

OIC ECONOMIC OUTLOOK

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Acronyms

ATM	Automated Teller Machine
CFM	Council of Foreign Ministers
COMCEC	The Standing Committee for Economic and Commercial Cooperation
EU	European Union
FDI	Foreign Direct Investment
GCC	Gulf Cooperation Council
GCF	Gross Capital Formation
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
GNI	Gross National Income
HIPC	Heavily Indebted Poor Countries
ICECS	The Islamic Commission for Economic, Cultural and Social Affairs
IFS	International Financial Statistics
ILO	International Labour Organisation
IMF	International Monetary Fund
IMFCR	IMF Credits
LAC	Latin America and the Caribbean
LDC	Least Developed Countries
LDOD	Long-term Debt

MENA	Middle East and North Africa
MFN	Most Favoured Nation
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OIC	Organisation of Islamic Cooperation
PPP	Purchasing Power Parity
PRETAS	Protocol on the Preferential Tariff Scheme for TPS-OIC
R&D	Research and Development
SSA	Sub-Saharan Africa
STD	Short-term Debt
TPS-OIC	Trade Preferential System among the Member Countries of the OIC
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDESA	United Nations Development of Economic and Social Affairs
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNSD	United Nations Statistics Division
USD	United States Dollar
VET	Vocational Education and Training
WB	World Bank
WDI	World Development Indicators
WTO	World Trade Organization



Foreword

The OIC Economic Outlook 2013 is appearing in a time when the world economy seems to be entering into a smoother and less volatile period. Economic risks stemming from the Euro area crisis, fiscal adjustment in the United States and a further slowdown in large developing countries appear to be moderated. Despite improved financial conditions and reduced short-term risks, global growth is predicted to reach only 3.3 per cent by the end of the year. Although developing countries are still open to the economic woes in developed countries through trade channels and capital flows, most of the developing countries are recovering from the crisis, and they are expected to grow by 5.3 per cent, which is about four times higher than the average growth rate of the developed countries. The growth of world exports in goods and services decelerated to 2.5 per cent in 2012 after high growth rates of 12.5 per cent in 2010 and 5.9 per cent in 2011. With the tightening fiscal policies that are expected to be in effect in the developed countries, global inflation decreased from 4.8 per cent in 2011 to 3.9 per cent 2012. Meanwhile, with high youth unemployment rates remaining a major concern worldwide, global unemployment rate averaged 5.9 per cent in 2012, remaining above the pre-crisis level of 5.4 per cent in 2007.

In light of the recent global and regional economic developments, the OIC Economic Outlook analyses the trends in major economic indicators for the OIC member countries, as a group, during the latest five-year period (2008-2012). It investigates these trends in a comparative manner with their counterparts in the groups of the developed and other developing countries as well as with the world economy as a whole and highlights a number of

constraints and challenges confronting the OIC member countries in their efforts to enhance their economic development and progress.

The OIC member countries, as a group, followed in general similar trends with other developing countries. Yet, while the total GDP of the group of the OIC countries has increased constantly reaching to \$9.4 trillion in 2012 compared to \$7.5 trillion in 2008, their share in the total GDP of the group of developing countries has declined to 22.6 per cent in 2012 compared to 23.6 per cent in 2008. The average real GDP growth rate of the group of the OIC countries recorded at 4.9 per cent in 2012 and was slightly lower than the rate of 5.1 per cent of the group of other developing countries. However, when we exclude China and India from group of developing countries, the average growth rates of the OIC group indicate significantly better performance in 2012 and in the projected two years of 2013 and 2014 as well.

With respect to trade structure, OIC countries are becoming increasingly more diversified and, therefore, they gradually relieve from high dependence on few export items. The simple average of export concentration index in OIC countries decreased to 0.21 in 2012 from 0.32 in 2006, indicating increased diversification in export products. However, the most vibrant export commodity group, mineral fuels, remains to constitute highest share in total export with 53 per cent in 2011. In terms of trade policy, by applying an average of 11.6 per cent tariff rate, OIC countries reveal a more protectionist picture when compared to the world average of 9 per cent and EU average of 5.3 per cent.

The Report also devotes a special section to infrastructure investment in the OIC countries. In 49 OIC countries, for which the data are available, 885 privately funded infrastructure projects took place, worth \$391.7 billion between 1990 and 2011. Investment in infrastructure projects has been concentrated only in a few countries and many OIC countries, located mostly in sub-Saharan Africa and central Asia lag behind their peers in terms of private investment in infrastructure. As efficient infrastructure investments can promote growth, improve operational performance and bring higher returns, OIC countries should encourage private participation in infrastructure investments.

Prof. Savaş Alpay
Director General
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Executive Summary

World Economic Trends and Prospects

The global economic crisis affected the **economic growth** rates of both developed and developing countries in the recent years. In 2012, the world economic growth rate is measured as 3.1 per cent as a result of the sovereign debt crisis in the euro area and mixed signs received from the US economy. After demonstrating signs of recovery at the beginning of 2013, it is predicted that the growth rate of the world economy is expected to reach 3.3 per cent by the end of 2013. In particular, the recovery in the United States, Japan and developing countries seem to fuel the world economic growth. This implies that, in addition to developing countries, developed countries seem to take up more space in growth unlike in the previous years. More importantly, it is expected that the European Union will experience zero-growth in 2013, which is a relatively better performance compared to the negative growth (contraction) experienced in 2012.

Even though some signs of recovery have been seen in developed countries, developing countries still have been fuelling the world output growth. For instance, it is forecasted that the growth rate in China will speed up and reach 8 per cent in 2013. Collectively, developing countries in Asia will be the fastest growing region in the world economy in 2013. Although the magnitude of the global economic growth projections across the institutions does not match, the projections convey a similar message on the direction of the growth and the relative regional growth rates: developing countries will continue to grow faster than developed countries both in 2013 and 2014.

Investment plays a critical role in restoring and sustaining economic growth. Studies show that countries with high investment rates can potentially sustain their positive economic growth momentum. By 2013, 32.2 per cent of GDP goes to investment in developing countries and it is expected to constitute only 19 per cent of GDP in 2013 in developed countries which partially explains the relatively higher momentum in developing countries. Investment shares are on the rise globally in 2013 and it is expected to continue in 2014. These figures also draw a more optimistic picture for the future growth rates.

International trade is a stimulus for growth both in developed and developing countries. Growth in export and import will likely to remain above 5 per cent in developing countries. Among developing countries, the newly industrialized Asian economies outperform other sub-regions of the world in the recent years especially in exporting. As in the case of their export performance, the developing countries have a higher growth in imports than in the developed countries. Growth rate of imports in 2013 is expected to exceed 2 per cent in developed countries and 6.4 per cent in developing countries.

With regard to **current account balances**, developing countries generate surpluses during the period of 2008-2012 and this will continue in 2013 and 2014. In particular, the newly industrialized Asian countries and Middle East and North Africa countries were successfully generated big current account surpluses. In contrast, Latin America and the Caribbean and Sub-Saharan Africa countries have systematic current account deficits in 2008-12 period. In 2013, the deficit is expected to be 0.1 per cent of developed countries' GDP whereas the surplus will constitute 1 per cent of developing countries' GDP.

Fiscal balances have started to improve systematically in the developed countries as the tightening policies have been implemented. Fiscal balances as a percentage of GDP continue to decrease in these economies in 2013 and it is projected to be -4.7 per cent of GDP. This implies that the fiscal tightening policies especially in the Euro area started to pay. Developing countries are in a more stable situation. In 2012, the ratio was observed as -2.1 per cent and is expected to be -2.2 per cent in 2013.

With the tightening fiscal policies and limited monetary expansion in accordance with the output growth seem to stabilize the consumer prices on average in the world. The **inflation** rate decreased from 4.8 per cent in 2011 to 3.9 per cent 2012, and it is expected to be around 3.8 per cent in 2013. It is also seen that the price volatility does not pose a threat both in developed and developing countries in the recovery period. In line with the inflation rate, commodity prices (energy, food and metals) have been slowing down since 2012. For instance, the energy prices index climbed from 116 in 2009 to 194 in 2012. In 2013, the energy prices index will be around 189.

Despite recovery in the economic activities, the global **unemployment**, measured as 5.9 per cent on average in 2012, remains as an important challenge for countries. In particular, high youth unemployment is a major concern worldwide. Youth unemployment is expected to be 12.6 per cent in 2012. It not only increases the overall unemployment rate but also raises social tension in the societies. In some developed countries, like Spain and Greece, this figure exceeds 20 per cent, a factor that may potentially cause social unrest.

Recent Economic Developments in the OIC Countries

Production, Growth and Employment

Total GDP of the OIC countries has grown constantly over the period 2008-2012. Compared to \$7.5 trillion in 2008, it reached \$9.4 trillion in 2012. Having accounted for 22.6 per cent of the world total population in 2012, the 57 OIC member countries produced only 11.3 per cent of the world total GDP – expressed in current USD and based on PPP. It is expected that this share will be stable around 11.4 per cent through 2014. On the other hand, the share of the OIC countries in the total GDP of developing countries group has declined steadily and was recorded as 22.6 per cent in 2012, a decrease by one percentage points over the 5-year period under consideration.

During the same period, the **average GDP per capita** in the OIC countries – expressed in current USD and based on PPP – has increased continuously and reached \$5,978 in 2012, compared to \$5,117 in 2008. However, the gap between the average per capita GDP levels of the OIC member countries and other developing countries has widened further. The per capita GDP differential between the two groups in the period 2008-2012 has almost doubled from \$761 to \$1,418. The average GDP per capita in the OIC countries has also diverged from the world average as the differential increased from \$5,476 to \$5,998 during the same period.

Diverse economic characteristics of the group of OIC countries manifest themselves through significant variations in their contributions to the group's economic aggregates. For instance, in 2012, the top 10 OIC countries in terms of the volume of GDP produced 72.9 per cent of the total output in OIC countries. The level of per capita output in the richest member country was, on the other hand, 17.1 times higher than that of the OIC countries average, pointing to a high level of income disparity between the OIC countries.

The OIC countries, as a group, recorded an **average growth rate** of 4.9 per cent in their real GDP in 2012, as compared to 5.2 per cent in 2011. Although this is in line with the persistent slowdown in across-the-board economic activity, which started to take hold in 2010, the growth in OIC countries remained relatively more stable in 2012 – mainly as a result of the smoother economic transitions in some of its rapidly growing major economies such as Indonesia, Turkey and Saudi Arabia. During 2008-2012, the average real GDP growth rates in the other developing countries excluding China and India were below the OIC average during the period 2008-2012. Moving forward, the average rate of growth in the OIC countries will likely experience a more significant drop in 2013, with growth rate forecasted to be around 4.3 per cent. This is expected to be followed by a partial recovery to 4.6 per cent in 2014. Yet, these figures are still better than the predicted average growth rates for the group of other developing economies excluding China and India, as well as the world as a whole. Libya, with a remarkable growth rate of 104.5 per cent in 2012, was the fastest growing economy both within the group of OIC countries as well as in the world.

The **average growth rate of the real per capita GDP** in the OIC countries has been positive – with year 2009 being an exception. However, a similar downward trend, as in the case of real GDP growth, is also observed for real GDP per capita growth rates. Following a short-lived recovery in the aftermath of the global financial crisis, the average real GDP per capita growth rate in OIC countries started to decline again as of 2011. With a 2.9 per cent growth in 2012, the

average real GDP per capita growth rate in OIC countries is forecasted to fall beneath this level and reach 2.4 per cent in 2013 before it bounces back to 2.8 per cent in 2014.

In terms of the average shares of the value-added by four major sectors in the total GDP, the services sector continued to play a major role in the economies of many OIC countries as the most important source of income. With the recovery in real economic activity from 2010 onwards, the average share of the services sector in OIC economies has returned back to its pre-crisis levels with shares of 45.8 per cent and 44.3 per cent in 2010 and 2011, respectively. Industry sector – including manufacturing – accounted on average for 45 per cent of the total GDP of the OIC member countries in 2011. Compared to other developing countries where the industrial sector's contribution to the GDP averaged at 38.1 per cent in 2011, the latter apparently constitutes a larger portion of the economic activity in the OIC member countries. On the other hand, agriculture continued to account for a relatively small portion of the economic output – 10.7 per cent in 2011.

When the shares of the major expenditure items in the total GDP are considered, final consumption, which is comprised of household and general government spending, continued to be the largest expenditure item in 2011 in the group of OIC member countries, accounting for 65.7 per cent of the total GDP – which is 5.8 per cent below its 2009 level. The decrease in the share of final consumption was mainly accommodated by an expansion in the share of net exports from 3.5 per cent in 2009 to 8.3 per cent in 2011.

High levels of final consumption expenditure, on the other hand, prevent the group of OIC countries from investing sufficiently in productive capacities. Indeed, the share of gross capital formation in the GDP of OIC countries as a group has improved since year 2000 but is still significantly below the levels observed in other developing countries.

Unemployment is one of the most serious problems facing world today. The financial and economic crisis has slowed down the pace of economic growth across the globe. As a result, millions of workers have been laid off, or experienced cuts in hours worked, wages and other benefits. OIC member countries are no exception and nearly 40 million of the 400 million people in the OIC labour force were not able to find a job in 2011. Over the years, OIC countries recorded higher unemployment rates compared to the world, developed and other developing countries. During the period 2007-2011, total unemployment rate in OIC countries increased from a level above 9.4 per cent in 2007 to 9.9 per cent in 2011. Meanwhile, although member countries registered globally comparable performance in terms of male labour force participation rates, their performance in case of female participation rate remained significantly lower.

In 2011, **labour productivity** for OIC member countries was recorded at US\$ 12,000 compared to US\$ 13,000 for other developing countries. However, it remained very low compared to the world and developed countries level of US\$30,000 and US\$96,000, respectively. This means that an average worker in OIC countries produces only two fifth of the output of average worker in the world and one eighth of the output of average worker in the developed countries.

Unprecedented surge in food and energy prices during 2007-2008 pushed average **inflation** in the OIC countries to double-digit levels. The moderation observed in 2009 was again

replaced by an upward trend during 2010-2012. In the short-term outlook, inflationary pressures are projected to remain contained for the OIC countries, supported by the recent slowdown and lower food and energy prices.

Foreign Trade

In 2012, total **merchandise exports** of the OIC countries reached to its historically highest level of \$2.2 trillion and surpassed the pre-crisis peak of \$1.9 trillion in 2008. More importantly, this increase was higher than the world average, resulting in an increase in the share of OIC countries in total world trade. Compared to its pre-crisis level of 11.9 per cent in 2008 and previous level of 12.1 per cent in 2011, this share reached to 12.5 per cent in 2012. Similarly, after declining to \$1.2 trillion in 2009, **merchandise imports** of OIC countries increased at an average rate of around 17 per cent during the last three years and reached its historically highest level of \$1.9 trillion as of 2012. The share of OIC countries in global merchandise imports continued to increase throughout the period under consideration and reached to 10.2 per cent in 2012.

In 2012, the top 5 exporting countries accounted for more than 53.4 per cent of total merchandise exports of all OIC member countries and top 10 exporting countries accounted for more than 76.6 per cent. Saudi Arabia, with more than \$300 billion exports and 16.3 per cent share in total, became once again the largest exporter in 2012. As in the case of exports, merchandise imports of OIC countries are also heavily concentrated in a few countries. While the top 5 importers accounted for more than 53.5 per cent of total OIC imports, the top 10 countries accounted for 70.9 per cent. With more than \$230 billion imports, Turkey and United Arab Emirates took the lead in 2012 in terms of volume of merchandise imports and together accounted for 25 per cent of total merchandise imports of all OIC countries.

OIC countries are becoming increasingly more diversified and therefore they gradually relieve from high dependence on few export items. The simple average of **export concentration** index in OIC countries was around 0.32 in 2006, but it decreased to around 0.21 in 2012, indicating increased diversification in export products. The share of most vibrant export commodity group, mineral fuels, decreased from 56 per cent in 2006 to 48 per cent in 2009, but increased back to 53 per cent in 2011 and the shares of low, medium and high technology intensive manufactures slightly declined.

Unlike the trade in goods, the volume of **trade in services** remained significantly lower in OIC countries and they demonstrate a falling trend since 2008. Together, OIC countries are net importer of services. While they exported \$236 billion when it reached to its highest level in 2008, they imported \$402 billion worth of services in the same year. As of 2011, exports and imports of services dropped to \$200 billion and \$287 billion, respectively. Accordingly, the share of OIC member countries in world services export decreased from 5.8 per cent in 2008 to 5.2 per cent in 2011. Their share in total services import in the world also fell from 10.6 per cent to 7.8 per cent. When the trade of OIC countries in services are disaggregated under subsectors, it is observed that the bulk of their trade in services is classified under transportation and travel services.

In 2010, the top 10 countries accounted for 87 per cent of total services exports of OIC countries. Turkey, with \$39 billion exports and 19.5 per cent share in total services exports of

OIC countries, was the top exporter in services in 2011. In the same year, the top 10 importers accounted for 86.9 per cent of total services imports of OIC countries. Saudi Arabia was the top importer of services (\$78 billion), corresponding to 27.2 per cent of total services imports of OIC countries.

OIC countries recorded a **trade balance** surplus in merchandise trade in each year from 2007 through 2012. Trade surplus in OC countries almost reached to its pre-crisis level in 2011 with \$411 billion, indicating a strong recovery after the crisis, but it then decreased to \$342 billion in 2012. In contrast, OIC countries recorded trade deficit in services trade over the period under consideration. After exceeding \$165 billion in 2008, their deficit fell to \$87 billion in 2011. In 2011, around 45 per cent of exports of services in OIC are made in travel or tourism sector, which require relatively less sophisticated infrastructure and knowledge.

From 2007 to 2012, the share of **intra-OIC trade** in OIC total trade continuously increased, except a slight fall in 2011. Intra-OIC trade accounted for 18 per cent of total OIC trade in 2012 and hit its highest level. In 2012, intra-OIC export reached to its highest level of \$355 billion and its share in total exports of OIC countries witnessed an increase of 0.9 percentage points, reaching 15.9 per cent. During the period of 2010-2011, intra-OIC imports increased rapidly and reached \$388 billion in 2012, corresponding to 20.5 per cent of OIC total imports. In 2012, 78.5 per cent of the intra-OIC exports were undertaken by only 10 OIC countries.

In terms of **trade policy**, by applying an average of 11.6 per cent tariff rate, OIC countries reveal a more protectionist picture when compared to the world average of 9 per cent and EU average of 5.3 per cent. Traditionally, agricultural products enjoy higher protectionism. In these products, OIC countries remained the most protectionist group of countries with 17.1 per cent tariff rates, which is higher than the world average of 15.3 per cent and EU average of 13.9 per cent.

Balance of Payments and External Financing

After witnessing an increasing trend between 2009 and 2011, **current account** surplus slightly decreased in OIC countries in 2012. The decline was mainly a result of falling oil prices worldwide.

The total external debt stock of the OIC countries showed an increasing trend during the period under consideration. In 2012, the total external debt of the OIC countries amounted to \$1,116 billion, with almost 5 per cent increase from 2010. Nevertheless, the Debt to GDP ratio of the OIC countries and their share in the total debt of developing countries indicates a downward trend since 2009. The debt to GDP ratio of OIC countries, as a group, was around 22 per cent in 2007; however, it steadily declined in the following years and reached 18.7 per cent in 2011. The composition of the total external debt of the OIC countries and other developing countries differ. Even though long-term debt accounted for the largest share of total external debt in both country groups, its portion in OIC countries remained comparatively high.

World total **foreign direct investment (FDI) flows**, with an annual decrease of 18.2 per cent, amounted to \$1351 billion in 2012 with most of these flows went increasingly to developing countries. As of 2008, developed countries were destination for 56.5 per cent of the \$1816 billion of FDI, yet this share declined to 42 per cent in 2012. Despite the decline in FDI flows

to developing countries from 2011 to 2012, developing countries were home to more than half of the global FDI flows in 2012. However, as for the OIC countries, FDI inflows during the period under consideration were generally unsatisfactory. Despite a slight increase in 2012, the share of OIC countries in total FDI flows to developing countries has been declining since 2009. As was the case in most of the major macroeconomic aggregates, FDI flows into OIC countries also concentrated in a few of them. In 2012, only five countries, together, accounted for 50.0 per cent of the total FDI flows to all OIC countries.

In 2011, net **official development assistance flows** from all donors to developing countries reached \$91.5 billion compared to 79.9 billion in 2007. However, during this period, ODA flows to OIC countries witnessed a declining trend and decreased to \$41.9 billion in 2011 compared to \$44.5 billion in 2007. It is also observed that ODA flows to the OIC member countries are concentrated in a few of them. Only ten countries, together, accounted for almost 58 per cent of the total ODA flows to all OIC countries in 2011. On the other hand, ODA-to-GDP ratio in OIC countries also declined to 0.71 per cent in 2011 from 1.13 per cent in 2007. ODA per capita has witnessed the same trend in line with the net ODA flow and declined from \$32.6 in 2007 to \$27.3 in 2011.

The world **total reserves** –excluding gold- increased to \$10.7 trillion in 2012 from \$7.1 trillion in 2008. Of this amount, \$3.2 trillion was recorded in the developed countries while the remaining \$7.5 trillion was accumulated by the developing countries. The share of OIC countries in total reserves of the developing countries showed a declining trend in this period, falling down to 21.4 per cent in 2012 compared to 24.7 per cent in 2008. Yet, it is observed that the bulk of the total reserves of the OIC countries are still accumulated in a few countries. As of 2012, only 10 OIC countries accounted for 88.6 per cent of the total reserves of OIC group. In terms of the number of months of imports that can be covered by foreign reserves, OIC countries remained far above the world average.

The inflows of **remittances** to OIC member countries increased from \$92.6 billion in 2007 to \$118.5 billion in 2011 despite a slight decrease in 2009 given the fact that the financial crisis has severely damaged the developed economies where majority of workers from developing countries are employed, as migrant workers were losing jobs or not able to afford to send home as much money as they were sending before the crisis. The inflows of remittances into OIC countries also concentrated in a few of them. Only ten countries, together, accounted for 81 per cent of the total remittances inflows to all OIC countries.

Developments in the Financial Sector

The degree of financial development varies substantially across the OIC region. This, in turn, offers a significant room for improvement and intra-OIC cooperation. Particularly when the depth of financial markets, accessibility to financial services and the degree of financial openness are considered, the results reveal that more needs to be done to reinforce the institutional capacities and promote the development of the financial sector in the OIC member countries.

