29.70	22.64	12.6	17.1	0.6	142.7	11.2	4.4	7.4	5.8	9.5	5.3
Slovenia	191.03 ^c	0.69 ^d	96.0	145.8	0.8	..	28.7	4.8	11.9	4.9	9.0	4.1
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	6.77	6.81	2.3	4.0	0.6	104.2	9.9	6.5	8.7	4.9	7.4	5.2
Spain ^b	0.80	0.69	0.7	0.8	1.0	114.9	3.9	4.1	3.8	3.2	2.4	2.8
Sri Lanka	103.91	109.13	18.9	37.6	0.4	..	9.1	8.8	9.9	9.7	8.1	9.7
Sudan	217.15	2.03	15.3	111.6	0.5	..	76.8	9.8	71.9	7.8	..	..
Swaziland	6.77	6.81	1.6	3.4	0.5	..	12.5	8.4	9.4	6.5	..	..
Sweden	7.38	6.47	10.0	9.1	1.2	96.8	2.2	1.4	1.9	1.4	2.4	2.2
Switzerland	1.25	1.14	2.0	1.7	1.4	101.7	1.0	0.9	1.6	0.9	-0.4	0.6
Syrian Arab Republic	11.23	11.23	12.7	20.8	0.4	..	7.9	6.0	6.4	4.8	4.7	2.2
Tajikistan	3.30	3.46	0.0	0.9	0.3	..	235.0	20.3	..	..	..	..
Tanzania	1,251.90	1,158.93	172.6	407.6	0.3	..	21.6	7.3	20.9	3.7	..	..
Thailand	37.88	33.66	15.1	16.2	0.4	..	4.2	2.7	4.9	2.6	3.8	5.2
Timor-Leste	..	..	..	0.2	..	..	..	1.5	..	..	..	..
Togo	522.89	449.94	238.0	232.0	0.4	112.4	7.0	0.7	8.5	2.3	..	..
Trinidad and Tobago	6.31	6.31	3.7	4.9	0.8	112.6	5.4	4.8	5.7	5.1	2.8	2.0
Tunisia	1.33	1.23	0.5	0.6	0.4	84.6	4.4	2.4	4.4	2.9	3.6	3.5
Turkey	1.43	1.18	0.0	0.9	0.7	..	76.1	21.7	79.9	23.5	..	9.5
Turkmenistan	..	..	..	4,306.3	0.4	..	408.0	..	..	..	..	..
Uganda	1,831.45	1,747.17	483.6	644.1	0.4	87.8	11.8	5.5	10.5	4.7	..	..
Ukraine	5.05	5.05	0.3	1.9	0.4	110.7	271.0	12.6	190.4	7.8	198.5	11.4
United Arab Emirates	3.67	3.67	2.7	3.5	0.9	..	2.2	4.9	..	..	..	..
United Kingdom	0.54	0.49	0.6	0.6	1.2	103.1	2.9	2.7	2.9	2.6	2.4	1.6
United States	1.00	1.00	1.0	1.0	1.0	92.4	2.0	2.5	2.7	2.6	1.2	3.9
Uruguay	24.07	21.69	5.7	13.7	0.6	78.1	31.1	10.0	33.9	10.5	27.2	17.1
Uzbekistan	..	..	11.1	356.9	0.3	..	245.8	27.7	..	..	..	..
Venezuela, RB	2,147.00	2,147.00	72.7	1,306.5	0.6	73.4	45.3	28.2	49.0	20.8	44.1	29.6
Vietnam	15,994.25	..	3,162.7	4,899.4	0.3	..	15.2	6.3	3.3	5.2	..	..
West Bank and Gaza	..	..	1.1	1.3	0.3	..	4.9	3.2	4.0	3.8	..	..
Yemen, Rep.	197.05	199.33	21.8	76.3	0.4	..	22.4	13.0	26.3	12.8	..	..
Zambia	3,603.07	3,834.24	396.9	2,625.9	0.7	176.7	52.1	19.4	57.0	18.9	68.8	..
Zimbabwe	22,364.00	255.00	25.7	33,068.2	1.5	..	26.7	232.0	29.0	296.4	25.3	..