The volume of broad-money – a commonly used indicator of **financial deepening** when measured as a percentage of the gross domestic output – was measured at 57.6 per cent of the GDP in 2011 and compared poorly to other developing countries where it has reached levels,

on average, above the size of the GDP. In developed countries, on the other hand, the amount of broad money in the economy far exceeds the size of the GDP. Apparently, the financial system in OIC member countries lacks the financial access, liquidity, diversification and stability benefits offered by deeper financial markets. Furthermore, OIC countries apparently experience a more balanced growth in the relative sizes of bank credit and stock market capitalization with respect to GDP of these countries – as compared to developed countries where the financial system are significantly more skewed towards debt.

Low **penetration of financial services**, in terms of both their use and physical outreach, introduces another challenge for the development of the financial sector in the member countries. In 2011, only 28 per cent of OIC population reportedly had an account in a financial institution as compared to 47 and 91.6 per cent in other developing and developed countries, respectively. The relative sizes of commercial bank loans and deposits with respect to the GDP are also smaller when compared to other developing as well as developed countries. This situation is compounded by the inadequacy of financial sector physical infrastructure which is measured by population densities of commercial bank branches and automated teller machines (ATMs). Notably, in 2011, there were on average only 10.4 commercial bank branches and 17 ATMs servicing per 100,000 adults living in the member countries, as compared to 36 in other developing countries and 143 in developed countries.

In 2011, when the shares of largest three banks in each member country is considered, more than half of the banking assets in OIC countries are, on average, concentrated in the largest three banks. The level of bank concentration in OIC member countries, given its current state, is higher than other developing countries average and close to that of developed countries.

It is observed that the impacts of global financial crisis on the **stability of financial systems** in different country groups were diverse. While it had serious negative impacts on the stability of developed country financial systems, the financial stability impacts on OIC countries were limited. In the case of other developing countries, however, even an improvement in solvency levels can be observed. However, significant improvements in the post-crisis period 2009-2010 seem to be offset by a reversal in the bank z-scores across all country groups and OIC countries are not an exception.

Commercial banking in OIC countries, particularly after 2000, has been a profitable business, generating considerably higher returns on assets in comparison to other country groups. It is noteworthy to observe that the OIC countries were largely exposed to the second round effects of the financial crisis – as indicated by plummeting returns in 2009 – rather than the first round effects as in the case of other developing as well as developed countries. In the post-crisis period starting from 2010, however, the member countries have quickly returned to a state of higher commercial banking returns despite another sizeable downturn in 2011.

OIC countries are less **financially open**, as suggested by their scores in the Chinn-Ito Financial Openness Index, and, thus, they are more conservative in managing their capital accounts and they impose relatively more intensive restrictions on the flow of capital through their financial systems. In terms of financial sector development, this state of affairs indicates that financial system in the member countries is relatively less capable of effectively managing international capital inflows with the help of efficient domestic financial markets and appropriate products.

Private Participation in Infrastructure

379 private participation in **energy infrastructure** projects reached contractual or financial closing in 49 OIC countries between 1990 and 2011, comprising of investment commitments of \$112.3 billion. Energy investment in OIC countries between 1990 and 2011 was concentrated in five countries that made up 77 per cent of total private participation in energy infrastructure. Private investments in energy projects in OIC countries were concentrated mostly on Greenfield projects which accounted for 75 per cent of investment worth \$83.9 billion.

During the period of 1990-2011, 210 private **transport infrastructure** projects took place in OIC countries, involving investment commitments of \$48.7 billion. From 1990 to 2011, private sector participation in transport infrastructure in OIC countries was concentrated mainly in two countries, Malaysia and Turkey, accounting for 55 per cent of total private transport infrastructure investment with 65 projects. In terms of classification of investment in transport projects by deal types, investment in OIC countries were mostly concentrated on both concession and Greenfield contracts with similar levels.

Between 1990 and 2011, **telecom infrastructure** projects with private activity reached contractual or financial closing in OIC member countries, covering investment commitments of \$214.6 billion through 226 projects. Between 1990 and 2011, investment in telecom infrastructure in OIC countries was mostly located in five member countries accounting for 56 per cent of total telecom infrastructure investment. The private activity in telecom infrastructure in OIC countries was again concentrated on Greenfield projects, explaining 67 per cent of total OIC investment with 183 projects worth \$144.8 billion in total between 1990 and 2011.

In terms of private **water and sewage infrastructure** projects during the period 1990-2011, 70 projects reached contractual or financial closing in OIC countries, comprising investment commitments of \$16 billion since 1990. Private participation in water and sewage infrastructure in OIC countries has been implemented mainly in Malaysia with 16 projects, explaining 63 per cent of total OIC investment. Algeria, Jordan, Indonesia and Turkey together accounted for 32 per cent of private activity in OIC countries with a total of \$5.2 billion investment. Classification of investments in terms of deal types reveal that investment in water and sewage projects in OIC countries was mostly dominated by concession contracts (19 projects) of \$10.3 billion in total value, 64 per cent of total investment in OIC countries.

Policy Implications

In order to increase their resilience to external shocks and become more competitive, there is apparently an urgent need for OIC countries to strengthen and further enhance economic cooperation more than ever before. There is a need for greater synergy to implement national and cooperation policies as well as comprehensive multilateral initiatives at the OIC level through joint projects and programmes at regional and sub-regional levels. OIC countries should focus on more concrete and tangible projects for enhancing their economic cooperation, particularly in intra-OIC trade and investment.

In their efforts to enhance their economic progress and increase their share in the world economy, the OIC countries are still confronting a number of major challenges. These challenges could underline the broad policy actions for consideration by the member countries in support of their efforts to attain higher levels of economic progress and integration.

Towards achieving long-term sustainable growth in **merchandise trade** and higher share in total world exports, OIC countries need more competitive economies with significant diversification levels and higher technological intensity. Due to their heavy reliance on primary commodities and resource intensive manufactures, member countries are likely to be exposed to vulnerabilities and any negative shock in the international markets. This may, in turn, seriously affect their trade flows and export earnings. This highlights the fact that member countries need to further diversify their export base and take necessary measures to export more value added finished products.

Unlike the trade in goods, the volume of **trade in services** remained significantly lower in OIC countries and it demonstrates a falling trend since 2008. As a group, the OIC countries are net importer of services. In order to achieve a better performance in services trade, OIC countries need to invest more in dynamic services sectors, including communication services, financial services, health-related services and business and professional services. While an increasing trend in **intra-OIC trade** is observed, there is still a need for rapid implementation of the framework agreement on establishing a trade preferential system among the member states (TPS-OIC) and the Protocol on the Preferential Tariff Scheme for TPS-OIC (PRETAS) to meet the target of 20 per cent intra-OIC trade by 2015.

In this connection, OIC member countries need to enhance capacity building in **trade policy** and related areas such as tariffs and customs, and remove procedural bottlenecks that increase transaction costs, through improving efficiency and transparency, implementing trade facilitation measures, and improving standards and quality control. In 2010, trade costs for OIC countries were on average more than two times higher than those in developed countries. This differential needs to be addressed by policymakers in OIC countries if they want to deepen their countries' integration into the global economy. While trade policy measures are important elements of industrial policies in promoting the competitiveness of domestic industries, the effectiveness of such policies on the welfare of the country in the long-term should be measured carefully.

High levels of **unemployment**, especially the youth unemployment, remain as a major problem and challenge facing both developed and developing countries, including OIC members. In this regard, OIC member countries should focus on capacity building by taking necessary policy actions to develop and sustain an effective and contemporaneous Vocational Education and Training (VET) system. Furthermore, efforts should be made to promote entrepreneurship and encourage self-employment through innovative approaches. Among these approaches, member countries should formulate a national microfinance strategy to facilitate and empower the microfinance industry and devise policies in line with international standards and best practices to foster the growth of microfinance institutions.

In this regard, low **labour productivity** remains one of the biggest challenges faced by the OIC member countries. Promoting and encouraging lifelong learning culture, skill

enhancement and hence productivity by devising an enabling policy framework are all necessary measures to be taken by the member countries. National labour policies should focus on quality assurance of training and certification of skills obtained by workers, incentives for the employers to train their workforce especially by targeting low skilled workers, implementation and enforcement of international labour policies and standards and investment in research and development.

The comparatively low level of **FDI inflows** to OIC member countries and the high concentration of these inflows in a few of them reflect the fact that the majority of the OIC countries are still unable to create favorable economic environment and conditions to attract foreign investors. In general, economic and administrative reforms are needed to improve the business climate and to introduce investment incentives for both local and foreign investors. This requires a supportive regulatory and legal framework, building adequate infrastructure and investment in modern technologies to enhance their productive capacities, which is still more of a challenge for the majority. There is also a need for developing policies that can maximize the benefits from FDI such as trainings for less-skilled workers that will allow them to attain new skills.

Despite the serious efforts so far made by the OIC member countries in collaboration with the international community to reduce the burden of their **external debt**, the severe indebtedness of many member countries especially the OIC-HIPCs still constitutes a serious obstacle to their development efforts and economic growth. To sustain and manage their debts efficiently, these member countries need to improve their debt management capability through regular consulting with creditors and development partners on the debt problems and using resources released by debt relief as well as other sources of development finance in a manner that fully takes into account the interests of the poor. There is also need to ensure that aid and debt relief measures support rather than undermine domestic resource mobilization efforts through monitoring the use and effectiveness as well as the fiscal implications of external resources, including ODA, and giving special attention to the productivity and sustainability of investments financed through these resources.

The degree of **financial development** varies substantially across the OIC region, which, in turn, offers a significant room for improvement through effective intra-OIC cooperation. In this regard, the member countries should conjoin their efforts to enhance intra-OIC financial industry linkages through the exchange of know-how and best practices, as well as the mobilization of skilled human capital. Greater cross-border mobility of financial resources should be promoted to increase financial depth in the member countries and this could be achieved by, inter alia, encouraging – through appropriate regulatory and legislative frameworks as well as financial infrastructure – cross-border listing of companies and cross-border issuances of a broad range of financial instruments. The integrity of the financial markets in the OIC member countries with the international financial system should be enhanced in order to tap into the global pool of surplus funds which is currently – particularly in the aftermath of the global financial crisis – looking for high-return real investment destinations, rather than speculative market investments in complex financial products. This, in turn, necessitates the implementation of more appropriate financial sector policy frameworks, and development of institutional capacities within the financial industry.

Given the expected supportive role of the financial sector on the real economy, the financial sector in the member countries does not seem to fully benefit from economies of scale and high interest margins charged by financial institutions hinders the development of the industry as an effective intermediary between the suppliers of funds and those who need these funds in the economy. Therefore, policy-makers in OIC countries should explore the potential avenues for increasing operational efficiency of the financial sector in the member countries through appropriate policies.

All in all, sustainable socio-economic development requires an enabling environment that is supported with the adoption of more practical and effective national development strategies and macroeconomic policies taking into account country-specific socio-economic circumstances, capacities and potentials. In this context, efforts are needed to improve the institutional capacity building and efficiency through, inter alia, the adoption of more practical and efficient regularity and legal frameworks, particularly in the area of trade and finance.

In order to achieve institutionalised cooperation in the fields of trade, investment, finance and technology, it is also essential to set up joint investment projects, reinforce the OIC sub-regional and regional economic groupings and re-vitalise existing ones. Given their prominent role in economic development, it is also important to encourage the private sector through giving impetus to intra-OIC economic relations and supporting businessmen and representatives of the private sector to participate effectively in various related gatherings of the OIC. Meanwhile, the cooperation with the concerned international parties and organisations should not be ignored in order to take maximum advantage of the opportunities to be created there so as to safeguard and enhance the economic interests of the OIC countries.

PART I

RECENT DEVELOPMENTS IN THE WORLD ECONOMY



section 1

World Economic Trends and Prospects

With the start of the global economic crisis in 2007, economic growth rates of both developed and developing countries declined or turned to negative. The negative economic growth trend in the global economy continued in 2008 and 2009. In 2010, the global economy started to grow at about 5.2 per cent, mainly stemming from positive economic growth rates occurred in developing countries. However, non-functioning austerity measures in the Euro zone economies, high fiscal imbalances in the United States and the European Union countries raised fears at a global scale and hampered investment and international trade. As a result, the world economic growth rate decreased to 3.9 per cent in 2011. The ongoing sovereign debt crisis in the euro area, which was expected to result into a recession due to the impacts of bank deleveraging on related assets, has further hampered the world economic growth

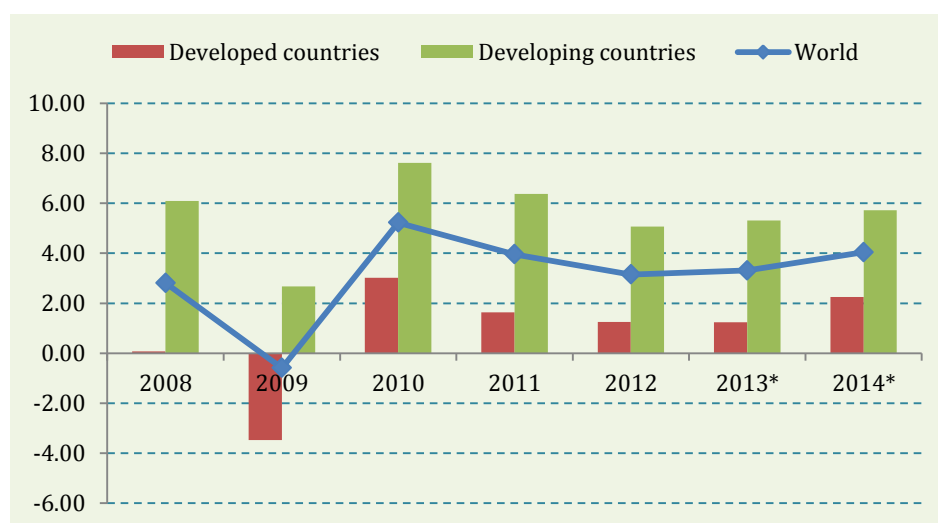


Figure 1.1: GDP Growth in the World

Developed countries seem to take up more space in growth.

Source: IMF, World Economic Outlook, April 2013. (*) IMF projections.

in 2012, which is now estimated at 3.1 per cent. After demonstrating signs of recovery at the beginning of 2013, the growth rate of the world economy is predicted to reach 3.3 per cent by the end of the year. Though it is foreseen a weak growth for euro area in 2013 and 2014, the recovery in the United States, Japan and developing countries seem to fuel the world economic growth. As a result, by following the positive momentum in 2013, it is predicted that the global economy will grow by 4.0 per cent in 2014.

While the recovery in developed countries remained slow, developing countries seem to be the driving force of the growth in world economy both in 2012 and 2013. However, with the recovery in the United States and positive growth rate expectations in the European Union after a zero-growth rate in 2013, the contribution of the developed countries to the world economic growth is expected to rise in 2014.

Figure 1.1 shows the growth rates in real GDP from 2008 to 2014. Growth of global GDP is forecasted to reach 3.3 and 4 per cent in 2013 and 2014, respectively. Developing countries fueled the world output growth rate since 2010, while major developed economies were contracting. In 2013, developing countries are expected to grow by 5.3 per cent, which is about four times higher than the average growth rate of the developed countries, and will continue to be the engine of the growth in the world economy. However, as a result of long-lasting painful fiscal and monetary measures, the recovery in developed economies in terms of real GDP growth rate is projected to reach 2.2 per cent in 2014 compared to 1.2 per cent in 2013. Developing countries are expected to see a little increase in the average growth rate that will climb from 5.3 per cent in 2013 to 5.7 per cent in 2014. Overall, as of 2013, the global economic forecasts are more optimistic about the medium and long-run growth rates. In particular, the expected return of global giants with positive growth rates, will carry the average global growth rate from 3.3 per cent in 2013 to 4.0 per cent in 2014.

Developed countries start growing in 2013

Output growth in developed countries has already slowed considerably since 2010 and it is expected to be around 1.2 per cent in 2013. Though this rate is still 0.2 percent lower than the growth rate in 2012, it is projected that developed countries will start to grow in 2014 with an increased growth rate of 2.2 per cent. In other words, it is expected that in 2014 developed countries will grow 1 per cent faster than in 2013. Although developed countries will remain vulnerable to spillovers from bank deleveraging in Europe, the sustainable recovery in the United States and Japan will contribute to output growth in 2014.

Figure 1.2 shows that the European Union will experience zero-growth in 2013 after the contraction of 0.2 per cent in 2012. Although various fundamental problems remain unsolved, it seems that the measures that are taken by the European Union will start paying off in 2014. As of 2014, it is forecasted that technically the European Union will go out from the recession and grow by 1.2 per cent in 2014. The positive outlook for 2014 will help building up the confidence in the European Union and will expect to have a positive effect on the world economic output growth. The post-quake re-construction boosted the output by 4.4 per cent in 2010 in Japan. However, the economy contracted by

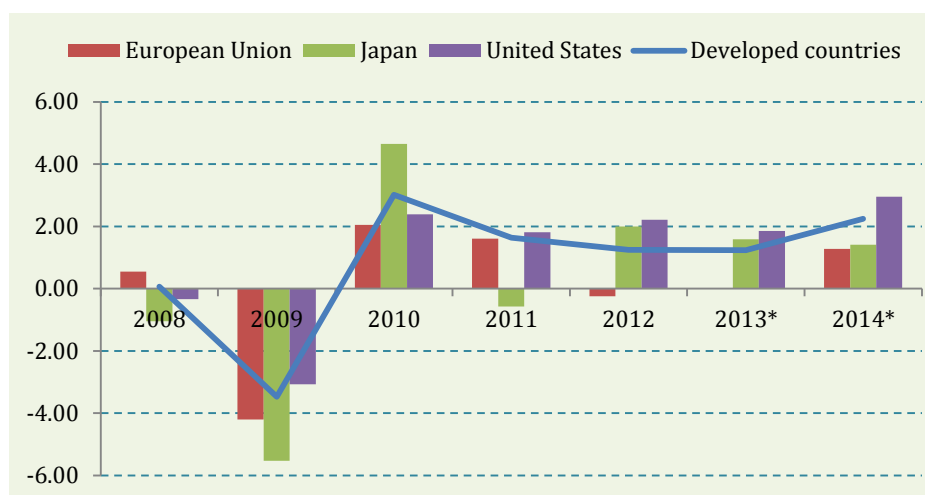


Figure 1.2: GDP Growth in Developed Countries

By 2014, European Union will go out from the recession.

Source: IMF, World Economic Outlook, April 2013. (*) IMF projections.

0.5 per cent in 2011. In 2012, the economy grew by 2 per cent. The GDP growth rate is projected to be positive in 2013 and 2014, 1.5 and 1.4 per cent, respectively.

The impact of the 2008 crisis on the US economy has been less severe compared to other developed countries. The US economy recovered rapidly by growing at a rate of 2.3 and 1.8 per cent in 2010 and 2011, respectively. In 2012, the US economy grew further by 2.2 per cent. In 2013, the US economy is expected to grow by 1.8 per cent, and in 2014, the US economy will speed up and the output growth will reach to almost 3 percent. This positive growth trend will not only nurture the world economic output but also will help recovery in the European Union, the main trade partner of the US.

Recovery goes on in developing economies

Unlike developed countries, developing countries has been growing positively and robustly since 2010. Although developing countries are still open to the economic woes in developed countries through trade and financial channels, the recovery in developed countries makes growth in developing countries less volatile. Growth rates in China and developing Asia were 7.8 and 6.6 per cent, respectively in 2012 (Figure 1.3). It is forecasted that the growth rate in China will speed up and reach to 8 percent in 2013. Developing Asia will also grow faster in 2013 where the growth rate is expected to be about 7.1 per cent.

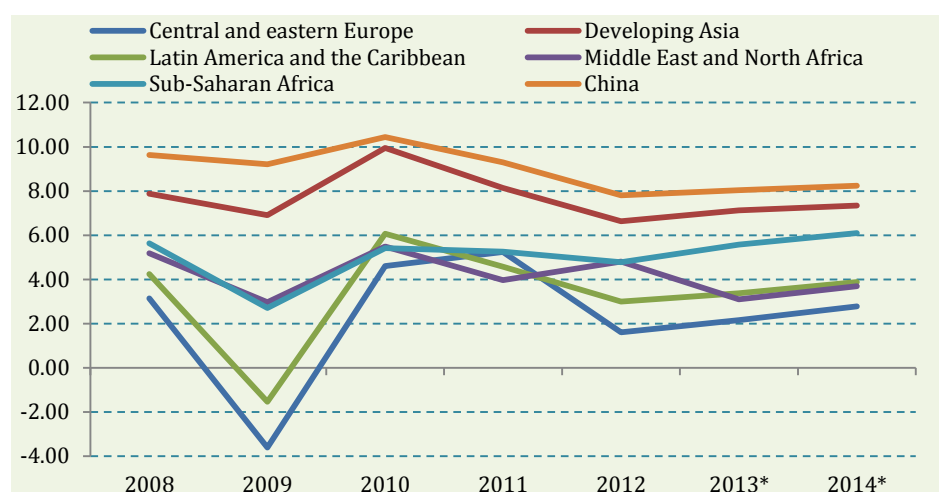
Economic growth in Latin American and the Caribbean slowed down from 4.5 per cent in 2011 to 3 per cent in 2012. However, the negative trend line comes to a halt and the growth rate starts climbing in 2013 and is projected to reach 3.8 percent in 2014. Middle Eastern and North African countries show a similar pattern. After some upside down fluctuations, the output growth rate in this region is projected to follow a positive path with 3.1 and 3.6 per cent in 2013 and 2014, respectively.

Sub-Saharan Africa will continue to see a robust growth performance despite the high vulnerability to international commodity prices shocks. Due to less openness of the region to the world economic network, the countries in this region are less prone to external shocks. The projections for 2013 and 2014 indicate that Sub-Saharan African countries will record growth rates around 5.5 and 6.1 per cent, respectively.

Figure 1.3: GDP Growth in Developing Countries

Developing countries has been fuelling the world output growth.

Source: IMF, World Economic Outlook, April 2013. (*) IMF projections.



The Central and Eastern Europe countries seem to be affected negatively by the negative growth in 2012 and zero-growth in 2013 in the European economies. Their output grew by 1.6 per cent in 2012 and expected to be around 2.1 per cent in 2013. With the recovery in the EU countries, the growth will speed up and expected to reach 2.7 per cent in 2014.

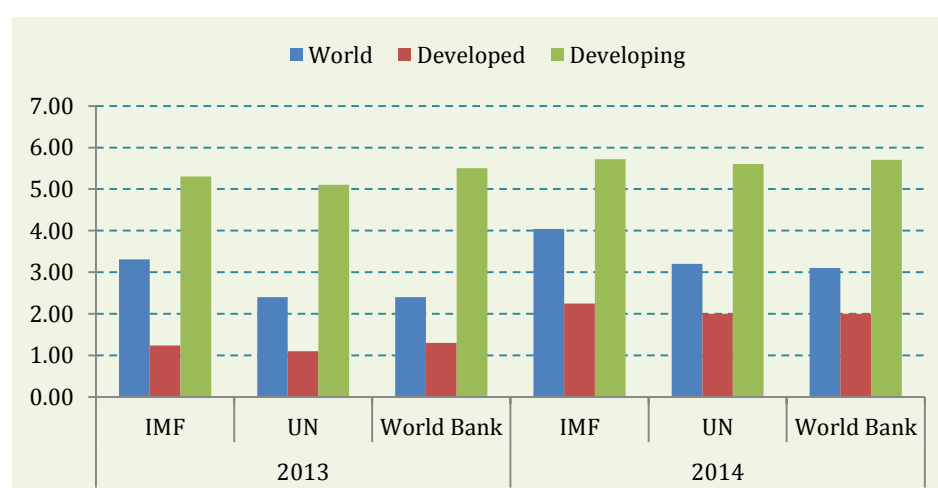
Growth Projections differ

As known, GDP growth projections are made by different institutions using different methodologies with different assumptions. The results of these projections, therefore, do not always match. Figure 1.4 illustrates the projections of the world GDP growth rate made by three international organizations. According to these projections, the world economic growth rate will be between 2.4 and 3.3 per cent in 2013. In 2014, a higher growth rate is expected varying between 3.1 and 4.0 per cent. Overall, the IMF forecasts are relatively optimistic compared to the projections made by the UN and the World Bank. However, it should be mentioned that these projections are made under very specific assumptions and any change in one of these assumptions may affect the projections' results substantially. The projections of these institutions for the groups of developing and developed countries are in the same line. In 2013, the developing countries are expected to grow by 5 per cent whereas developed countries are expected to grow about 1.2 per cent. With the slight differences, the projections of growth rates for developed countries are expected to be around 2 per cent in 2014. On the other hand, developing countries are foreseen to grow about 5.6 per cent in 2014.

Figure 1.4: Comparisons of Growth Projections

Growth projections do not match.

Source: IMF, World Economic Outlook, April 2013; UN DESA Global Economic Outlook, January 2013; World Bank Global Economic Prospects, January 2013.



Developing countries are investing more

Investment is one of the most important components in restoring and sustaining economic growth. In particular, many developing countries need to invest more to sustain their positive economic growth momentum. Investment in research and development, education and infrastructure has long term economic growth impact in the economy. Figure 1.5 demonstrates the share of investment in GDP in developed and developing countries and the world average.



Figure 1.5: Share of investment in GDP

The contribution of investment to GDP increases worldwide.

Source: IMF, World Economic Outlook, April 2013. (*) IMF projections.

Since 2008, the share of investment in GDP continuously rises in developing countries and is expected to rise for the upcoming two years. By 2013, it is projected to constitute 32.2 per cent of GDP. As the countries which have functioning companies, institutions and infrastructure, the developed countries spend less on investment and the share of investment in output in these countries constituted only 18 per cent of GDP in 2012. In 2013 and 2014, it is expected to reach to 19 and 19.4 per cent, respectively. The share of investment in the world output is expected to be around 24 per cent in 2013 and will increase slightly to 24.6 per cent in 2014.

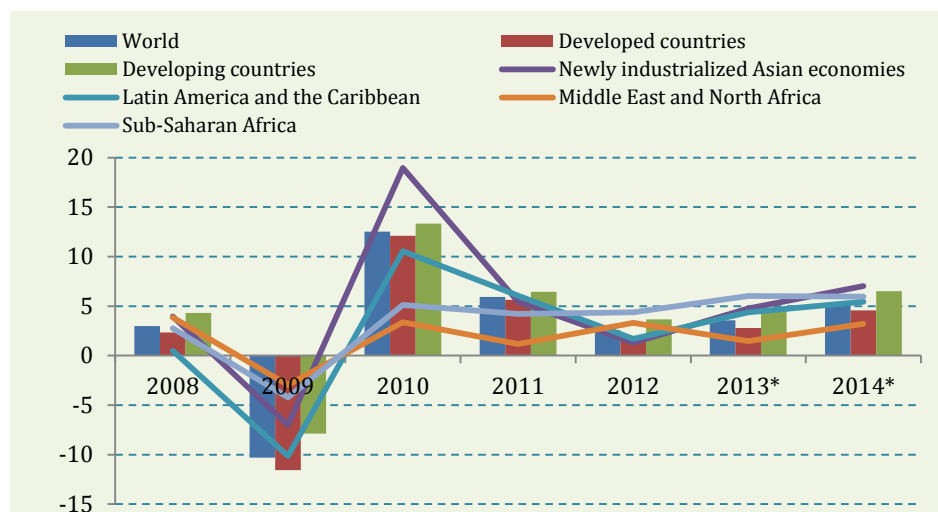
Growth in export and import will likely to remain above 5 per cent in developing countries

The growth of world exports in goods and services decelerated to 2.5 per cent in 2012 after high growth rates of 12.5 per cent in 2010 and 5.9 per cent in 2011 (Figure 1.6). Growth in exports is 3.6 per cent in developing countries whereas in developed countries it is only 1.8 per cent. In particular, Sub-Saharan Africa countries registered to a 4.3 per cent growth in exports which is highest among the other groups. Middle East and North Africa countries also performed well in 2012. The forecasts show that in 2013 and 2014, the growth of world exports will continue to grow by 3.5 and 5.3 per cent respectively. In particular, with the expected re-emergence of developed countries' growth in 2014, growth in exports in these countries is expected to reach 4.5 per cent compared to 2.8 per cent in 2013. Among developing countries, the newly industrialized Asian economies, which have large shares in the trade of manufactured goods, and Sub-Saharan Africa economies are expected to perform relatively better in 2014 with 7 and 5.4 per cent growth in exports, respectively. Projections show that growth of export volume of Latin American and the Caribbean countries will rise up to 4.3 and 5.4 per cent in 2013 and

Figure 1.6: Export Volume of Goods and Services (Annual % Change)

Growth rate of exports is on the rise in all regions.

Source: IMF, World Economic Outlook, April 2013. (*) IMF projections.



2014, respectively. These figures indicate that all regions in the world eliminating the ruins of the global economic crisis and experience significant growth in the volume of exports.

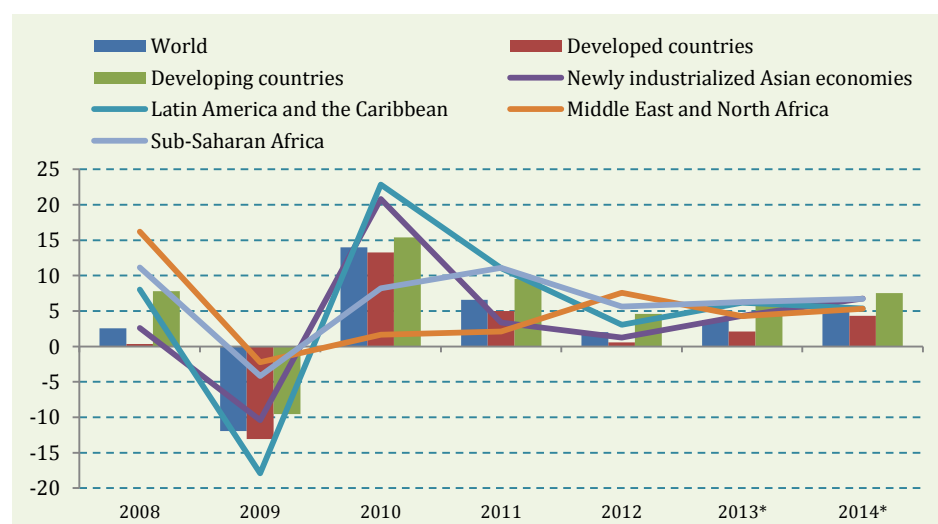
Similar patterns are also observed in imports of goods and services (Figure 1.7). After a strong rebound of more than 13 per cent in 2010, the growth in volume of world imports of goods and services decelerated to 6.5 per cent in 2011. In 2012, a further decrease is experienced and the growth in imports was only 2 per cent mainly due to the recession in the European Union countries. With the start of recovery both in Europe and Japan in 2013, the growth in the volume of world imports of goods and services is expected to reach 3.7 per cent in 2013 and 5.5 per cent in 2014.

As in the case of their export performance, the developing countries outperform the developed countries in importing. In particular, countries in the Sub-Saharan Africa and Latin America and Caribbean regions are again expected to perform relatively better in terms of importing in 2013. As one of the fastest growing region in the world, the newly industrialized Asian economies will also continue to be a leading region in terms of imports in 2013 and 2014. The share of these regional country groups in total import has been rising up after the crisis, and it is projected that the import growth of these three regions will be well-above to that of the other country groups in the world. Middle East and North Africa countries seem to converge in terms of the growth rate in imports in 2013 and 2014.

Figure 1.7: Import Volume of Goods and Services (Annual % Change)

Growth rate of imports in 2013 is expected to exceed 2 per cent in developed countries.

Source: IMF, World Economic Outlook, April 2013. (*) IMF projections.



Current account surplus is foreseen to remain stable in developing countries

Current account balances can simply be thought of as savings minus investment of a country. Figure 1.8 demonstrates that, in the aftermath the global economic crisis, current account balances have been changing in all the regions and country groups. The newly industrialized Asian countries and Middle East and North Africa countries systematically recorded current account surpluses. Latin America and the Caribbean and Sub-Saharan Africa countries recorded current account deficits in the period of 2008-12. It is also expected that these countries will not be able to turn their current account deficits into surpluses in 2013 and 2014. Overall, developing countries recorded a small current account surplus while developed countries recorded small current account deficits and this trend will continue in 2013.

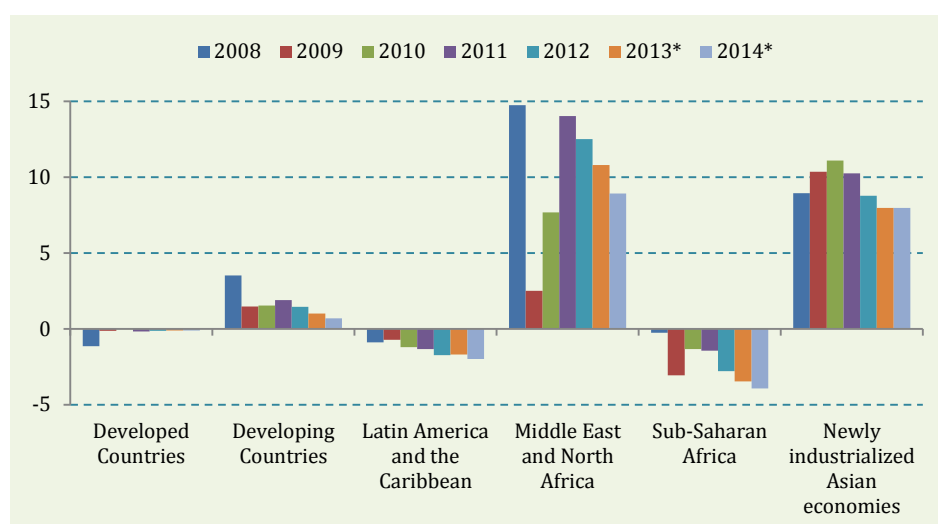


Figure 1.8: Current Account Balance (% of GDP)

Current account surpluses of the MENA countries continue to decrease.

Source: IMF, World Economic Outlook, April 2013. (*) IMF projections.

Deterioration in current account deficit is foreseen for Sub-Saharan Africa, and Latin America and the Caribbean regions in 2013 and 2014 mainly stemming from higher exposure to imports. The Middle East and North Africa region, which includes major oil producer countries, enjoyed the increase in the oil prices during the period of 2010-11, and thus their current account surplus inflated. However, with the decline in the oil prices, and increasing exposure to imports, the current account surpluses of these countries as a percentage of their GDP have been continuously decreasing since 2011. It is projected that the surplus will further decrease from 12.5 percent of GDP in 2012 to 10.8 per cent in 2013. A further decrease is expected at 8.9 per cent of GDP in 2014. Developed countries, on the other hand, are foreseen to retain a stable current account deficit at 0.1 and 0.12 per cent of GDP in 2013 and 2014, respectively.

Fiscal balances started to improve in the Euro Area

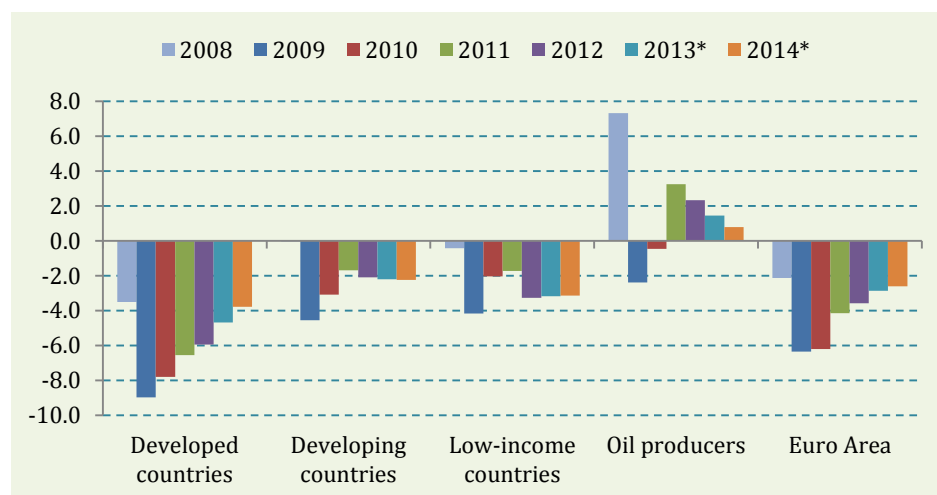
Projections show that the fiscal tightening policies achieved the expected effect in the developed countries (Figure 1.9). Fiscal balances as a percentage of GDP continue to decrease in these economies in 2013; projected at -4.7 per cent of GDP. In 2014, a further decrease is expected where the ratio is projected at -3.8 per cent of GDP. Developing countries also have negative fiscal balances but are in relatively better position than the developed countries. In 2012, the ratio was observed as -2.1 per cent and is expected to be -

2.2 per cent in 2013. Oil producers have had a positive fiscal balance ratio since 2011. But their fiscal surpluses decrease in accordance with the decline in the oil prices. The fiscal surplus expected to decline to 1.4 per cent in 2013 from 2.3 per cent in 2012. The European countries still suffer from the fiscal imbalances and the fiscal tightening seems to erode the deficits slowly. The ratio will decline to 2.9 per cent in 2013 from 3.6 per cent in 2012. In 2014, a further improvement is expected where the fiscal deficit is projected at 2.6 per cent of GDP. The low-income countries are expected to continue recording systematic fiscal deficits. During 2012-13, the deficit declined slightly from 3.3 per cent to 3.2 per cent.

Figure 1.9: Fiscal Balances (% of GDP)

Fiscal balances started to improve systematically in the Euro Area.

Source: IMF, World Economic Outlook, April 2013. (*) IMF projections.



Inflation slows down in developing countries

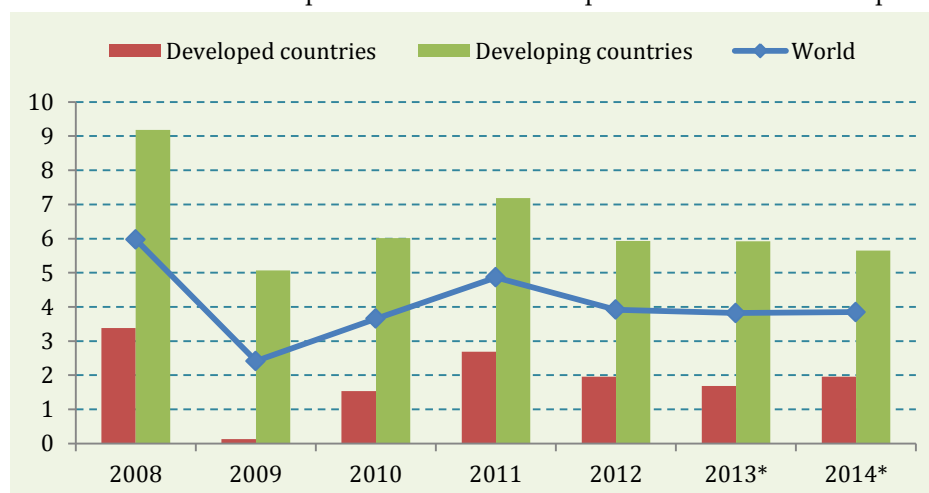
Because of the supply-side shocks, global inflation increased to 4.8 per cent in 2011. With the tightening fiscal policies and limited monetary expansion in accordance with the output growth seem to stabilize the consumer prices on average in the world. As a result, inflation rate decreased from 4.8 per cent in 2011 to 3.9 per cent 2012, and it is expected to be around 3.8 per cent in 2013 and 2014.

As seen in Figure 1.10, price volatility is not foreseen to be a major concern for developed and developing countries. Aftermath the crisis, developed countries did not follow an uncontrolled monetary expansion, despite the existence of high pressure from public. As a result, the change in consumer prices will remain low and the inflation rate is expected to be 1.6 and 1.9 per cent in 2013 and 2014, respectively. In developing countries, the inflation rate decreased from 7.1 per cent in 2011 to 5.9 per cent in 2012. The expected

Figure 1.10: Inflation, average consumer prices (% change)

Inflation in developing countries slows down

Source: IMF, World Economic Outlook, April 2013. (*) IMF projections.



inflation in 2013 is 5.9 per cent. Inflation in most developing countries is also expected to decelerate in 2014 as a result of continuing decline in commodity prices.

Commodity prices decline

Prices of most commodities were on the rise between 2009 and 2011 due to increased demand. In 2011, the positive trend in commodity prices was broken and the prices started to decrease gradually (Figure 1.11). It is foreseen that the slowdown in commodity prices will continue in 2013 and 2014.

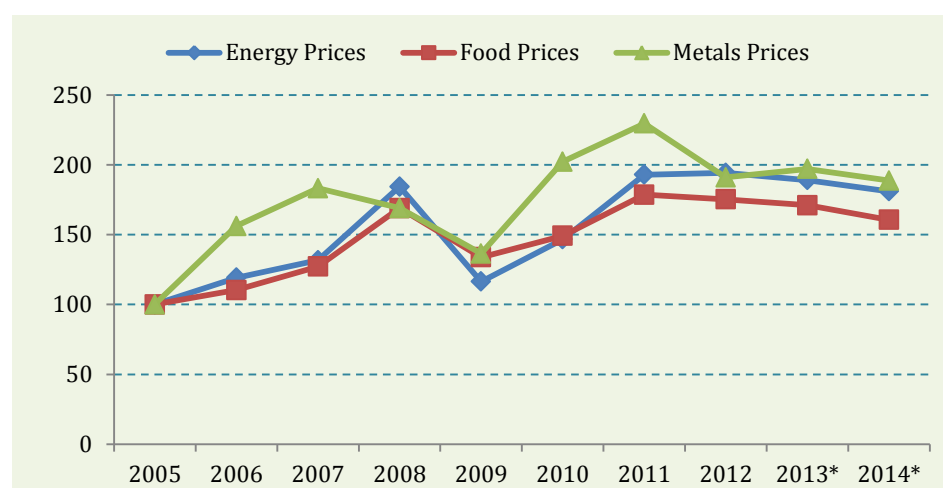


Figure 1.11:
Commodity
Prices (Index,
2005=100)

Commodity prices
decline

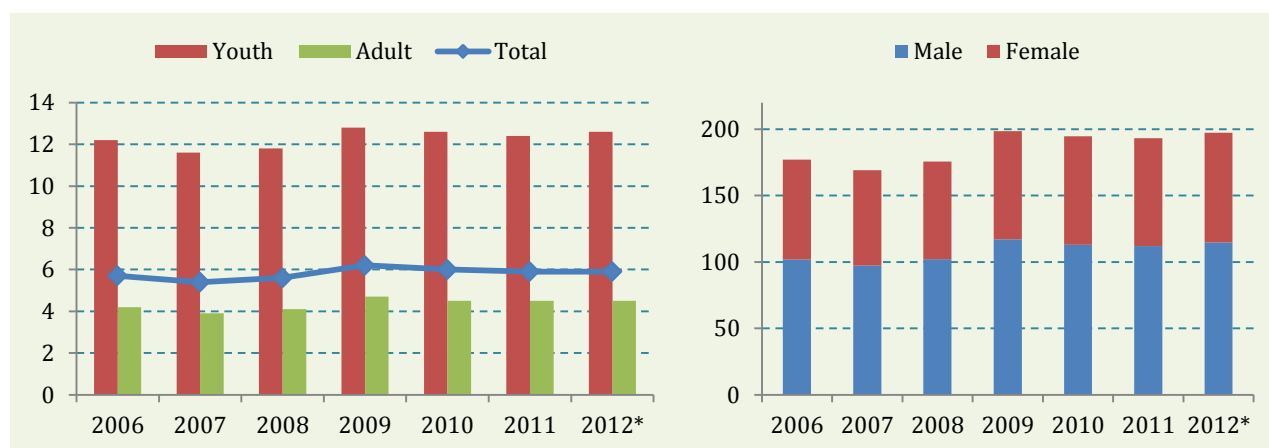
Source: Source: IMF, World
Economic Outlook, April
2013. (*) IMF Projections

The energy prices index climbed from 116 in 2009 to 194 in 2012. In 2013, it is foreseen that the energy prices index will be around 189. A further decrease is expected in 2014 as well. Metal prices also rocketed up between 2009 and 2011. Afterwards, the index of metal prices went back from 229 in 2011 to 191 in 2012. In 2013-14, the negative trend will continue and the index will reach to 188 in 2014. Food prices (including agricultural food) followed a similar pattern of energy and metal prices. The increasing trend in food prices index stopped in 2012. In 2013-14 period, it is forecasted that the index will continue to decelerate and will drop to 160 by the end of 2014. Given the signs of recovery in developed economies and the decrease in the commodity prices, the period of 2013-14 will be smoother for consumers and producers both in developed and developing countries.

Global unemployment converged to its pre-crisis level

According to the *ILO Global Employment Trends 2013* report, the total global unemployment rate averaged 5.9 per cent in 2011, remaining above the pre-crisis level of 5.4 per cent in 2007 (Figure 1.12). Overall, the ILO projects global unemployment rate at 5.9 per cent in 2012, which is equivalent to 197.3 million unemployed. Adult unemployment rate was 4.5 per cent in 2011 and is expected to remain at the same level in 2012. However, high youth unemployment is still a major concern worldwide. Unemployment in youth not only increases the overall unemployment rate but also raises social tension in the societies. Moreover, it demotivates the young generation for education and skills upgrading. Youth unemployment rate was recorded as 12.4 per cent in 2011 which is 0.2 percentage points lower than in 2010. However, it is again expected to rise to 12.6 per cent in 2012.