Note: The differences in the growth rates of the GDP deflator and consumer and wholesale price indexes are due mainly to data availability of each of the indexes during the period.
a. December or latest monthly data available. b. As members of the euro area, these countries share a single currency, the euro. c. Tolars. d. Euros.

About the data

In a market-based economy household, producer, and government choices about resource allocation are influenced by relative prices, including the real exchange rate, real wages, real interest rates, and other prices in the economy. Relative prices also largely reflect these agents' choices. 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 recognized by governments include market rates, which are determined largely by legal market forces, and for countries with multiple exchange arrangements, principal rates, secondary rates, and tertiary rates. (Also see *Statistical methods* for alternative conversion factors in the *World Bank Atlas* method of calculating gross national income (GNI) per capita in U.S. dollars.)

Official or market exchange rates are often used to compare prices across currencies. Since 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 to compare prices across countries converts national currency estimates of GNI to a common unit of account using conversion factors that reflect equivalent purchasing power. Based on price and expenditure surveys conducted by the International Comparison Program, purchasing power parity (PPP) conversion factors are applied to equalize price levels across countries. See *About the data* for table 1.1 for further discussion.

The ratio of the PPP conversion factor to the market exchange rate—or the national price level—allows comparison of the cost of the bundle of goods that make up gross domestic product (GDP) across countries. The market exchange rate (or alternative conversion factor) is the official exchange rate adjusted by World Bank staff for some countries to reflect actual price changes. National price levels vary systematically, rising with GNI per capita. The real effective exchange rate is 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 is 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 industrial country trade in manufactured goods. 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 manufactured goods and primary products trade with partner or competitor countries. For these countries the real effective exchange rate index is the nominal index adjusted for relative changes in consumer prices; an increase represents an appreciation of the local currency. Because of conceptual and data limitations, changes in real effective exchange rates should be interpreted with caution.

Inflation is measured by the rate of increase in a price index, but actual price change can be negative. The index used depends on the prices being examined. The GDP deflator reflects price changes for total GDP. The most general measure of the overall price level, it accounts for 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—or a Paasche index. It is defective as a general measure of inflation for policy use because of long lags in deriving estimates and because it is often 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, and the geographic (urban or rural) and income group coverage of consumer price surveys can vary widely by country. In addition, weights are derived from household expenditure surveys, which, for budgetary reasons, tend to be conducted infrequently in developing countries, impairing comparability over time. Although useful for measuring consumer price inflation within a country, consumer price indexes are of less value in comparing countries.

Wholesale price indexes are based on the prices of commodities that are significant in a country's output or consumption at the first commercial transaction. Prices are farm-gate prices for agricultural commodities and ex-factory prices for industrial goods. Preference is given to indexes with the broadest coverage of the economy.