For the gender groups, the number of male unemployed was 112 million in 2011 and expected to increase to 114.6 million in 2012. Female unemployment shows a stable

Figure 1.12: Unemployment in the World

Source: ILO, Global Employment Trends 2013. (*) ILO Forecast.

pattern during 2010-12. The number of unemployed female was 81.1 million in 2011. It is forecasted that unemployed female number will be 82.7 million in 2012.

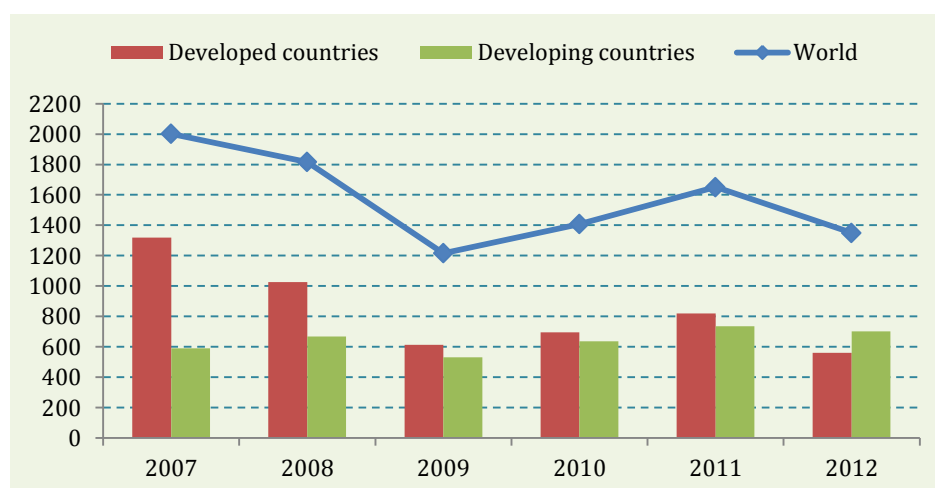
Foreign direct investment inflows slowdown in 2012

Foreign Direct Investment (FDI) can be a good source of capital for economic growth and can serve as a way to transfer the latest technologies to developing countries. However, in 2007-09 period FDI had a negative trend worldwide and in this period about 70 percent of the worldwide FDI was going to developed countries (Figure 1.13). More FDI inflows have started to flow to developing countries since 2009 thanks to the sustained positive growth rates and higher growth prospects in these countries. Almost 50 per cent of world FDI inflows recorded in developing countries in 2010. In 2011, FDI inflows continued to increase both in developed and developing countries and reached USD 1,651 billion. However, the mixed signs of recovery especially in the European economies led to a slowdown in FDI inflows in 2012, and the worldwide FDI inflows recorded at USD 1,350 billion. In this context, the UNCTAD forecasts an increase in FDI inflows in 2013 to reach USD 1,450 billion, a level which is comparable to the pre-crisis level in the period 2005–2007. As the recovery in the world economy becomes more robust, multinational companies may increasingly invest across borders and therefore FDI inflows are expected to reach the level of USD 1,600 billion in 2014 and USD 1,800 billion in 2015.

Figure 1.13: FDI inflows in the World (in billions of dollars)

Foreign direct investment inflows slowdown in 2012

Source: UNCTAD, FDI Statistics Database



PART II

RECENT ECONOMIC DEVELOPMENTS IN THE OIC COUNTRIES



The current 57 OIC countries are dispersed over a large geographical region, spread out on four continents, extending from Albania (Europe) in the north to Mozambique (Africa) in the south, and from Guyana (Latin America) in the west to Indonesia (Asia) in the east. The OIC countries as a group account for one sixth of the world area and more than one fifth of the total world population. The OIC member countries constitute a substantial part of the developing countries¹, and, being at different levels of economic development, they do not make up a homogenous economic group.

¹ In 2012, the OIC member countries as a group accounted for 26.5 per cent of the total population, 22.6 per cent of the total GDP PPP and, 30 per cent of the total merchandise exports of the developing countries (calculated based on the data extracted from World Bank WDI Database, IMF WEO Database, and UN COMTRADE Database).

The mixed nature of the group of the OIC countries reflects high levels of heterogeneity and divergence in the economic structure and performance of these countries. After graduation of Maldives from the UN list of Least Developed Countries (LDCs) in January 2011, out of the world's remaining 48 LDCs, 21 are OIC countries, almost all of which depend for their growth and development on the exports of a few non-oil, mostly agricultural, primary commodities. On the other hand, according to the IMF, 18 OIC countries are classified as fuel-exporting countries, for which the prospects of growth and the development are dependent mainly on production and export of only oil and/or gas (IMF, 2013).

The gap between the rich and the poor OIC countries is substantial. The average per capita GDP based on purchasing power parity (PPP) in the richest member country (Qatar, \$102.9K) was 17.1 times higher than the average of the OIC countries (\$5.9K) in 2012. Moreover, 18 OIC member countries are currently classified by the World Bank as low-income countries and 32 are middle-income countries (16 lower middle-income and 16 upper middle-income). In contrast, only 7 OIC member countries are classified as high-income countries.² The total output (GDP) and trade of the group of the OIC countries are still heavily concentrated in a few of them; in 2012, only 10 member countries accounted for 72.9 per cent of the total GDP, based on purchasing power parity (PPP), of the OIC countries and 76.6 per cent of their total merchandise exports, both measured in current US Dollars (IMF DOT Database, UN COMTRADE Database).

With global prospects improving, the main policy challenges in OIC countries – like many other developing countries – include recalibration of policy settings to avoid overstimulation, rebuilding of macroeconomic policy buffers, management of risks from possible rapid credit expansion and re-emergence of substantial capital inflows. In this connection, the rest of this section examines in detail the trends in the major economic indicators of the OIC countries as a group in the latest 5-year period for which the data are available, in comparison with the averages of the world, developed as well as other non-OIC developing countries.

² Income classification of countries is based on World Bank data for GNI per capita for the year 2011. The groups are low-income countries, \$1,035 or less; lower-middle-income countries, \$1,036 - \$4,085; upper middle-income countries, \$4,086 - \$12,615; and high-income countries, \$12,616 or more.

section 2

Production, Growth and Employment

The group of OIC countries are well-endowed with potential economic resources in different fields and sectors such as agriculture, energy and mining, human resources, and they constitute a large strategic trade region. Yet, this inherent potential does not manifest itself in the form of reasonable levels of economic and human development in many individual OIC countries as well as in the OIC countries as a group. In 2012, having accounted for 22.6 per cent of the world total population, the 57 OIC member countries produced only 11.3 per cent of the world total GDP – expressed in current USD and based on PPP (see Figure 2.1).

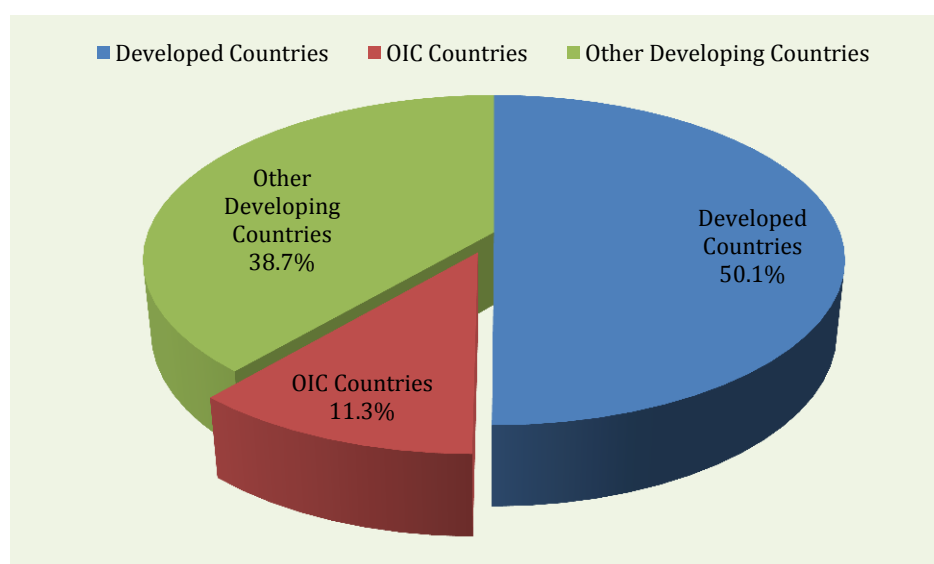


Figure 2.1: Gross Domestic Product, PPP Current USD (2012)

Contribution of the member countries to the global output remains sub-potential.

Source: IMF WEO Database April 2013.

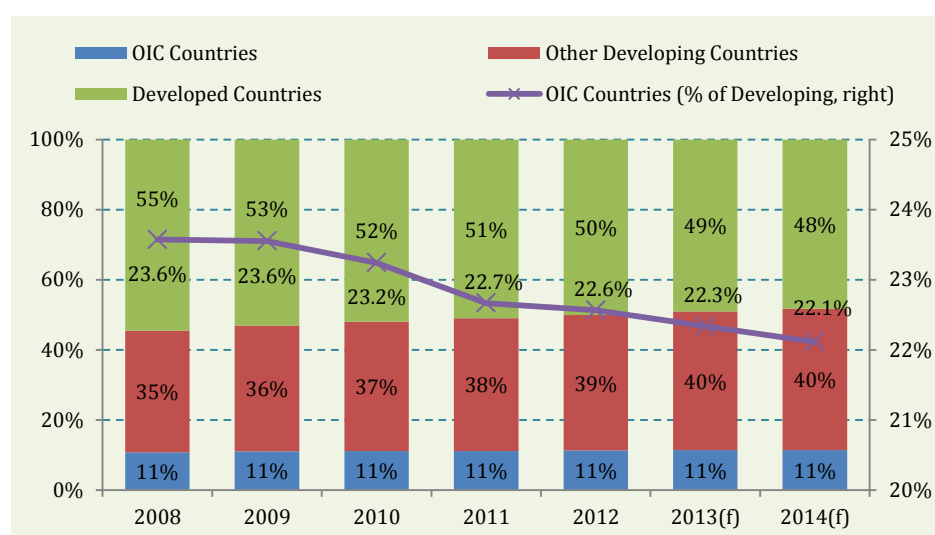
2.1 Production and Growth

Over the last 5 years, the group of OIC countries has increased its share in the world output only by 0.6 percentage point to reach 11.3 per cent in 2012 (Figure 2.2). Considering the fact that the individual countries such as United States and China had higher shares than that of the OIC countries as a group (18.9 and 14.9 per cent, respectively in 2012), it can be stated that the contribution of the OIC countries to the world output is below potential. On the other hand, the share of the OIC countries in the total GDP of developing countries group has declined steadily and was recorded at 22.6 per cent in 2012, a decrease by one percentage point over the 5-year period under consideration (Figure 2.2).

Figure 2.2: Gross Domestic Product, PPP Current USD

The share of the OIC countries in developing countries output continued to decline in 2012.

Source: IMF WEO Database April 2013.



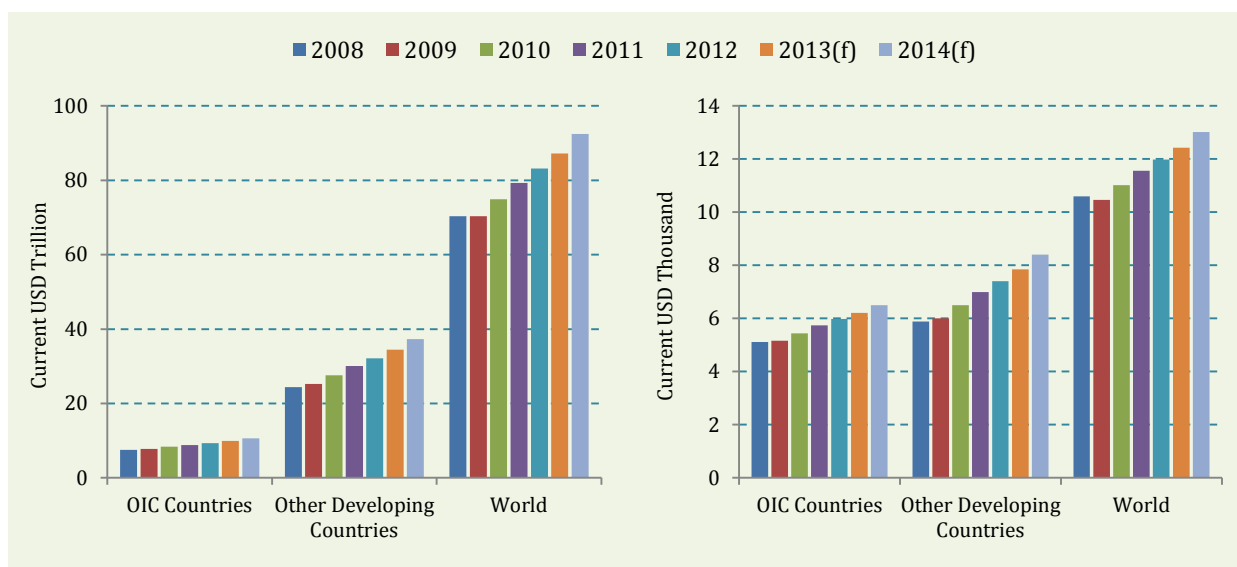
The decline in the share of the OIC countries in total GDP of the developing countries indicates that the OIC economies have performed poorer than other developing countries in expanding their output. Although the projections for 2013 and 2014 indicate that the GDP of the OIC countries as a whole will continue to grow, it is predicted that the share of the OIC countries in the world output will be stable around 11.4 per cent through 2014. However, the share of the OIC countries in the total output of the developing countries is estimated to shrink further to 22.3 per cent in 2013 and 22.1 per cent in 2014 (Figure 2.2).

Total GDP of the OIC countries has grown constantly over the period 2008-2012, reaching \$9.4 trillion in 2012 compared to \$7.5 trillion in 2008 (Figure 2.3, left panel). During the same period, other developing countries experienced a more rapid increase in their output as the total GDP in these countries reached \$32.1 trillion in 2012, a level which is well above the \$24.4 trillion they recorded in 2008.

During the same period, the average GDP *per capita* in the OIC countries – expressed in current USD and based on PPP – has increased continuously and reached \$5,978 in 2012, compared to \$5,117 in 2008 (Figure 2.3, right panel). However, the gap between the average per capita GDP levels of the OIC member countries and those of other developing countries has widened further. The per capita GDP differential between the

two groups in the period 2008-2012 has almost doubled from \$761 to \$1,418. During the same period, the average GDP per capita in the OIC countries has also diverged from the world average as the gap increased from \$5,476 to \$5,998.

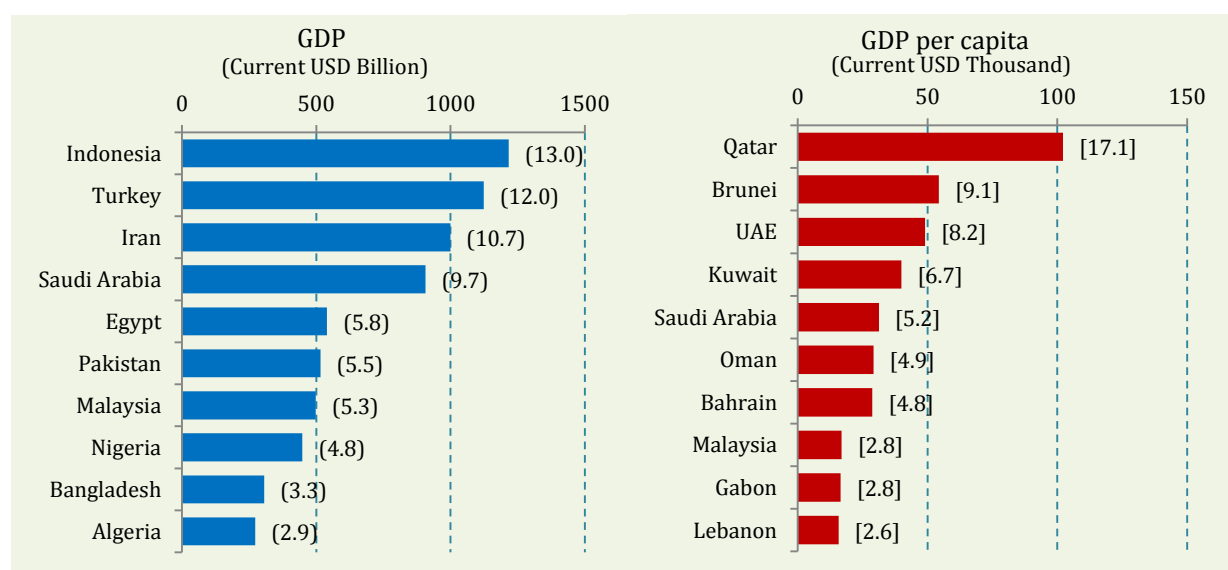
Figure 2.3: Total GDP (left) and GDP per capita (right), based on PPP



Source: IMF WEO Database April 2013.

Furthermore, it is observed that the total GDP of the OIC countries is still produced by a few member countries. In 2012, the top 10 OIC countries in terms of the volume of GDP produced 72.9 per cent of the total OIC countries output (Figure 2.4, left panel). The overall economic performance of the group of OIC member countries remained highly

Figure 2.4: Top 10 OIC Countries by GDP and GDP per capita (2012)



Source: IMF WEO Database April 2013 and SESRIC BASEIND Database. The numbers in round (square) brackets on left-(right-)hand side indicate the share (ratio) of the related country's GDP (GDP per capita) in the overall GDP (to the average GDP per capita) of the OIC countries as a group.

dependent on the developments in these countries. Fuel is the main source of export earnings for 4 out of these 10 OIC countries; namely, Saudi Arabia, Nigeria, Iran and Algeria (IMF, 2013).

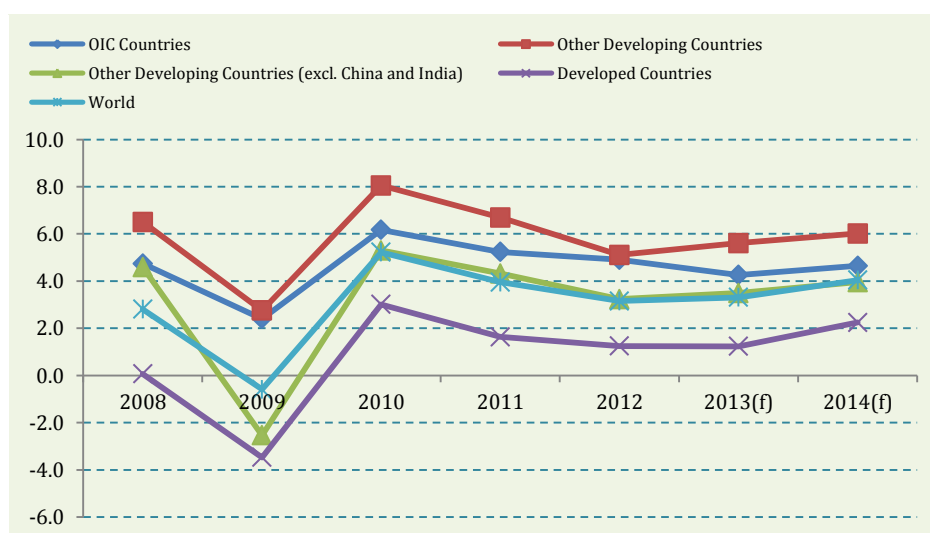
In 2012, the per capita GDP of Qatar was highest in the world and 17.1 times higher than the average of the OIC countries as a group (Figure 2.4, right panel), a situation which reflects a high level of income disparity among the OIC countries.

The total GDP of OIC countries kept growing at an average growth rate of 4.9 per cent in real terms in 2012, as compared to 5.2 per cent in 2011 (Figure 2.5). Although this is in line with the persistent slowdown in across-the-board economic activity, which started to take hold in 2010, the growth in OIC countries remained relatively more stable in 2012 – mainly as a result of the smoother economic transitions in some of its rapidly growing major economies such as Indonesia, Turkey and Saudi Arabia. The economic performance of other developing countries, on the other hand, has so far been highly influenced by the pace of growth in the two leading Asian economies, namely China and India. Indeed, the average real GDP growth rates in the other developing countries excluding China and India were below the OIC average during the period 2008- 2012. Moving forward, the average rate of growth in the OIC countries will likely experience a more significant drop in 2013, with average growth rate forecasted to be around 4.3 per cent. This is expected to be followed by a slight recovery to 4.6 per cent in 2014. Yet, these figures are still better than the predicted average growth rates for the group of other developing economies excluding China and India, as well as the world as a whole (Figure 2.5).

Figure 2.5: Real GDP Growth, Annual Percentage Change

Albeit with a slow pace, growth prospects for the short-term are improving in OIC countries

Source: IMF WEO Database April 2013 and SESRIC BASEIND Database.

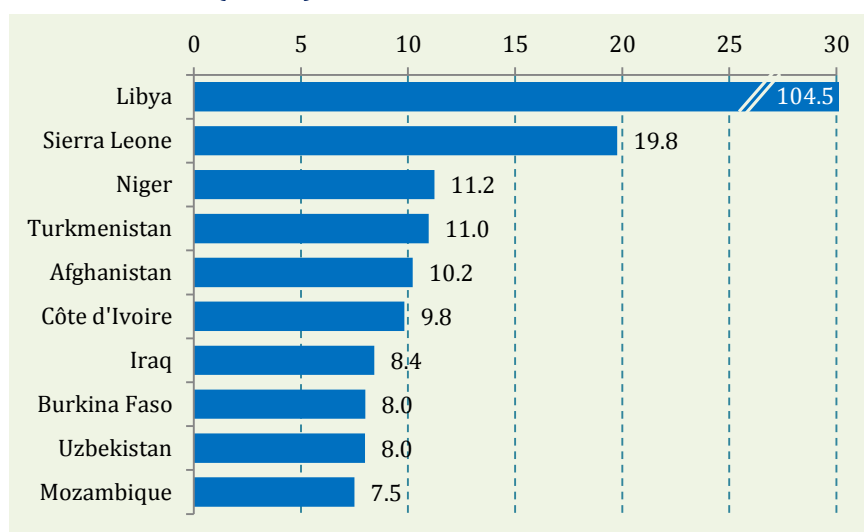


Libya, with a remarkable growth rate of 104.5 per cent in 2012, was the fastest growing economy both within the group of OIC countries as well as in the world (Figure 2.6). Mozambique, 10th among the OIC countries, was the 20th fastest growing economy in the world in the same year. Unlike the previous year's list, where none of the OIC LDCs were among the top 10 fastest growing OIC countries, in 2012, 5 OIC LDCs (Sierra Leone, Niger, Afghanistan, Burkina Faso and Mozambique) are in the list with their real GDP growth rates ranging between 19.8 per cent and -7.5 per cent.

Furthermore, except in 2009, the average growth rate of the real per capita GDP in the OIC countries has been positive during the same period (Figure 2.7). This implies that the real GDP in the OIC member countries has grown on average faster than the population. This can be interpreted as a real increase in standards of living in the OIC community. However, a similar downward trend, as in the case of real GDP growth, is also observed for real GDP per capita growth rates. OIC countries seem to suffer from

this trend as well. Following a short-lived recovery in the aftermath of the global financial crisis, the average real GDP per capita growth rate in OIC countries had started to decline again starting from 2011 and was recorded at 2.9 per cent in 2012, as compared to 4.3 per cent in 2010. Although this rate is above the pre-crisis level of 2.5 per cent, the average real GDP per capita growth rate is forecasted to fall slightly to 2.4 per cent in 2013 and bounce back to 2.8 per cent in 2014. In general, the pace of the real GDP per capita growth in the OIC member countries has been around the same level of the world average and the average of other developing countries excluding China and India, and compared favourably to the pace of growth in the developed countries. Yet, it remained below that of the other developing countries.

Figure 2.6: Top 10 OIC Countries in terms of GDP Growth Rate (2012)



Source: IMF WEO Database April 2013 and SESRIC BASEIND Database.

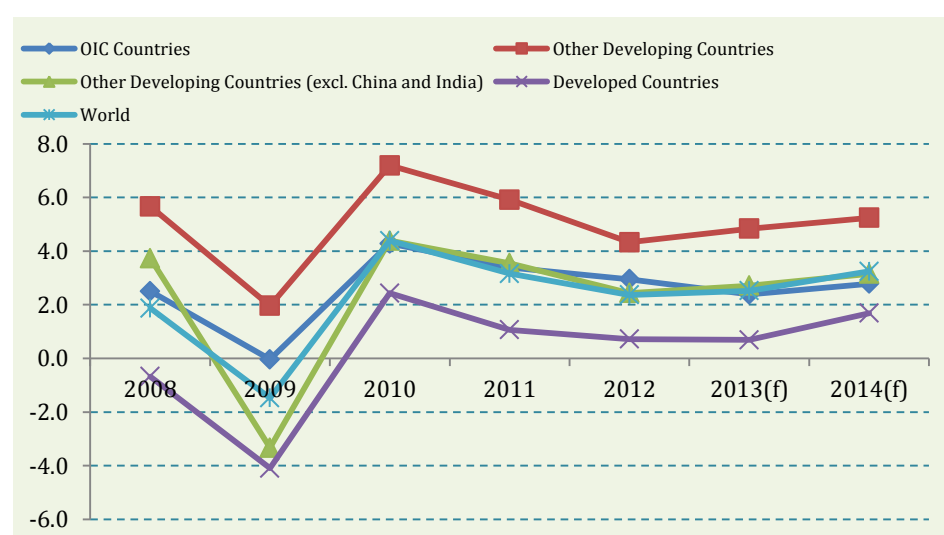


Figure 2.7: Real GDP per capita Growth, Annual Percentage Change

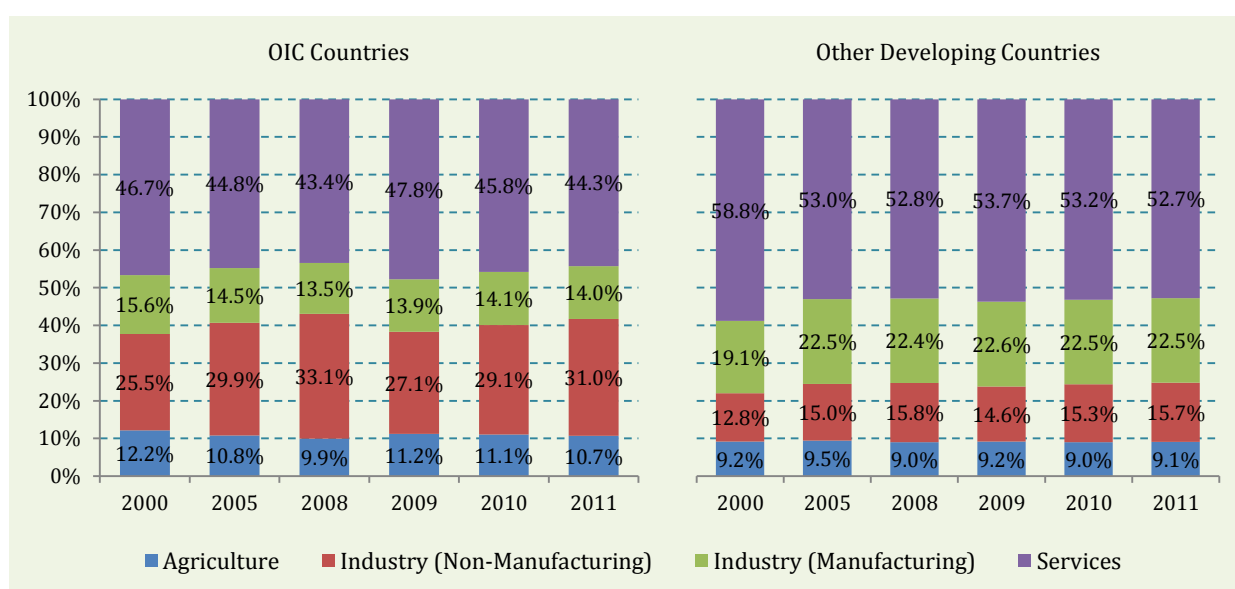
Diminishing prospects for rapid per capita output growth in the short-run

Source: IMF WEO Database April 2013 and SESRIC BASEIND Database.

2.1.1 GDP by Major Economic Activities

Figure 2.8 displays the average shares of the value-added by four major sectors in the total GDP of the OIC countries, in comparison to the other developing countries. Although agriculture is widely known to be the primary economic activity and assumed to play a major role in the economies of developing countries, this feature does not stand firm in the case of OIC countries as a group. Indeed, the share of agriculture in the total GDP of the OIC countries has gradually declined from 12.2 per cent in 2000 to as low as 9.9 per cent in 2008. With the outbreak of the global financial crisis and contraction in the share of the non-manufacturing industry, the share of the agricultural sector started to expand and reached 11.2 and 11.1 per cent in 2009 and 2010, respectively. With industrial activity recovering, the average share of agriculture in OIC economies contracted to 10.7

Figure 2.8: Value-added by Major Sectors of the Economy (% of GDP)



Source: UNSD National Accounts Main Aggregates Database December 2012.

per cent in 2011. A more stable trend was also observed in other developing countries, where the average share of agriculture in the economy has for long remained slightly above 9 per cent and was recorded at 9.1 per cent in 2011 (Figure 2.8).

At the individual country level, in 2012, the agricultural sector accounted for more than one third of the GDP in 10 OIC member countries; namely in Benin, Burkina Faso, Comoros, Guinea-Bissau, Mali, Niger, Sierra Leone, Somalia, Sudan, and Togo – all of which were listed among the LDCs in the same year according to the classification by the UN. The share of agriculture in GDP varied substantially among the OIC countries, with the highest share of 60.2 per cent in Somalia and the lowest shares below one per cent in the UAE (0.8 per cent), Brunei (0.6 per cent), Bahrain (0.4 per cent), Kuwait (0.2 per cent), and Qatar (0.1 per cent).

In contrast, the services sector continued to play a major role in the economies of many OIC countries as the most important source of income. After a rapid contraction in 2008 with the outbreak of the global financial crisis and the resulting decrease in its share to 43.4 per cent, the average share of the service sector in total GDP of OIC countries

increased to 47.8 per cent in 2009, which was mainly offset by a contraction in the non-manufacturing industry (Figure 2.8, left panel). With the recovery in real economic activity from 2010 onwards, the average share of the services sector in OIC economies has returned back to its pre-crisis levels with shares of 45.8 per cent and 44.3 per cent in 2010 and 2011, respectively. In 2011, the contribution of the services sector to the economy was still less than one third of the GDP in 10 OIC member countries; namely in Azerbaijan, Brunei, Chad, Gabon, Kuwait, Nigeria, Oman, Qatar, Saudi Arabia and Somalia (UNSD National Accounts Main Aggregates Database). The share of the services sector in GDP varied from 27.7 per cent in Brunei to 80.9 per cent in Maldives. As for other developing countries, the services sector continued to account for over half of the total GDP (Figure 2.8, right panel) and its share was recorded at 52.7 per cent in 2011.

Industry sector – including manufacturing – accounted on average for 45 per cent of the total GDP of the OIC member countries in 2011 (Figure 2.8, left panel). Its 46.6 per cent share in 2008 was even more than that of the services sector, however, the situation was reversed in the period 2009-2010 and, with the global slowdown in industrial activity, the share of the industry sector fell below that of the services sector. However, with the industrial production having picked up recently, the sector now contributes to the total GDP of OIC countries on average more than the services sector does. Compared to other developing countries where the industrial sector's contribution to the GDP averaged at 38.1 per cent in 2011, the latter apparently constitutes a larger portion of the economic activity in the OIC member countries.

However, the share of industry in the GDP of a country, per se, does not reflect the actual industrialization level of its economy. Particularly in the case of OIC countries, the oil industry accounts for a significant portion of the total value-added of industry sector. Figure 2.8 reveals that, in year 2000, the share of manufacturing sector in total GDP of the OIC countries was 15.6 per cent (left panel). In 2008, however, the share of the sector contracted significantly to 13.5 per cent before improving slightly to 13.9 per cent in 2009 and to 14.1 per cent in 2010. Most recently, in 2011, the share of the manufacturing industry stands at 14 per cent which is still far below the 15.7 per cent level observed in year 2000. As compared to the OIC countries, the manufacturing sector in other developing countries constitutes significantly larger to their total GDP where its share was recorded at around 22.5 per cent in 2011.

Industrial Production

Although the industry has been losing ground to services sector in terms of its share in world total value-added since early 1970s, the industry sector is still one of the key determinants of economic performance. In 2011, industrial production accounted for 30.1 per cent of the world total GDP.³ The share of the OIC countries as a group in the world total industrial value-added has increased steadily until 2008 and reached 12.3 per cent in that year (Figure 2.9). In 2009, however, the share of the member countries decreased by 1.2 per cent to 11.1 per cent, primarily due to the sharp decline in the prices of fuel products. However, 2010 and 2011 have seen significant improvements and the share of

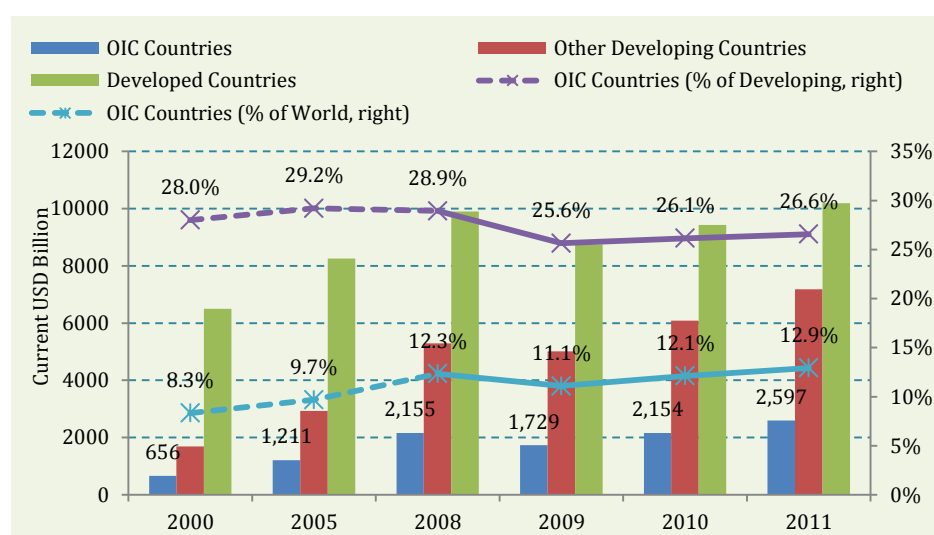
³ UNSD National Accounts Main Aggregates Database, December 2012

OIC countries in global industrial production reached 12.9 per cent in 2011. When considered as a part of the developing countries, it is observed that the share of the OIC countries in the group of developing countries remained around 29 per cent until 2008. In 2009, this share declined by 3.3 per cent to 25.6 per cent and slightly improved to 26.1 per cent in 2010 and 26.6 per cent in 2011. The relatively faster contraction in the share of OIC countries in the developing countries' industrial production during the crisis period – as suggested by the steeper decline between 2008 and 2009 – indicates that the industrial output in other developing countries were relatively less prone to the adverse effects of the global economic slowdown, in comparison to the OIC countries as well as the world as a whole.

Figure 2.9: Industrial Production, Volume and Share (right)

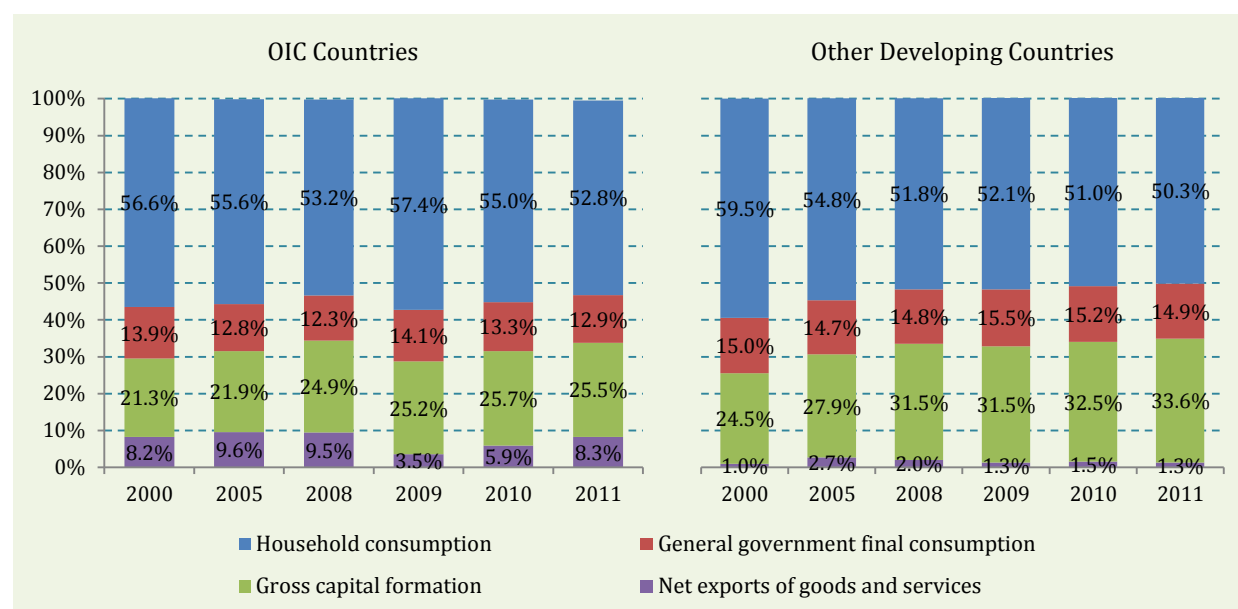
Industrial production is recovering at a faster pace than other developing countries and the world

Source: UNSD National Accounts Main Aggregates Database December 2012.



2.1.2 GDP by Major Expenditure Items

The shares of the major expenditure items in the total GDP of OIC countries and other developing countries are shown in Figure 2.10. In 2011, final consumption, which is comprised of household and general government spending, continued to be the largest expenditure item in the group of OIC member countries, accounting for 65.7 per cent of the total GDP (left panel). As constituents of the final consumption expenditure, expenditure by households and governments accounted for 52.8 and 12.9 per cent of the GDP, respectively. These figures marked a decrease in the shares of both consumption types compared to the previous two consecutive years. More specifically, the share of household consumption in the total GDP of the OIC member countries has decreased by 4.6 per cent since 2009 whereas the share of government spending has contracted by 1.2 per cent over the same period. The decrease in the share of final consumption was mainly accommodated by an expansion in the share of net exports from 3.5 per cent in 2009 to 8.3 per cent in 2011. On the other hand, the share of final consumption in total GDP of other developing countries was recorded at 65.2 per cent in 2011 and household consumption, with a 50.3 per cent share in GDP, was again the main source of final consumption expenditure in these countries (Figure 2.10, right panel).

Figure 2.10: GDP by Major Expenditure Items (% of GDP)

Source: UNSD National Accounts Main Aggregates Database December 2012.

Gross Capital Formation

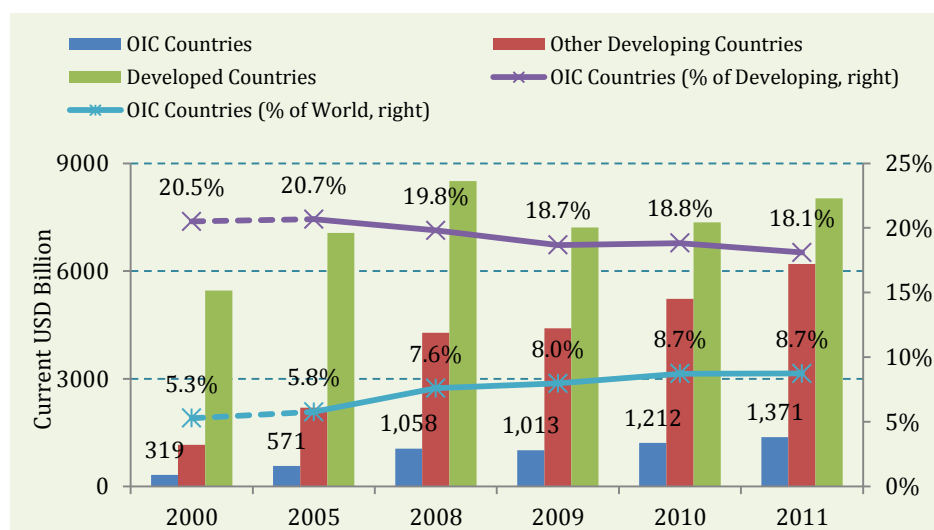
Gross capital formation measures the amount of savings in an economy which are transformed into investments in production. In year 2011, 25.5 per cent of the total GDP generated in the OIC member countries was invested in productive assets (Figure 2.10, left panel). In comparison, other developing countries on average channelled 33.6 per cent of their GDP into productive investments. The share of gross capital formation in the GDP of OIC countries as a group has increased by 4.2 per cent over its year 2000 level of 21.3 per cent, whereas it increased by as much as 9.1 per cent in the group of other developing countries over the same period. Yet, one can argue that gross capital formation, as an indicator, is flawed primarily by the significant fluctuations in inventories and, most of the time, non-availability of the industry-level inventory information. Gross fixed capital formation⁴, on the other hand, is promoted as being a better indicator on the net additions of productive assets created during a specific year. In view of the above argument, Figure 2.11 offers a look at the gross fixed capital formation trends in the OIC countries in comparison to other developing as well as developed countries. According to the figure, the share of the OIC countries as a whole in world total fixed capital formation reached 8.7 per cent in 2010. This marks 3.4 percentage points increase since year 2000. Despite this upward trend, the share of the OIC countries in the total gross fixed capital formation of the developing countries has been on decline and contracted from 20.5 per cent to 18.1 per cent over the same period. This indicates the relatively poor performance shown by the OIC countries in accumulating investment capital, as compared to other developing countries.

⁴ Formally, the relationship between Gross Fixed Capital Formation (GFCF) and Gross Capital Formation (GCF) is given by $GFCF = GCF - \text{change in inventories}$.

Figure 2.11: Gross Fixed Capital Formation, Volume and Share (right)

Share of the OIC countries in global GFCF is on the rise

Source: UNSD National Accounts Main Aggregates Database December 2012.



2.2 Employment and Productivity

2.2.1 Labour Force Participation Rate

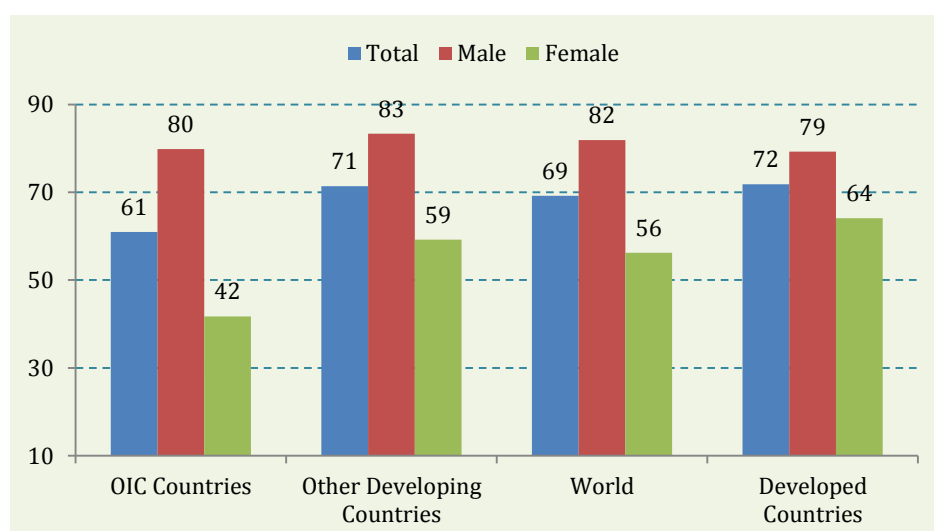
Although unemployment rate is accepted as one of the leading macroeconomic variable measuring the state of the economy, it may not accurately reflect the health of labour market as the definition focus on people seeking employment for pay but not the magnitude of people who are not working actually. Due to these deficiencies, it is preferred to look at other economic statistics such as labour market participation rate. Labour force participation rate measures the proportion of people aged 15 and above considered to be either working or actively searching for a job.

As shown in Figure 2.12, in OIC member countries the participation rate of those aged 15-64 stood at 61 percent compared to 69.2 percent in the world, 71.4 percent in other developing countries and 71.8 percent in developed countries. In case of labour force participation rate for the male population aged 15-64, OIC member countries recorded a rate of 79.9 percent compared to 81.9 percent in the world, 83.3 percent in other developing countries and 79.2 percent in developed countries. Although OIC member countries registered globally comparable performance in terms of total and male labour

Figure 2.12: The Labour Force Participation Rates, 2011

OIC countries registered comparable performance in terms of total and male labour force participation rates.

Source: SESRIC staff calculations based on World Bank, WDI Online.



force participation rates, their performance in case of female labour force participation rate remained significantly lower. As shown below, in OIC member countries labour force participation rate for the female population aged 15-64 was recorded at 41.7 percent, which is significantly lower than the 56.2 percent in the world, 59.2 percent in other developing countries and 64.1 percent in developed countries.