The least-squares method is used to calculate 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 that a U.S. dollar would buy in the United States.
- **Ratio of PPP conversion factor to market exchange rate** is the result obtained by dividing the PPP conversion factor by the market 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	
	Exports		Imports		1995	2006	1995	2006	1995	2006	1995	2006
Afghanistan	..	..	..	..	..	..	..	..	..	..	..	..
Albania	304	2,297	836	4,500	44	263	477	1,270	-12	-671	265	1,813
Algeria	..	..	..	..	..	..	..	..	..	..	4,164	81,463
Angola	3,836	33,346	3,519	16,289	-767	-6,178	156	-190	-295	10,690	213	8,599
Argentina	24,987	54,123	26,066	41,088	-4,636	-5,440	597	497	-5,118	8,092	15,979	32,022
Armenia	300	1,510	726	2,536	40	215	168	694	-218	-117	111	1,072
Australia	69,710	158,002	74,841	166,759	-14,036	-32,076	-109	-213	-19,277	-41,046	14,952	55,079
Austria	89,906	179,503	92,055	166,059	-1,597	-1,830	-1,702	-1,355	-5,448	10,259	23,369	12,911
Azerbaijan	785	13,955	1,290	8,133	-6	-2,681	111	566	-401	3,708	121	2,500
Bangladesh	4,431	12,888	7,589	16,784	68	-841	2,265	5,933	-824	1,196	2,376	3,877
Belarus	5,269	22,137	5,752	23,723	-51	-107	76	182	-458	-1,512	377	1,417
Belgium	190,686 ^b	340,727	178,798 ^b	330,926	6,808 ^b	7,531	-4,463 ^b	-6,661	14,232 ^b	10,671	24,120	13,437
Benin	614	772	895	1,145	-8	-18	121	164	-167	-226	198	912
Bolivia	1,234	4,297	1,574	3,437	-207	-364	244	822	-303	1,319	1,005	3,194
Bosnia and Herzegovina	..	4,496	..	8,187	..	409	..	2,049	..	-1,233	80	3,372
Botswana	2,421	5,292	2,050	3,451	-32	-772	-39	871	300	1,940	4,695	7,992
Brazil	52,641	157,270	63,293	120,466	-11,105	-27,489	3,621	4,306	-18,136	13,621	51,477	85,843
Bulgaria	6,776	20,108	6,502	25,985	-432	47	132	821	-26	-5,010	1,635	11,756
Burkina Faso	272	..	483	..	-29	..	255	..	15	..	347	555
Burundi	129	93	259	448	-13	-9	153	229	10	-135	216	131
Cambodia	969	4,989	1,375	5,539	-57	-290	277	503	-186	-337	192	1,411
Cameroon	2,040	3,630	1,608	3,970	-412	-443	69	176	90	-608	15	1,735
Canada	219,501	461,118	200,991	429,289	-22,721	-10,416	-117	-616	-4,328	20,797	16,369	35,063
Central African Republic	179	..	244	..	-23	..	63	..	-25	..	238	132
Chad	190	..	411	..	-7	..	191	..	-38	..	147	632
Chile	19,358	65,620	18,301	44,329	-2,714	-19,392	307	3,357	-1,350	5,256	14,860	19,397