At the individual country level, Qatar registered the highest labour force participation rate of total people aged 15-64 (87 percent) followed by Burkina Faso (85.2 percent), Mozambique (84.7 percent), Togo (82.3 percent) and United Arab Emirates (79.5 percent). It is worth mentioning that with the exception of Qatar and United Arab Emirates, all top 10 performing member countries belong to low and middle income group. In general, 33 member countries registered participation rates higher than the average OIC rate whereas for 24 member countries participation rates were below the OIC average. At the global level, with respect to labour force participation rate, Qatar is ranked at 6th, Burkina Faso at 10th, Mozambique at 11th, and Togo at 17th.

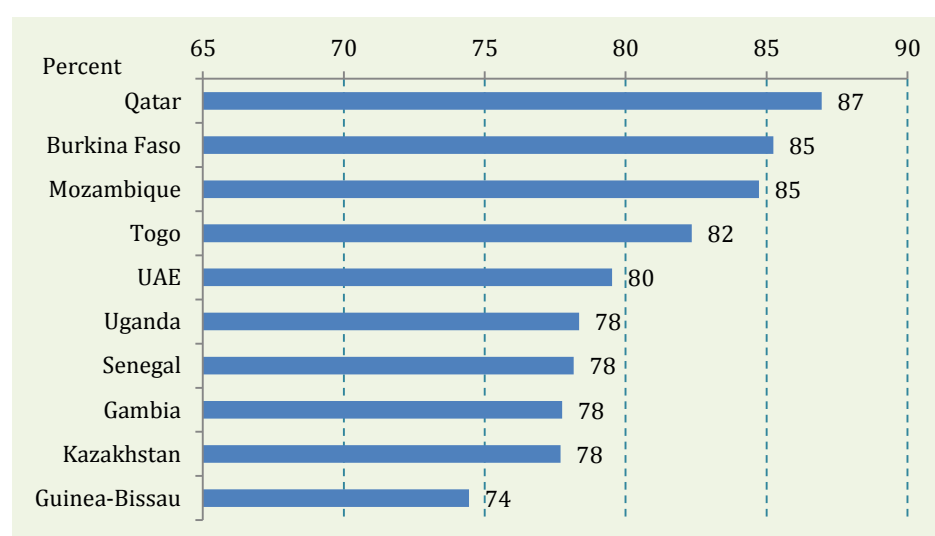


Figure 2.13: Top 10 OIC Member Countries by Labour Force Participation Rate, 2011

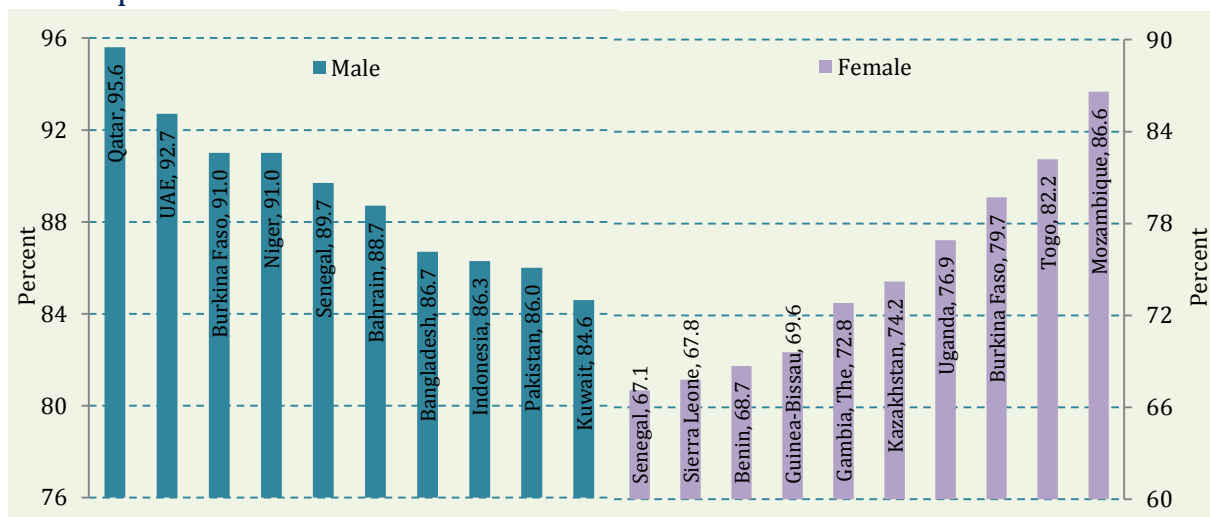
Qatar ranked 1st at OIC and 6th at global level

Source: World Bank, WDI Online.

In 2011, as shown in Figure 2.14, the OIC member country with the highest labour force participation rate for its male population aged 15-64 was Qatar with a rate of 95.6 percent closely followed by United Arab Emirates (92.7 percent), Burkina Faso (91.0 percent), Niger (91.0 percent) and Senegal (89.7 percent). At the global level, with respect to male labour force participation rate, Qatar is ranked at 1st, UAE at 3rd, Burkina Faso at 4th, and Niger at 5th. On the bottom side, Nigeria and Gabon recorded the lowest male labour participation rates in OIC region (63.2 percent and 66.5 percent respectively) followed by Palestine (68.6 percent) and Jordan (69.5 percent).

Although labour force participation rate for female population aged 15-64 remained comparatively very low in OIC countries, 32 member countries registered female labour force participation rates higher than the OIC average (41.7 percent). As shown in Figure 2.14, Mozambique recorded the highest female labour force participation rate (86.6 percent) followed by Togo (82.2 percent), Burkina Faso (79.7 percent), Uganda (76.9 percent) and Kazakhstan (74.2 percent). At the global level, with respect to female labour force participation rate, Mozambique is ranked at 3rd, Togo at 9th, Burkina Faso at 16th

Figure 2.14: Member Countries with Highest Male and Female Labour Force Participation Rates



Source: World Bank, WDI Online.

and Uganda at 21st. On the bottom side, eight member countries namely: Syria, Iraq, Palestine, Algeria, Afghanistan, Jordan, Iran and Saudi Arabia recorded female labour force participation rate of less than 20 percent.

2.2.2 Unemployment

Unemployment remained one of the most challenging issues across the globe. According to the ILO Global Employment Trends 2013 report, the accumulated total of unemployed people has climbed up to some 197 million in 2012. Whereas, about 39 million people have dropped out of the labour market mainly due to lower economic activity and job growth. In spite of some positive expectations about world economy for 2013–14, the unemployment rate is set to increase again and the number of unemployed worldwide is projected to rise by 5.1 million and 3 million in 2013 and 2014, respectively.

According to the Global Employment Trends 2013 report of the ILO, total global unemployment rate recorded at 5.9 percent in 2011, and, despite the modest economic growth in 2012, it was estimated at 5.8 to 6.1 percent, a rate which is still well above the 5.4 percent rate in 2007 (Figure 2.15). Adult unemployment rate (% of labour force age 24 and over) was recorded at 4.5 percent in 2011 and estimated to stay at the same level for 2012. The report also mentioned that an estimated 397 million workers were living with their families at the extreme poverty level of US\$ 1.25 a day level in 2012 whereas an additional 472 million workers cannot address their basic needs on a regular basis. On the other hand, around 56 per cent of all workers in the developing world (1.49 billion workers) are in vulnerable employment, an increase of more than 9 million from the previous year.

Youth (aged 15 to 24 years) continued to suffer from lack of decent job opportunities across the globe. According to the latest estimates, 73.8 million young people are unemployed globally whereas another half million are more likely to push into unemployment by 2014 (ILO, 2013). The average youth unemployment rate worldwide

was recorded at 12.4 percent in 2011 whereas estimates for year 2012 are showing no improvement in the situation in near future.

Though the latest global crisis originated in developed countries, the negative impacts of the crisis were transmitted to developing countries, including the OIC members, causing deteriorations in their labour markets. Nonetheless, total unemployment rates varied widely among different regions and countries ranging from 3.8 percent in South Asia, 4.4 percent in South-East Asia and Pacific, 7.6 percent in Sub-Saharan Africa, 8.7 percent in non-EU Central and South-eastern Europe and Commonwealth of Independent States, 10 percent in North Africa and 11.1 percent in Middle East.

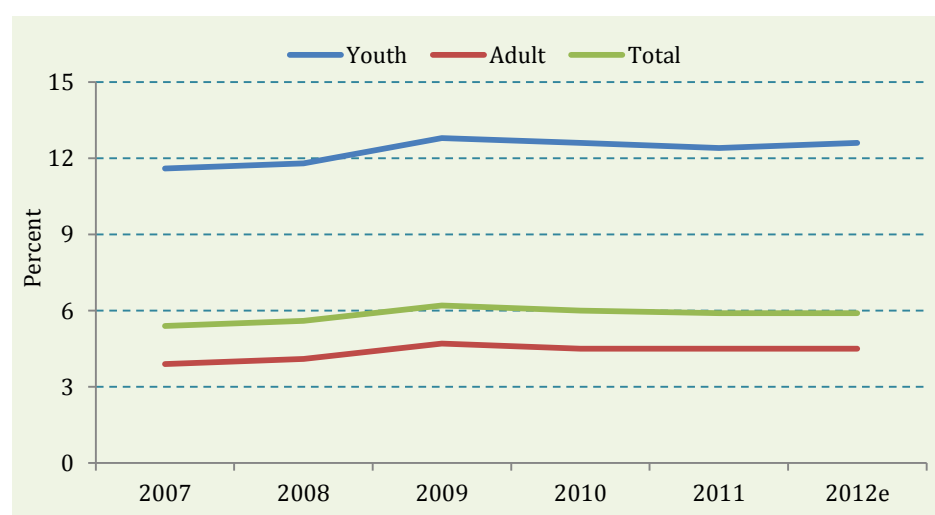


Figure 2.15: World Average Unemployment Rates

Youth are nearly three times as likely as adults to be unemployed

Source: ILO, Global Employment Trends 2013.

According to the latest available data, OIC countries recorded significantly higher average unemployment rates compared to the world, developed and other developing countries during the period 2007-2011 (Figure 2.16). During this period, total unemployment rate in OIC countries increased from a level of 9.4 percent in 2007 to 9.9 percent in 2011. Average unemployment rate in OIC member countries remained significantly higher than the world average of 6.9 percent and the averages of both the other developing countries (5.3 percent) and the developed countries (8.9 percent) in 2011.

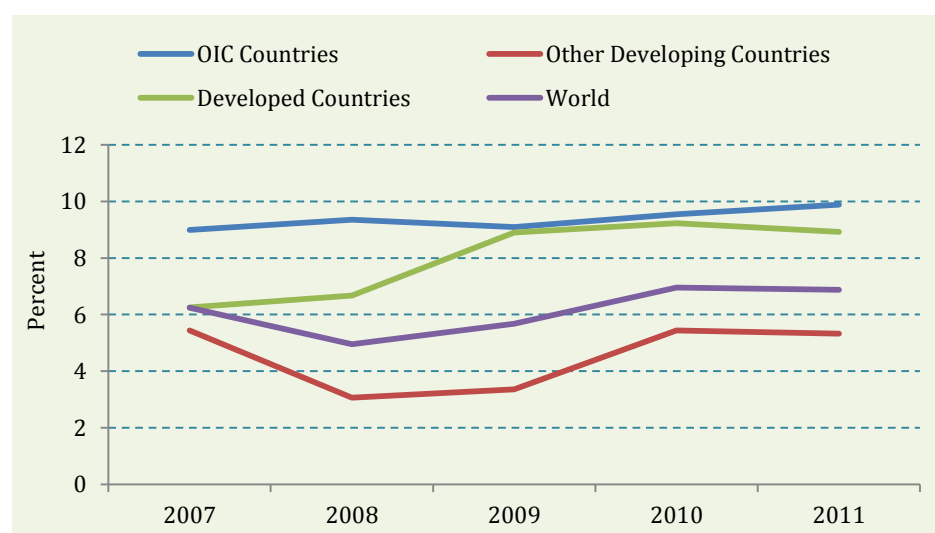


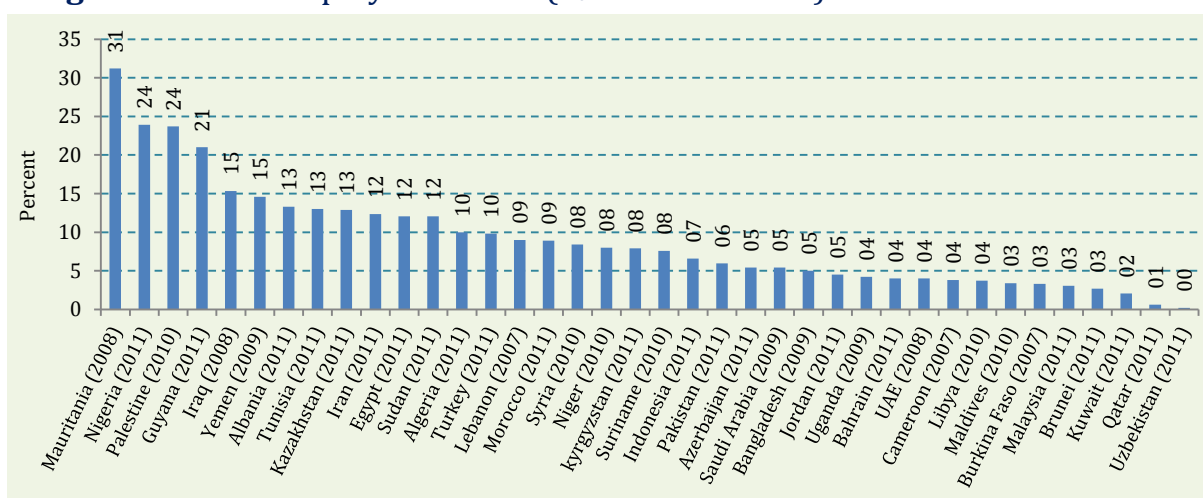
Figure 2.16: Total Unemployment Rate (% of Total Labour Force)

Unemployment rate remained comparatively very high in OIC countries

Source: SESRIC staff calculations based on IMF, WEO April 2013 and World Bank, WDI Online.

At the individual country level, unemployment rates varied among OIC countries (Figure 2.17). Out of the 38 OIC member countries, for which the data are available for various years during the last five years, 25 had recorded unemployment rates lower than the OIC average unemployment rate of 9.9 percent in 2011. The unemployment rates in 14 OIC countries were even below the average rate of the other developing countries (5.3 percent). The unemployed people, for example, constituted less than one percent of total labour force in Qatar and Uzbekistan. However, during the last five years, many OIC countries recorded quite high unemployment rates, particularly during and after the crisis. This is clear in some OIC countries such as Algeria, Albania, Egypt, Iran, Iraq, Kazakhstan, Sudan, Tunisia and Yemen, where unemployment is still a serious concern, with rate of unemployment ranging between 10 to 15 percent. Yet again, among the countries, for which the data are available for 2011, Guyana, Palestine, Nigeria and Mauritania recorded unemployment rates ranging between 20 to 30 percent, representing the severity of the problem.

Figure 2.17: Unemployment Rate (% of labour force) in OIC Member Countries



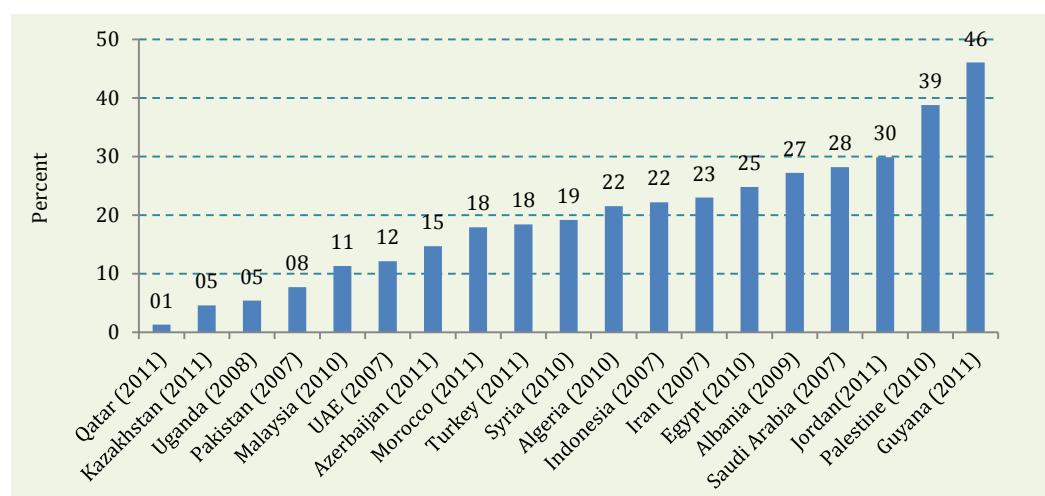
Source: IMF, WEO April 2013; World Bank, WDI Online.

The figures on youth unemployment in OIC countries are even less promising. The highest youth unemployment rate in OIC countries was recorded in Guyana where 46.1 percent youth aged 15-24 were unemployed in 2011. In contrast, the lowest youth unemployment rate (1.3 percent) was recorded in Qatar in 2011. Despite the limitation of the availability of the data, Figure 2.18 indicates that in six OIC member countries namely: Guyana, Palestine, Jordan, Saudi Arabia, Albania, Egypt, Iran, Indonesia and Algeria, youth unemployment rate reached to more than 20 percent. During the last seven years, youth unemployment rate reached more than 15 percent in some member countries like Syria, Turkey, and Morocco. During the same period, only four member countries recorded youth unemployment rate less than 10 percent (Figure 2.18).

All in all, notwithstanding the extent to which the economies of the OIC countries have been affected by the crisis, it is clear that unemployment is one of the major economic and social problems that is still facing many OIC countries and calling for urgent

solutions. It is also clear that great emphasis should be given to young people through promoting their participation into labour market.

Figure 2.18: Youth Unemployment Rate in OIC Countries (% of labour force aged 15-24)



Source: World Bank, WDI Online.

2.2.3 Labour Productivity

Productivity plays a pivotal role in the development of an economy. It helps to increase real income and improve living standards by catalyzing the economic growth. Labour productivity is usually defined as the output per unit of labour input or output per hour worked. It helps to identify the contribution of labour to the GDP of a country and provides a base for cross country comparison and explanation of income disparities (ILO, KILM 7th edition⁵).

At the global level, labour productivity has witnessed an increasing trend during the period 2007-2011. As shown in Figure 2.19, world output per worker has increased from US\$ 27,000 in 2007 to US\$ 30,000 in 2011. This upward trend was interrupted by financial crisis in 2008 when output per worker declined from US\$27,000 in 2008 to US\$ 24,000 in 2009; however it rebounded to 2008 level in 2010 and continued the upward trend in 2011. The labour productivity gap between the developed and developing countries remained substantial throughout the period under consideration as output per worker in the developed countries was recorded at US\$ 96,000 in 2011 compared to just US\$ 13,000 in other developing countries. This means that an average worker in the group of other developing countries produces less than one seventh of the output of the average worker in the developed countries. During the same period, the OIC member countries recorded an average labour productivity comparable with the other developing countries. Labour productivity in OIC was recorded at US\$ 12,000 in 2011 compared to US\$ 13,000 for other developing countries. However, the trend remained very low compared to the world and developed countries level of US\$ 30,000 and US\$ 96,000, respectively. This means that an average worker in OIC countries produces less than one third of the

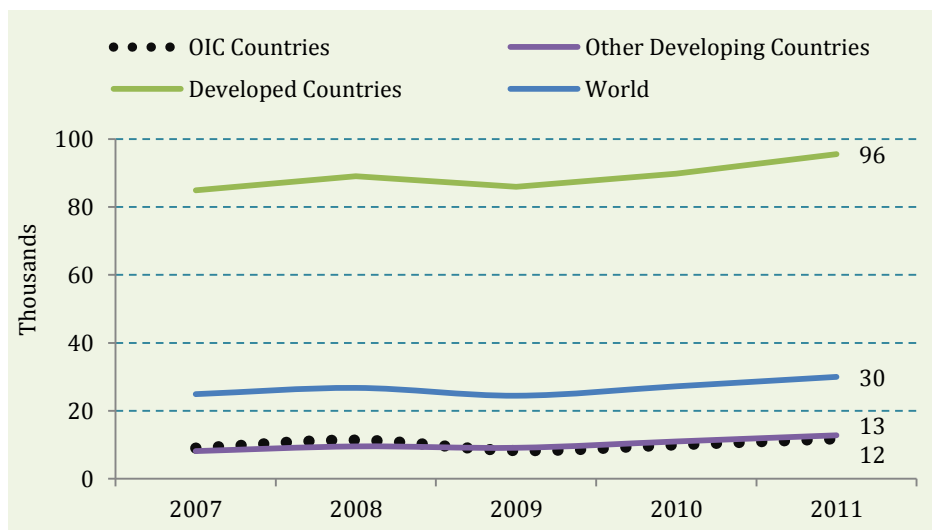
⁵ <http://kilm.ilo.org/manuscript/kilm17.asp>

output of average worker in the world and one eighth of the output of average worker in the developed countries.

Figure 2.19: Labour Productivity (GDP per worker, current US\$)

An average worker in OIC countries produces less than one third of the output compared to the world level.

Source: SESRIC staff calculations based on IMF, WEO April 2013 and World Bank, WDI Online.

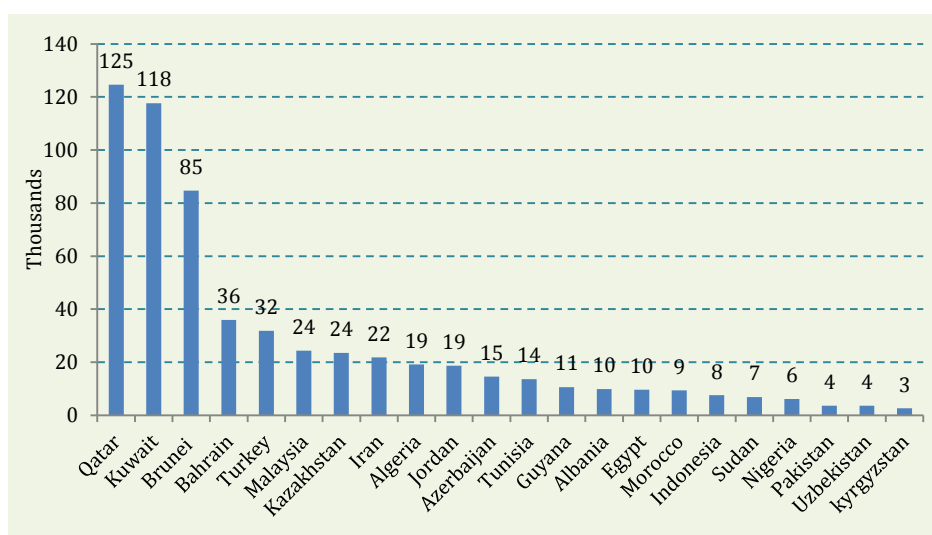


At the individual country level, out of the 22 OIC member countries for which the data are available for 2011, Qatar registered the highest output per worker (US\$ 125,000) followed by Kuwait (US\$ 118,000), Brunei (US\$ 85,000), Bahrain (US\$ 36,000), Turkey (US\$ 32,000), Malaysia and Kazakhstan (US\$ 24,000). In general, 12 member countries registered output per worker higher than the OIC group level of US\$ 12,000 in 2011. Among the OIC member countries, the lowest labour productivity level was recorded by Kirgizstan (US\$ 3,000) followed by Uzbekistan (US\$ 3,500) and Pakistan (US\$ 3,600). Only five member countries recorded output per worker higher than the world average whereas labour productivity was recorded higher than the developed countries level in only two member countries (Figure 2.20).

Figure 2.20: Labour Productivity in OIC Member Countries, 2011

Qatar registered the highest output per worker

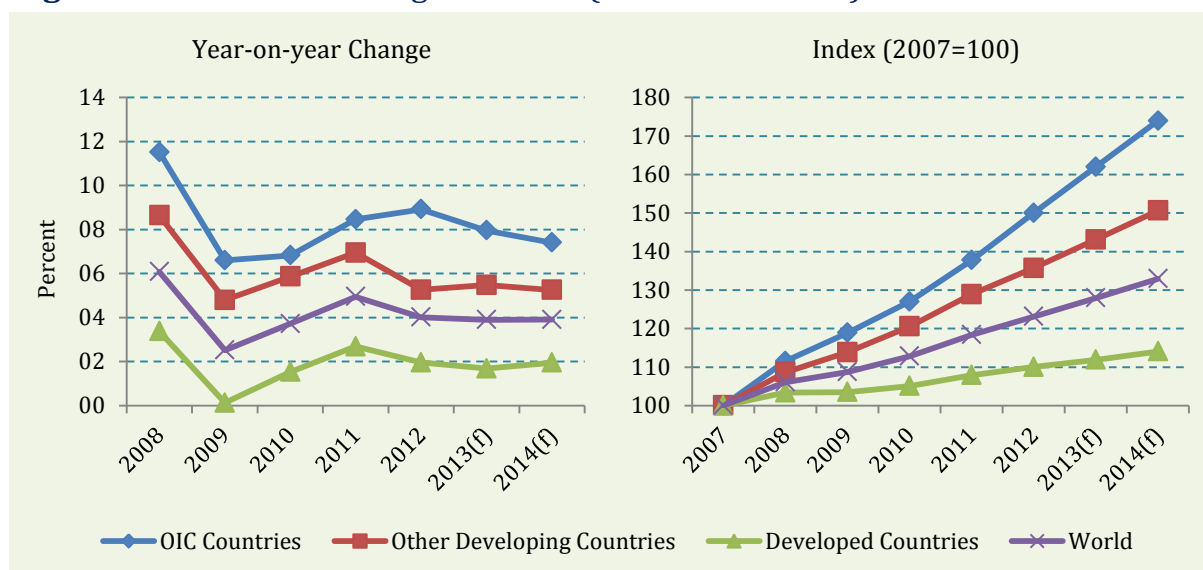
Source: SESRIC staff calculations based on IMF, WEO April 2012 and World Bank, WDI Online.



2.3 Inflation

After many years of inflation at double-digits, the average rate of consumer price inflation in OIC countries fell to and remained at single-digit levels between 2003 and 2008. Due to the unprecedented increase in food and energy prices during 2007-2008, inflation in the OIC countries climbed to 11.5 per cent in 2008, hitting once again a double-digit level (Figure 2.21, left panel). However, the average inflation rate of the group moderated to 6.6 per cent in 2009, as a result of the widespread slowdown in the global economy and weakened demand for food and energy. Yet, the 2010-2012 witnessed a quick rebound in the average inflation rate and the average consumer price inflation in the OIC member countries increased to 8.9 per cent in 2012. The overall inflation figures marked an increase of 50 per cent in consumer prices in the OIC countries over the last five years under consideration (Figure 2.21, right panel). This is well above the average increase recorded in other developing countries (35.7 per cent) as well as the world average (23.1 per cent) in the same period.

Figure 2.21: Annual Average Inflation (Consumer Prices)



Source: IMF WEO Database April 2013 and SESRIC BASEIND Database.

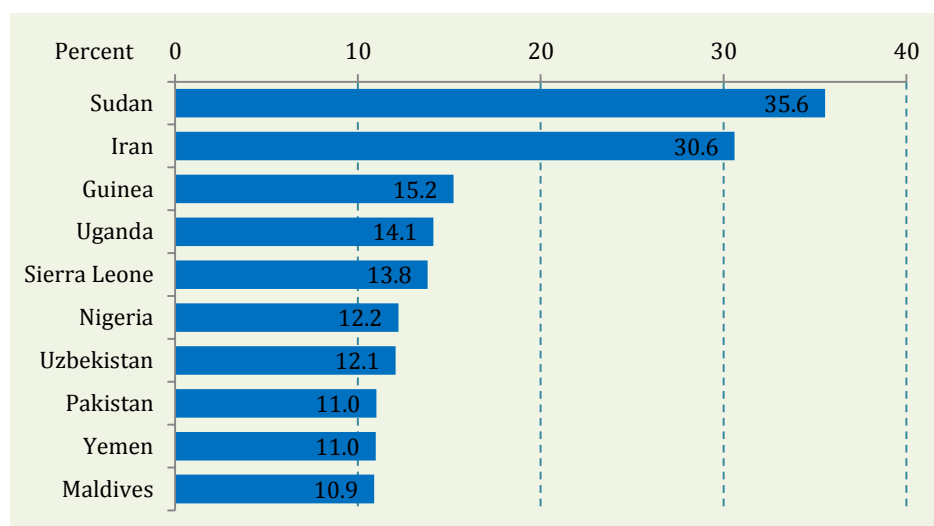
In the short-term outlook, inflationary pressures are projected to remain contained for the OIC countries, supported by the recent slowdown and lower food and energy prices. The forecasts show that the growth in average consumer prices in the OIC countries will decelerate to 8.0 per cent in 2013 and a further deceleration to 7.4 per cent is expected for 2014 (Figure 2.21, left panel).

At the individual OIC country level, Sudan recorded the highest average consumer prices inflation rate of 35.6 per cent in 2012, which was also the 3rd highest in the world (Figure 2.22). Maldives, with an average inflation rate of 10.9 per cent, was ranked 10th within the OIC group and 20th in the world.

Figure 2.22: Top 10 OIC Countries by Annual Average Inflation (2012)

Sudan recorded the highest average consumer prices inflation rate

Source: IMF WEO Database April 2013 and SESRIC BASEIND Database.



section 3

Foreign
Trade

According to IMF Direction of Trade Statistics, the total dollar value of world merchandise exports increased only three tenths of one per cent (i.e. 0.3%) to \$17.8 trillion in 2012. This increase leaves essentially the total merchandise trade unchanged. After an average rise by 20 per cent in 2010 and 2011, this slowdown is largely explained by falling prices of traded goods. While developed countries experienced a fall by 2.4 per cent in their exports, developing economies increased their exports by 4.3 per cent in 2012.

Commercial services exports also grew by just 2 per cent in 2012 to reach \$4.3 trillion, with significant differences across sectors and countries (WTO, 2013). While travel services grew faster (4%), exports of transport services rose by 2% and other commercial services grew at a slower rate (1%). On the other hand, in line with global credit crunch, the biggest decline was observed in financial services, which fell by 4 per cent. Overall, commercial services exports continued to account around 19% of total world trade in goods and services, even though this share is strongly underestimated due to the fact that traditional trade statistics measure gross trade flows rather than value added at various stages of production.

International trade links global production and consumption. Slow growth rates in many regions of the world weaken both demand and supply dynamics. Moreover, a vulnerable financial sector and cautious macroeconomic policies will make it difficult to sustain the growth dynamics and hinder a robust recovery in the world economy. As a result, the trend in world trade volume will further remain far from its pre-crisis trend. Given this state of affairs in world trade, this section provides an overview of the developments in foreign trade of OIC countries.

3.1 Trade in Goods

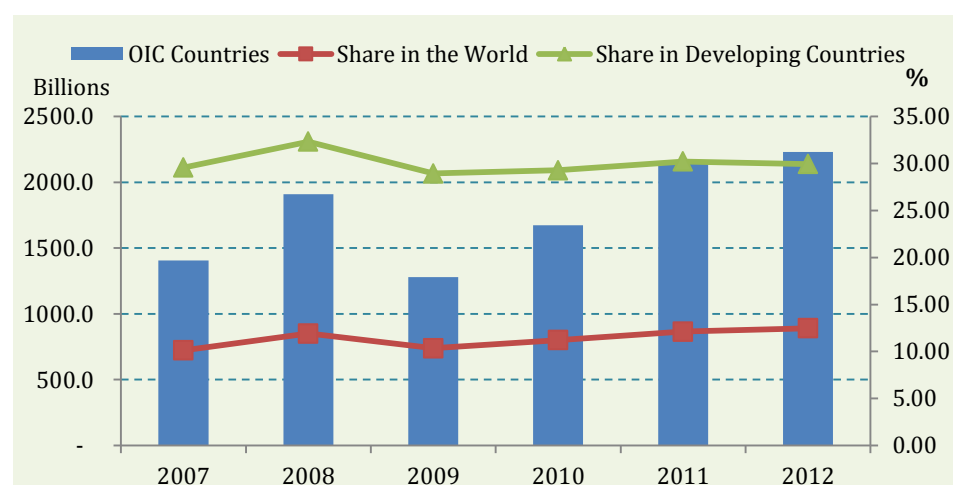
3.1.1 Merchandise Exports and Imports

After the sharp fall in total merchandise exports in 2009, from \$1.9 trillion to \$1.3 trillion, total merchandise exports of the OIC countries increased significantly to reach \$1.7 trillion in 2010 (Figure 3.1). Following a continuous upward trend until 2012, merchandise exports of OIC countries reached its historically highest level of \$2.2 trillion in 2012, surpassing the pre-crisis peak of \$1.9 trillion in 2008. More importantly, this increase was higher than the world average, resulting in an increase in the share of OIC countries in total world trade. Compared to its pre-crisis level of 11.9 per cent in 2008 and the previous level of 12.1 per cent in 2011, this share reached to 12.5 per cent in 2012. The share of OIC countries in total exports of developing countries, however, slightly decreased from 30.2 per cent in 2011 to 30 per cent in 2012 and continued to remain below its pre-crisis level of 32.1 per cent in 2008. The slight decrease in the share of OIC countries in total exports of developing countries compared to the increase in the share of total world exports is due to over-proportional increase in the exports of developing countries compared to that of developed countries.

Figure 3.1:
Merchandise
Exports

Share of OIC countries in world's total exports reached 12.5% in 2012.

Source: IMF DOT Database.



The increase in the share of OIC countries in total exports of world was due to relatively stronger growth in the total merchandise exports (Figure 3.2). As in 2010 and 2011, the growth rate of exports in OIC countries in 2012 (3.4%) exceeded the world average growth rate (0.3%). On the other hand, average growth rate of other exports of developing countries (4.7%), which is higher than the OIC average led to the slight fall in the share of OIC countries in total exports of developing countries. Although the OIC countries as a group enjoy higher growth rates of exports compared to the world average during the last three years, their share in world's total exports is far from matching their share in world's total population. Compared to their share of 11.3 per cent in world's total GDP, however, this rate indicates a slightly better performance of the OIC countries. To achieve long-term sustainable growth in merchandise trade and higher share in total world exports, OIC countries need more competitive economies with significant diversification levels and higher technological intensity, which is further discussed in subsection 3.1.2.

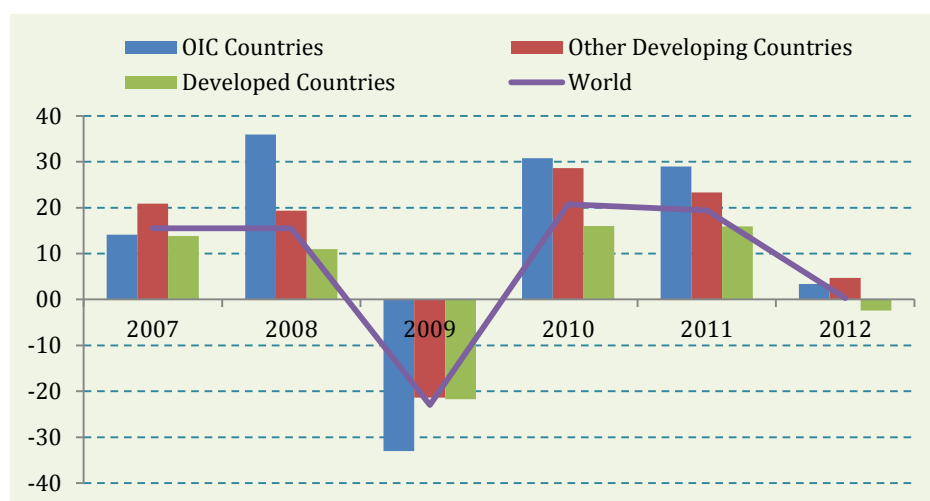


Figure 3.2:
Merchandise
Exports (Average
Annual % Change)

Growth of exports in OIC countries in 2012 remained below the average growth in other developing countries.

Source: IMF DOT Database.

On the other hand, total merchandise imports of OIC countries followed a stronger trend than the total merchandise exports and increased to \$1.89 trillion in 2011 (Figure 3.3). After sharply falling down to \$1.2 trillion in 2009, merchandise imports of OIC countries increased at an average rate of around 17 per cent during the last three years and reached its historically highest level in 2012. The share of OIC countries in global merchandise imports continued to increase throughout the period under consideration and reached to 10.2 per cent in 2012. Their share in total merchandise imports of developing countries also increased to 26.4 per cent after declining for two consecutive years.

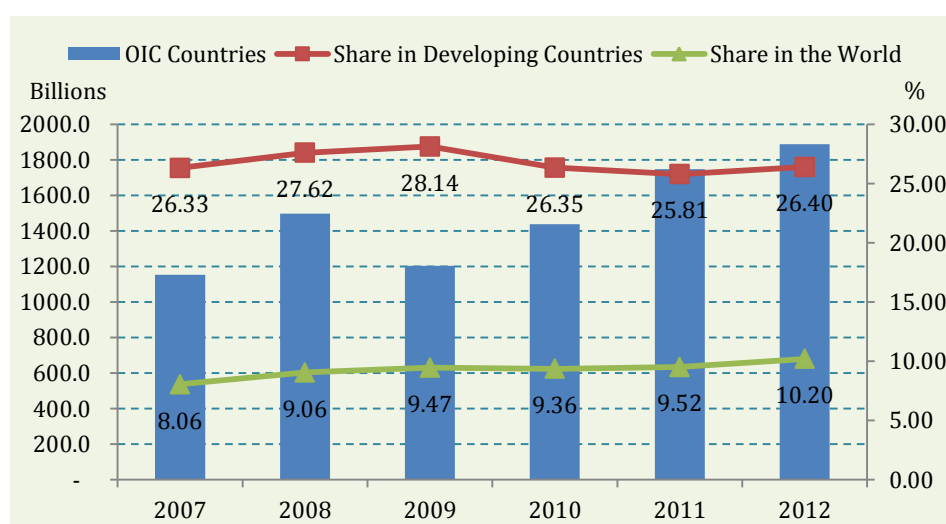


Figure 3.3:
Merchandise
Imports

Total imports of OIC countries reached to its highest level in 2012.

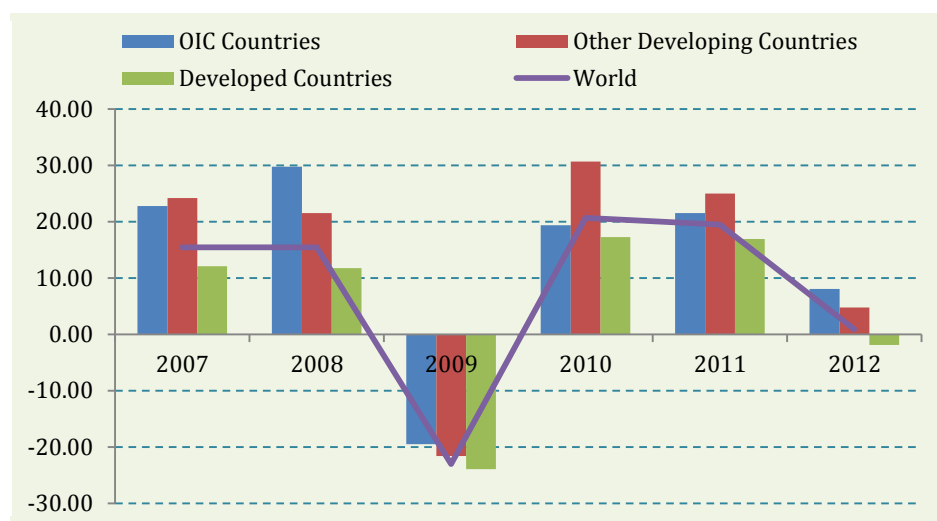
Source: IMF DOT Database.

The growth rate of total merchandise imports in OIC countries was the highest compared to other country groups, which explains the increase in the share of OIC countries in total merchandise imports of the world and developing economies. In nominal terms, average rate of growth in merchandise imports of OIC countries reached to 8.1 per cent in 2012, compared to 0.9 per cent of world average and 4.8 per cent of other developing countries average (Figure 3.4). The economic crisis that developed countries continued to suffer in 2012 reduced their demand for imported goods and their imports declined by 1.9 per cent in 2012. This, in part, explains the increase of the share of OIC countries in total world imports.

Figure 3.4:
Merchandise
Imports (Average
Annual % Change)

Growth of imports in
OIC countries surpassed
the growth in other
country groups in 2012.

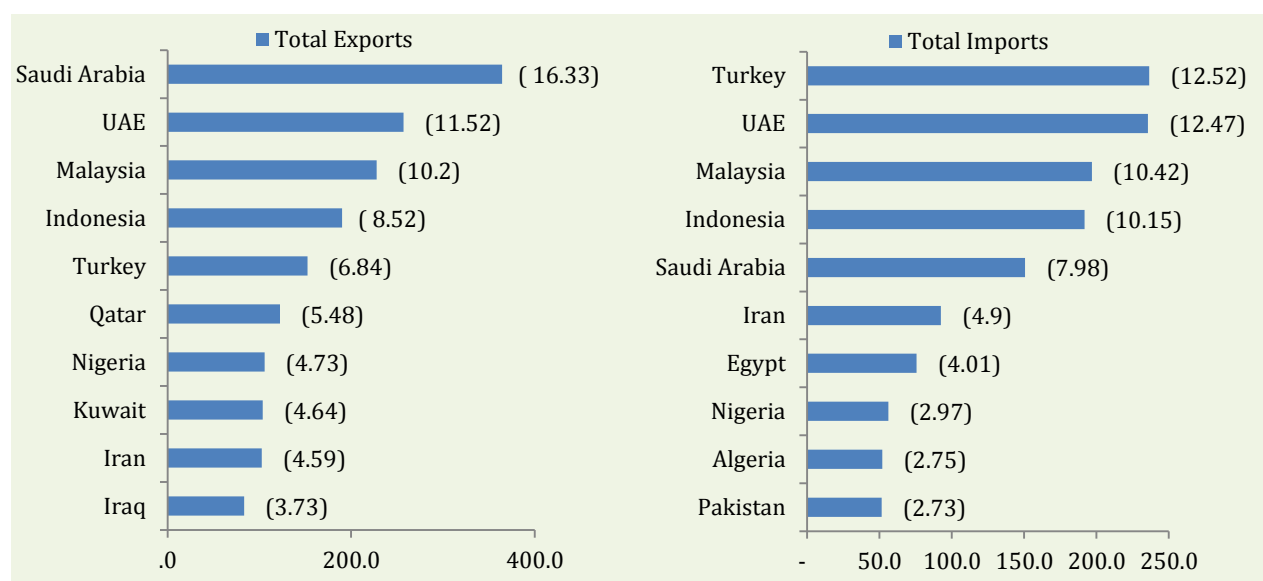
Source: IMF DOT Database.



Top 10 Performers in Merchandise Exports and Imports

In terms of the shares of the individual member countries in total merchandise exports of OIC, it has been observed that the bulk of total exports of the OIC countries continued to be concentrated in a few countries (Figure 3.5, left). In 2012, the top 5 exporting countries accounted for more than 53.4 per cent of total merchandise exports of all member countries and the top 10 exporting countries accounted for more than 76.6 per cent. Saudi Arabia, with more than \$300 billion exports and 16.3 per cent share in total OIC exports, became once again the largest exporter in 2012. United Arab Emirates, Malaysia and Indonesia were the succeeding top exporters with exports more than \$200 billion.

Figure 3.5: Top 10 Exporters and Importers in OIC, 2012* (Billion USD, % of Total)



Source: IMF DOT Database. (*) The numbers in parenthesis represents the percentage share of the country in total exports of OIC.

As in the case of exports, merchandise imports of OIC countries were also heavily concentrated in a few countries (Figure 3.5, right). With more than \$230 billion imports, Turkey and United Arab Emirates took the lead in 2012 in terms of volume of

merchandise imports and together accounted for 25 per cent of total merchandise imports of all OIC countries. Malaysia and Indonesia are other top importers whose shares exceeded 10 per cent. While the top 5 importers accounted for more than 53.5 per cent of total OIC imports, the top 10 countries accounted for 70.9 per cent.