China [†]	147,240	1,061,682	135,282	852,769	-11,774	11,755	1,435	29,199	1,618	249,866	80,288	1,080,756
Hong Kong, China	..	389,883	..	368,167	..	657	..	-2,222	..	20,151	55,424	133,211
Colombia	12,294	28,554	16,012	30,352	-1,596	-6,003	799	4,743	-4,516	-3,057	8,452	15,437
Congo, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	157	..
Congo, Rep.	1,374	4,964	1,346	2,917	-695	-1,122	42	-22	-625	903	64	1,848
Costa Rica	4,451	11,023	4,717	12,422	-226	-68	134	349	-358	-1,118	1,060	3,117
Côte d'Ivoire	4,337	9,010	3,806	7,256	-787	-728	-237	-496	-492	529	529	1,798
Croatia	6,972	21,454	9,106	24,678	-53	-1,384	802	1,389	-1,385	-3,220	1,896	11,488
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	28,202	108,450	30,044	103,940	-104	-8,204	572	-891	-1,374	-4,586	14,613	31,457
Denmark	65,655	143,295	57,860	134,061	-4,549	2,611	-1,391	-4,506	1,855	7,339	11,652	31,084
Dominican Republic	5,731	10,664	6,137	12,748	-769	-1,735	992	3,033	-183	-786	373	2,127
Ecuador	5,196	14,141	5,708	13,737	-930	-1,950	442	3,049	-1,000	1,503	1,788	2,027
Egypt, Arab Rep.	13,260	36,680	17,140	40,553	-405	738	4,031	5,770	-254	2,635	17,122	26,007
El Salvador	2,040	5,070	3,623	8,741	-67	-519	1,389	3,335	-262	-855	940	1,963
Eritrea	135	..	498	..	8	..	324	..	-32	..	40	25
Estonia	2,573	13,128	2,860	14,833	3	-751	126	11	-158	-2,446	583	2,786
Ethiopia	768	2,199	1,446	5,276	-19	18	736	1,274	39	-1,786	815	833
Finland	47,973	93,630	37,705	81,955	-4,440	885	-597	-1,682	5,231	10,878	10,657	7,499
France	362,717	601,590	333,746	628,801	-8,964	26,452	-9,167	-27,555	10,840	-28,315	58,510	98,239
Gabon	2,945	4,228	1,723	2,155	-665	-965	-42	-184	515	924	153	1,122
Gambia, The	177	201	232	316	-5	-38	52	87	-8	-66	106	121
Georgia	575	2,567	1,413	4,413	127	169	197	522	-514	-1,154	199	931
Germany	603,815	1,304,419	592,056	1,149,108	-2,737	28,805	-38,769	-33,370	-29,746	150,745	121,816	111,637
Ghana	1,582	5,125	2,120	8,286	-129	-127	523	2,248	-144	-1,040	804	2,269
Greece	15,523	56,063	24,711	80,952	-1,684	-8,958	8,008	4,282	-2,864	-29,565	16,119	2,850
Guatemala	2,823	7,420	3,728	12,750	-159	-379	491	4,117	-572	-1,592	783	4,055
Guinea	700	811	1,011	964	-85	-27	179	18	-216	-162	87	97
Guinea-Bissau	30	83	89	127	-21	-10	46	67	-35	14	20	82
Haiti	192	698	802	2,086	-31	7	553	1,382	-87	1	199	254
[†] Data for Taiwan, China	128,369	253,061	124,171	234,046	4,188	9,581	-2,912	-3,935	5,474	24,661	95,559	274,800

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		1995	2006	1995	2006	1995	2006	1995	2006
Honduras	1,635	3,796	1,852	6,055	-226	-287	243	2,352	-201	-195	270	2,642
Hungary	19,765	87,643	19,916	87,169	-1,701	-8,344	203	449	-1,650	-7,421	12,017	21,590
India	38,013	198,971	48,225	230,232	-3,734	-4,264	8,382	26,109	-5,563	-9,415	22,865	178,050
Indonesia	52,923	115,032	54,461	95,493	-5,874	-14,465	981	4,863	-6,431	9,937	14,908	42,597
Iran, Islamic Rep.	18,953	..	15,113	..	-478	..	-4	..	3,358	..	..	..
Iraq	..	..	..	..	..	..	..	..	..	..	8,347	19,655
Ireland	49,439	173,857	42,169	151,307	-7,325	-31,101	1,776	-544	1,721	-9,095	8,770	832
Israel	27,482	62,992	35,290	61,892	-2,655	-576	5,673	7,466	-4,790	7,990	8,123	29,153
Italy	295,618	515,634	250,319	529,153	-15,644	-17,118	-4,579	-16,675	25,076	-47,312	60,690	75,773
Jamaica	3,394	4,782	3,729	7,098	-371	-603	607	1,749	-99	-1,170	681	2,318
Japan	493,991	733,111	419,556	670,065	44,285	118,156	-7,676	-10,684	111,044	170,517	192,620	895,321
Jordan	3,479	7,693	4,903	12,972	-279	581	1,444	2,790	-259	-1,909	2,279	6,982
Kazakhstan	5,975	41,570	6,102	32,840	-146	-9,317	59	-1,207	-213	-1,795	1,660	19,127
Kenya	2,948	5,963	3,542	8,200	-325	-70	518	1,781	-400	-526	384	2,416
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	147,761	383,718	155,104	373,268	-1,303	-539	-19	-3,820	-8,665	6,092	32,804	239,148
Kuwait	14,215	65,610	12,615	24,542	4,881	13,385	-1,465	-3,457	5,016	50,996	4,543	14,180
Kyrgyz Republic	448	1,185	726	2,253	-35	-34	79	716	-235	-386	134	817
Lao PDR	408	..	748	..	-6	..	110	..	-237	..	99	460
Latvia	2,088	8,783	2,193	13,251	19	-532	71	479	-16	-4,522	602	4,511
Lebanon	..	14,417	..	17,253	..	210	..	1,280	..	-1,347	8,100	19,239
Lesotho	199	754	1,046	1,456	314	379	210	390	-323	67	457	658
Liberia	..	..	..	..	..	..	..	..	..	..	28	72
Libya	7,513	37,962	5,755	15,783	133	-595	-220	586	1,672	22,170	7,415	62,229
Lithuania	3,191	17,774	3,902	20,900	-13	-817	109	725	-614	-3,218	829	5,773
Macedonia, FYR	1,302	2,998	1,773	4,258	-30	-3	213	1,239	-288	-24	275	1,889
Madagascar	749	1,332	987	2,042	-167	-80	129	236	-276	-554	109	583
Malawi	470	..	660	..	-44	..	157	..	-78	..	115	142
Malaysia	83,369	182,673	86,851	147,865	-4,144	-4,729	-1,017	-4,591	-8,644	25,488	24,699	82,876
Mali	529	1,375	991	1,833	-41	-207	219	228	-284	-438	323	970
Mauritania	504	..	510	..	-48	..	76	..	22	..	90	..
Mauritius	2,349	4,004	2,454	4,736	-19	50	101	71	-22	-611	887	1,309
Mexico	89,321	266,390	82,168	278,963	-12,689	-13,544	3,960	24,124	-1,576	-1,993	17,046	76,329
Moldova	884	1,542	1,006	3,129	-18	401	56	800	-85	-387	257	775
Mongolia	508	2,031	521	1,880	-25	-145	77	215	39	222	158	1,062
Morocco	9,044	21,751	11,243	25,811	-1,318	-421	2,330	6,333	-1,186	1,851	3,874	20,791
Mozambique	411	2,767	1,055	3,407	-140	-496	339	501	-445	-634	195	1,216
Myanmar	1,307	4,834	2,020	2,906	-110	-1,248	562	122	-261	802	651	1,383
Namibia	1,734	3,177	2,100	2,974	139	-85	403	946	176	1,064	221	450
Nepal	1,029	1,234	1,624	2,934	9	62	230	1,787	-356	150	646	1,565
Netherlands	241,517	469,195	216,558	421,267	7,247	20,371	-6,434	-12,504	25,773	55,795	47,162	23,902
New Zealand	17,882	30,364	17,248	32,376	-3,957	-7,878	255	509	-3,068	-9,381	4,410	14,068
Nicaragua	662	2,319	1,150	3,905	-372	-124	138	856	-722	-855	142	922
Niger	321	565	457	1,049	-47	-10	31	182	-152	-312	95	371
Nigeria	12,342	52,233	12,841	24,609	-2,878	-6,732	799	3,310	-2,578	24,202	1,709	42,735
Norway	56,058	155,654	46,848	94,494	-1,919	-2,574	-2,059	-3,372	5,233	55,213	22,976	56,842
Oman	6,078	22,499	5,035	13,636	-374	-1,698	-1,469	-2,788	-801	4,377	1,943	5,014
Pakistan	10,214	20,507	14,185	35,112	-1,939	-3,129	2,562	10,940	-3,349	-6,795	2,528	12,878
Panama	7,610	12,415	7,768	11,928	-466	-1,298	153	258	-471	-552	781	1,335
Papua New Guinea	2,992	3,580	1,905	2,692	-488	-538	75	291	674	640	267	1,441
Paraguay	4,802	5,645	5,200	6,197	110	-51	195	386	-92	-217	1,106	1,702
Peru	6,622	26,251	9,597	18,266	-2,482	-7,581	832	2,185	-4,625	2,589	8,653	17,442
Philippines	26,795	52,979	33,317	59,463	3,662	-799	880	13,180	-1,980	5,897	7,781	22,963
Poland	35,716	138,052	33,825	142,839	-1,995	-14,500	958	8,203	854	-11,084	14,957	48,474
Portugal	32,260	61,387	39,545	76,063	21	-6,753	7,132	3,147	-132	-18,281	22,063	9,883
Puerto Rico	..	..	..	..	..	..	..	..	..	..	..	..



	Goods and services				Net income		Net current transfers		Current account balance		Total reserves ^a	
	\$ millions				\$ millions		\$ millions		\$ millions		\$ millions	
	Exports		Imports		1995	2006	1995	2006	1995	2006	1995	2006
Romania	9,404	39,368	11,306	54,199	-241	-4,079	369	6,125	-1,774	-12,785	2,624	30,206
Russian Federation	92,987	334,853	82,809	209,431	-3,369	-29,628	156	-1,537	6,965	94,257	18,024	303,773
Rwanda	75	276	374	731	7	-21	350	296	57	-180	99	440
Saudi Arabia	53,450	218,602	44,874	104,466	2,800	641	-16,694	-15,711	-5,318	99,066	10,399	30,445
Senegal	1,506	2,180	1,821	3,194	-124	-131	195	632	-244	-513	272	1,334
Serbia	..	..	..	..	..	..	..	..	..	..	..	11,889
Sierra Leone	128	313	260	434	-30	-41	43	62	-118	-101	35	184
Singapore	157,658	334,055	144,520	292,161	2,130	-4,185	-894	-1,383	14,373	36,326	68,816	136,259
Slovak Republic	10,969	..	10,658	..	-14	..	93	..	390	..	3,863	13,364
Slovenia	10,377	25,741	10,749	26,109	201	-506	95	-214	-75	-1,088	1,821	7,139
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	34,402	75,855	33,375	84,232	-2,875	-5,293	-645	-2,817	-2,493	-16,487	4,464	25,593
Spain	133,910	322,761	135,000	395,527	-5,402	-26,454	4,525	-7,125	-1,967	-106,344	40,531	19,340
Sri Lanka	4,617	8,508	5,982	11,621	-137	-388	732	2,169	-770	-1,334	2,112	2,943
Sudan	681	5,862	1,238	9,894	-3	-2,014	60	1,324	-500	-4,722	2	1,660
Swaziland	1,020	2,259	1,274	2,329	81	1	144	168	-30	98	298	373
Sweden	95,525	199,130	81,142	167,115	-6,473	1,095	-2,970	-4,696	4,940	28,413	25,870	28,017
Switzerland	123,320	219,219	108,916	190,987	10,708	36,938	-4,409	-10,321	20,703	54,849	68,620	64,461
Syrian Arab Republic	5,757	13,169	5,541	11,879	-560	-935	607	565	263	920	..	..
Tajikistan	..	1,646	..	2,349	..	-64	..	746	..	-21	39	204
Tanzania	1,265	3,206	2,139	5,113	-110	-85	395	550	-590	-1,442	270	2,259
Thailand	70,292	152,059	82,246	146,408	-2,114	-6,844	487	3,368	-13,582	2,175	36,939	67,008
Timor-Leste	..	..	..	..	..	..	..	..	..	..	..	..
Togo	465	837	671	1,451	-34	-35	118	188	-122	-461	130	375
Trinidad and Tobago	2,799	10,569	2,110	6,265	-390	-760	-4	50	294	3,594	379	6,608
Tunisia	7,979	15,802	8,811	16,489	-716	-1,586	774	1,639	-774	-634	1,689	6,912
Turkey	36,581	116,484	40,113	144,361	-3,204	-6,584	4,398	1,687	-2,338	-32,774	13,891	63,265
Turkmenistan	1,774	..	1,796	..	17	..	5	..	0	..	1,168	..
Uganda	664	1,494	1,490	3,229	-96	-225	639	1,720	-281	-240	459	1,811
Ukraine	17,090	50,239	18,280	53,307	-434	-1,722	472	3,173	-1,152	-1,617	1,069	22,360
United Arab Emirates	..	..	..	..	..	..	..	..	..	..	7,778	27,617
United Kingdom	322,114	679,164	327,000	768,279	3,393	33,509	-11,943	-21,943	-13,436	-77,548	49,144	47,039
United States	794,397	1,445,702	890,784	2,204,226	20,899	36,633	-38,073	-89,595	-113,561	-811,486	175,996	221,089
Uruguay	3,507	5,660	3,568	5,762	-227	-469	76	134	-213	-436	1,813	3,091
Uzbekistan	..	..	..	..	..	..	..	..	..	..	..	..
Venezuela, RB	20,753	66,782	16,905	38,503	-1,943	-1,092	109	-38	2,014	27,149	10,715	36,715
Vietnam	9,498	36,618	12,334	38,562	-384	-1,219	1,200	3,380	-2,020	217	1,324	13,384
West Bank and Gaza	..	..	..	..	..	..	..	..	..	..	..	..
Yemen, Rep.	2,160	7,865	2,471	7,781	-561	-1,234	1,056	1,356	184	206	638	7,543
Zambia	1,222	4,125	1,338	3,222	-249	-124	182	171	-182	950	223	720
Zimbabwe	2,344	..	2,515	..	-294	..	40	..	-425	..	888	..
World	6,395,987 t	14,635,235 t	6,247,521 t	14,403,234 t								
Low income	111,208	453,874	145,057	504,594								
Middle income	1,085,148	3,830,081	1,112,568	3,340,141								
Lower middle income	485,240	1,991,516	508,950	1,683,108								
Upper middle income	598,809	1,861,137	604,464	1,666,426								
Low & middle income	1,196,157	4,281,393	1,256,657	3,837,134								
East Asia & Pacific	397,583	1,632,160	413,802	1,371,821								
Europe & Central Asia	269,117	1,014,166	278,118	973,486								
Latin America & Carib.	272,866	760,863	288,144	692,844								
Middle East & N. Africa	..	..	108,418	257,095								
South Asia	58,893	243,917	78,652	300,538								
Sub-Saharan Africa	89,634	230,089	97,459	248,989								
High income	5,194,902	10,422,094	4,989,710	10,616,832								
Euro area	2,090,190	4,175,306	1,968,796	4,061,245								

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 non-produced, nonfinancial assets, and transactions in financial assets and liabilities. The table presents data from the current account plus 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, requiring inclusion of a balancing item, net errors and omissions.

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). That 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 of the *Balance of Payments Manual* (1977). Where necessary, the IMF converts such reported data to conform to the fifth edition (see *Primary data documentation*). Values are in U.S. dollars converted at market exchange rates.

Definitions

- **Exports and imports of goods and services** are 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** is 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** are 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 (December 31) London prices (\$386.75 an ounce in 1995 and \$635.70 an ounce in 2006).

Top 15 economies with the largest current account surplus—and top 15 economies with the largest current account deficit in 2006

4.15a

Economy	Surplus (\$ billions)	Share of GDP (%)	Economy	Deficit (\$ billions)	Share of GDP (%)
China	249.9	9.4	United States	-811.5	-6.2
Japan	170.5	3.9	Spain	-106.3	-8.7
Germany	150.7	5.2	United Kingdom	-77.5	-3.3
Saudi Arabia	99.1		Italy	-47.3	-2.6
Russian Federation	94.3	9.6	Australia	-41.0	-5.3
Netherlands	55.8	8.4	Turkey	-32.8	-8.1
Norway	55.2	16.5	Greece	-29.6	-9.6
Switzerland	54.8	14.4	France	-28.3	-1.3
Kuwait	51.0		Portugal	-18.3	-9.4
Singapore	36.3	27.5	Congo, Dem. Rep	-16.5	-6.5
Sweden	28.4	7.4	Romania	-12.8	-10.5
Venezuela, RB	27.1	14.9	Poland	-11.1	-3.3
Malaysia	25.5	16.9	India	-9.4	-1.0
Taiwan, China	24.7	6.7	New Zealand	-9.4	-9.0
Libya	22.2	44.1	Ireland	-9.1	-4.1

Source: International Monetary Fund balance of payments data files and *World Development Indicators* 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* (1996), and *Balance of Payments Compilation Guide* (1995). The IMF's International Financial Statistics and Balance of Payments databases are available on CD-ROM.