3.1.2 Export Structure

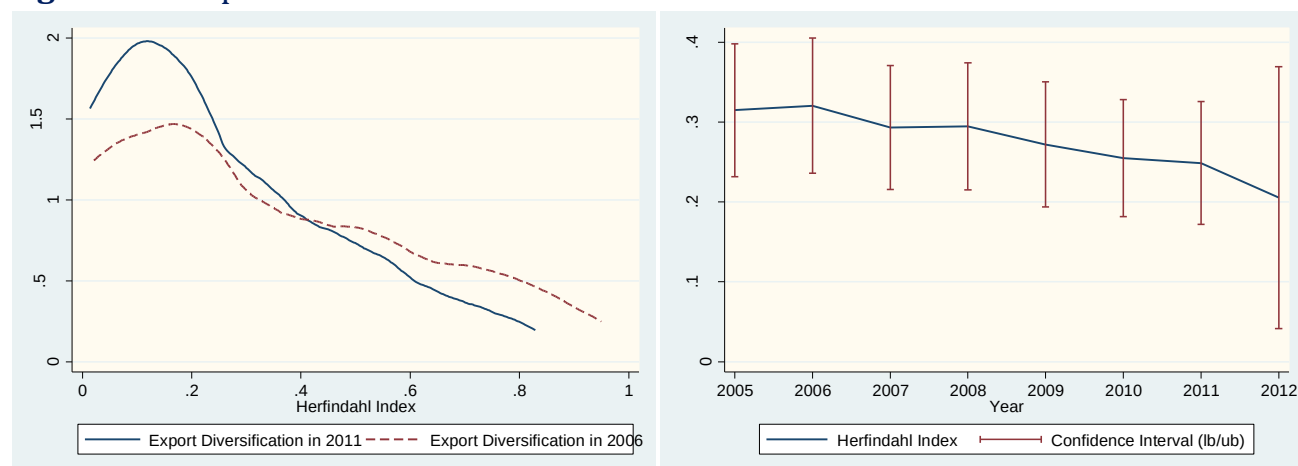
Export Diversification and Commodity Dependence

The role of export diversification in growth of developing countries has received considerable attention in development literature since 1950's. For many years, the prevailing development strategy in many developing countries was in favour of import substitution and extensive use of restrictive trade policies for economic diversification. Following gloomy economic performance in many developing countries under trade restrictive protectionist policies, policy makers in these countries started to adopt development strategies that are based on outward orientated approach for expanding exports through reducing trade barriers and opening up for foreign competition. Lack of competition was one of the key factors in restricting the development of competitive export industries.

The concentration of exports in few items increases the vulnerability of countries to fluctuations in international prices and other external shocks in international markets. Export diversification aims at mitigating these economic risks, including volatility and instability in foreign exchange earnings, which have adverse macroeconomic effects basically on growth, employment and investment. Recent literature has shown that diversification and discovery of new products and markets generate positive externalities, facilitate higher productivity and lead to better prospects of long-term economic growth.

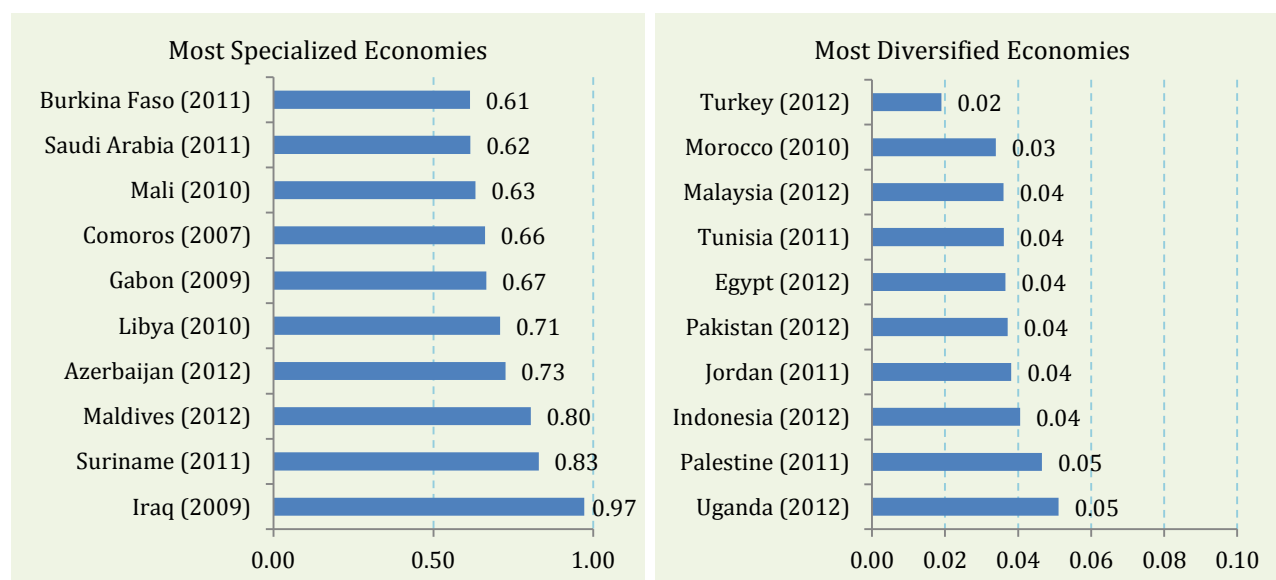
Another important dimension of export diversification for developing countries is the generation of a potential to develop competence over a broader range of manufactured products. In other words, countries develop by learning to make new things, but not by relying only on what they have traditionally done well. In this context, in order to estimate the diversification level of OIC countries, the Herfindahl index is used.⁶ Figure 3.6 (left panel) compares the index values for concentration of exports in 2006 and 2011. Evidently, as the share of less diversified countries falls and the share of more diversified economies rises, OIC countries are becoming increasingly more diversified and relieve from high dependence on few export items. Right panel in Figure 3.6 shows the trend over the last seven years, which displays a clear trend for higher diversification (lower index value) in the member countries. The simple average of export concentration index in OIC countries was around 0.32 in 2006, but it decreased to around 0.21 in 2012, indicating increased diversification in export products.

⁶ Formally, Herfindahl Index is calculated as $H_i = \sum_j (s_{ij})^2$. S is the share of product j in the total exports of country i . A country with highly diversified export portfolio will have an index close to zero, whereas a country which relies on a few export items will have a value close to one. In the extreme case, a country exporting only one type of goods will have a value of one.

Figure 3.6: Export Diversification in OIC Countries

Source: SESRIC staff calculations based on UN Comtrade Database.

While observing significant improvement in the level of export diversification in OIC member countries as a group, there is considerable variation at the individual country level. Figure 3.7 shows the top 10 countries with respect to their levels of specialization and diversification of exports. According to the latest data available, the most specialized countries (countries with highest dependence on few export items) are Iraq (0.97), Suriname (0.83), Maldives (0.8), Azerbaijan (0.73) and Libya (0.71). According to UN Comtrade Database, Iraq exported mostly crude petroleum, therefore extremely vulnerable to price volatility in mineral fuels. Some other countries are also highly dependent on primary commodities and mineral fuels for their exports, which makes them exceedingly vulnerable to international prices. The most diversified economies in exports are Turkey (0.02), Morocco (0.03), Malaysia (0.04), Tunisia (0.04) and Egypt (0.04). These countries export a larger range of diversified products and commodities without heavily relying on any of them.

Figure 3.7: Most Specialized and Most Diversified OIC Countries

Source: SESRIC staff calculations based on UN Comtrade Database.

Technological Intensity of Exports

High-technology goods have been among the most dynamic components of international trade over the last decade. A country's ability to compete in high-technology markets is therefore important to its over-all competitiveness in the world economy. Higher technological intensity in exports generally offers better prospects for future economic growth. Trade in high-technology products has also larger spillover effects on skills and knowledge-intensive activities. The national ability to harness and adapt technologies is the key factor that affects the spillover impact. Therefore, country-specific policies for technology learning and technology import can create a comparative advantage between countries with otherwise similar endowments of labour, capital, or skills.

Figure 3.8 shows the decomposition of exports by technology intensity in OIC countries. The share of most vibrant export commodity group, mineral fuels, decreased from 56 per cent in 2006 to 48 per cent in 2009, but increased back to 53 per cent in 2011 and the shares of low, medium and high technology intensive manufactures are all slightly decreased. The share of least technology intensive commodity group, non-fuel primary commodities, increased from 9.4 per cent in 2006 to 12.6 per cent in 2011. The share of technology intensive manufactures, however, barely changed from 2006 to 2011. During this period, while the share of medium technology intensive manufactures remained stagnant at 5.9 per cent, low technology intensive exports increased only 0.1 percentage points from 3 per cent to 3.1 per cent. However, a fall from 11.6 per cent to 10.1 per cent in the share of exports of high technology manufactures is observed. Apparently, reliance on mineral fuels and primary commodities increased in 2011. Therefore, efforts should be made to reduce the high reliance on mineral fuels and non-fuel primary commodities, which involve the least technological intensity, and specific policies for high technology import and absorption should be implemented to increase the shares of more technology intensive commodities. This is required for better long-term growth prospects and increased competitiveness in international export markets.

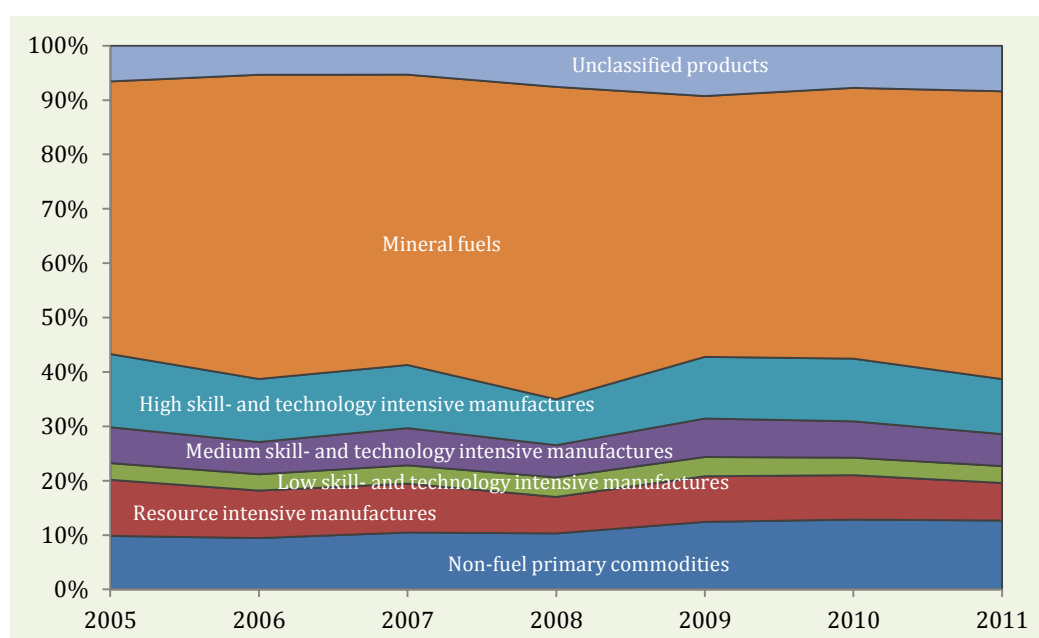


Figure 3.8:
Technological
Intensity of
Exports

The share of mineral fuels' exports exceeded again 50 per cent in 2011.

Source: SESRIC staff calculations based on UN Comtrade Database.

Table 3.1 displays the top 10 OIC countries that have the highest share in exports of specific subgroups. Concentration of exports in specific groups is especially high for non-fuel primary commodities and mineral fuels. Some member countries export up to 98 per cent only in these categories. The share of high skill and technology intensive manufactures in total exports is highest in Malaysia (38.6%), followed by Jordan (33.9%) and Senegal (19.2%). With respect to the shares of medium skill and technology intensive manufactures, Turkey has the highest share in this category with 28.5 per cent.

Table 3.1: Top 10 OIC Countries by Technological Intensity of Exports

Non-fuel primary commodities		Resource-intensive manufactures		Mineral fuels		Low skill- and technology-intensive manufactures		Medium skill- and technology intensive manufactures		High skill- and technology intensive manufactures	
Maldives	98.3%	Pakistan	58.9%	Algeria	98.3%	Albania	16.6%	Turkey	28.5%	Malaysia	38.6%
Burkina Faso	97.8%	Gambia	46.6%	Azerbaijan	94.8%	Turkey	15.7%	Tunisia	24.9%	Jordan	33.9%
Guyana	89.9%	Palestine	41.4%	Nigeria	89.1%	Palestine	12.6%	Lebanon	13.3%	Senegal	19.2%
Cameroon	72.7%	Albania	39.5%	Yemen	88.2%	Bahrain	9.2%	Malaysia	11.4%	Tunisia	15.8%
Mozambique	71.2%	Tunisia	27.6%	Saudi Arabia	87.1%	Lebanon	8.3%	Bahrain	10.4%	Egypt	14.5%
Bahrain	70.8%	Turkey	23.6%	Qatar	74.0%	Kazakhstan	7.6%	Jordan	10.2%	Togo	12.3%
Kyrgyzstan	66.3%	Togo	20.5%	Iran	70.5%	Uganda	6.9%	Palestine	9.4%	Lebanon	12.0%
Cote d'Ivoire	64.7%	Jordan	18.2%	Kazakhstan	69.9%	Senegal	6.6%	Togo	8.7%	Uganda	10.2%
Uganda	61.1%	Lebanon	16.8%	Niger	69.8%	Egypt	6.3%	Cameroon	8.5%	Indonesia	9.1%
Afghanistan	52.3%	Egypt	15.4%	Oman	68.0%	Togo	5.7%	Indonesia	7.8%	Saudi Arabia	8.6%

Source: SESRIC staff calculations based on UN Comtrade Database

Obviously, the shares of primary commodities and mineral fuels are extremely high in some member countries, intensifying their vulnerability to international price shocks and curbing their prospects for long-term competitiveness.

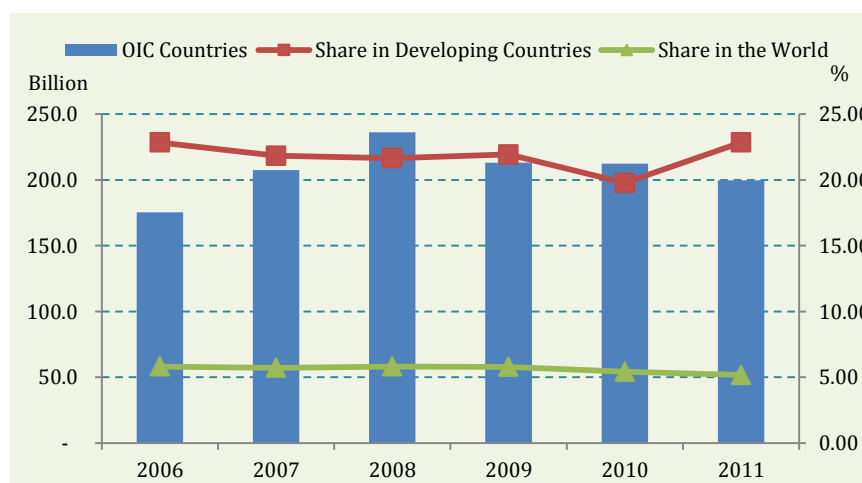
3.2 Trade in Services

The services sector plays an increasingly important role in the global economy and the growth and development of countries. It is a crucial component in poverty reduction and access to basic services, including education, water and health services. The services

Figure 3.9: Exports of Services

Share of OIC countries in world exports of services remained slightly above 5 per cent in 2011.

Source: UN Service Trade Database.



sector has emerged as the largest segment of the economy, contributing a growing share to gross domestic product (GDP), trade and employment. The 2011 World Development Indicators show that the services sector accounted for more than two-thirds of the global GDP in 2010 and is expanding at a quicker rate than the agriculture and the manufacturing sectors. The sector accounts for 44 per cent of employment worldwide, and trade in services constitutes nearly 20 per cent of world trade of goods and services, with two thirds of global foreign direct investment (FDI) flowing into the sector (UNCTAD, 2013)

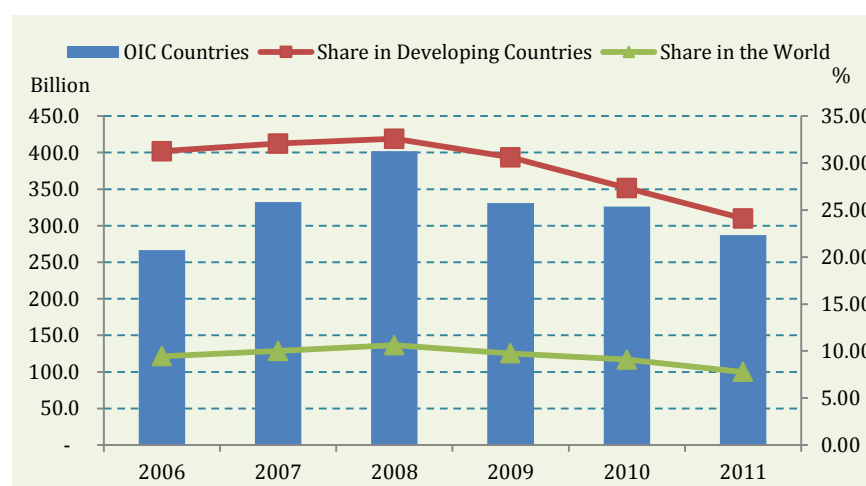


Figure 3.10:
Imports of Services

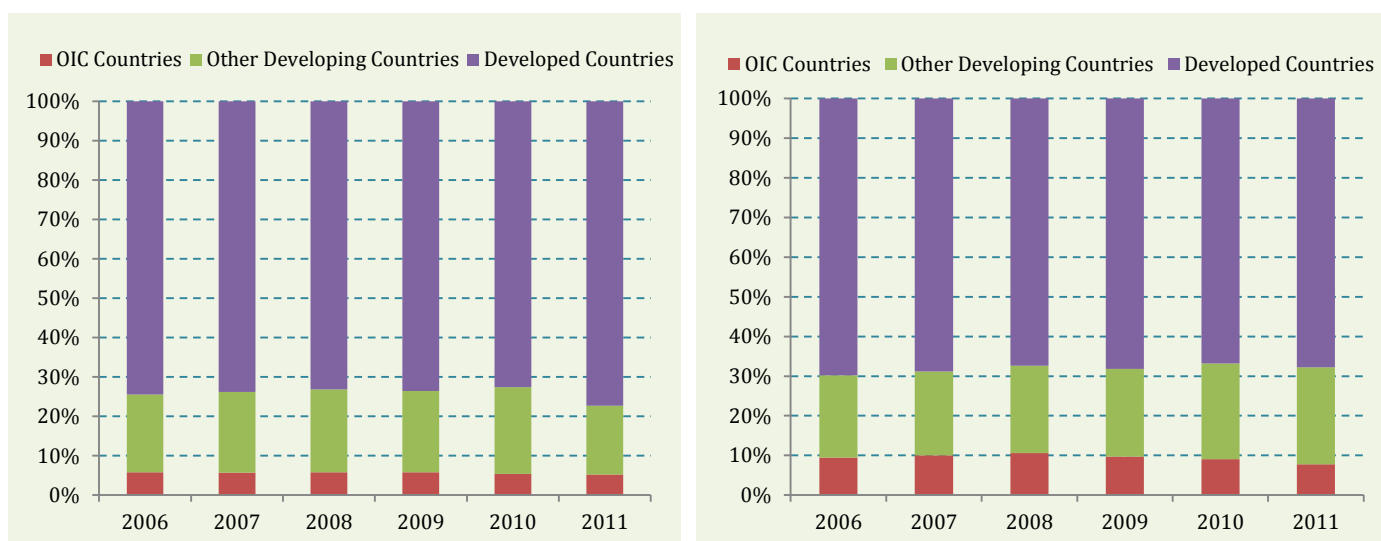
Services imports of OIC countries decreased almost 30 per cent from 2008 to 2011.

Source: UN Service Trade Database.

Unlike the trade in goods, the volume of trade in services remained significantly lower in OIC countries and it demonstrates a falling trend since 2008. As a group, the OIC countries are net importer of services. While they exported \$236 billion when it reached to its highest level in 2008, they imported \$402 billion worth of services in the same year. As of 2011, exports and imports of services dropped to \$200 billion and \$287 billion, respectively.⁷

Accordingly, the share of OIC member countries in world services export decreased from 5.8 per cent in 2008 to 5.2 per cent in 2011 (Figure 3.9). While developing countries continuously improve their share in world services exports, with the existing trend, OIC countries fall behind with respect to their share in services trade of developing countries. In 2008, OIC countries accounted for 21.6 per cent of total services exports of developing countries, but this share dropped to 19.8 per cent in 2010. The increase to 22.9 per cent in 2011 can be attributed to missing observations in major developing countries such as India. The same trend can be observed in the case of imports (Figure 3.10). Their share in the world total services imports fell from 10.6 per cent in 2008 to 7.8 per cent in 2011 and, their share in developing countries fell to 24.1 per cent in 2011 from 32.6 per cent in 2008.

⁷ However, it should be noted that some major countries did not report their services trade statistics for 2011 at the time this report is being prepared, both in OIC countries (including United Arab Emirates) as well as other developing countries (including India).

Figure 3.11: Shares of Countries in Exports and Imports of Services

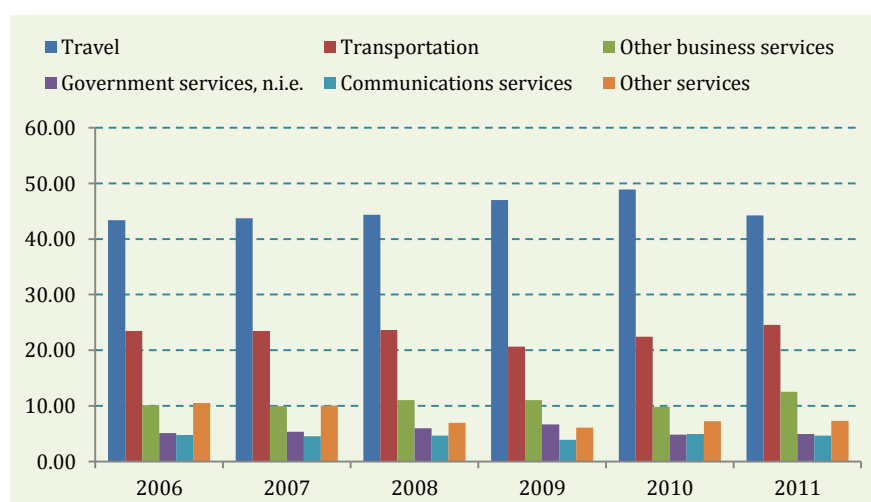
Source: UN Service Trade Database.

Figures 3.11 show the shares of OIC, developed and other developing countries in total world trade in services. While developed countries account for the bulk of the world trade in services, the share of other developing countries increases steadily. The share of other developing countries in total world exports of services increased from 19.7 per cent in 2006 to 22 per cent in 2010 (left panel). The decrease to 17.5 per cent in 2011 was again due to missing observations. With respect to imports, their share increased from 20.8 per cent in 2006 to 24.5 per cent in 2011. Together with OIC countries, developing countries accounted for 22.7 per cent of world total services export and 32.2 per cent of world total services import in 2011 (right panel).

Figure 3.12: Exports of Services in OIC Countries, by Subsectors

Transportation services, including transport of passenger and freight, become increasingly more important in exports of services in OIC countries.

Source: UN Service Trade Database.



UN reports the trade in services statistics under 12 subcategories.⁸ When the trade of OIC countries in services are disaggregated under these subsectors, it can be seen that

⁸ These are business services, communication services, construction services, distribution services, educational services, environmental services, financial services, health-related and social services, tourism and travel-related services, recreational, cultural, and sporting services, transport services, and other services not elsewhere included.

the bulk of their trade in services is classified under transportation and travel services (Figures 3.12 and 3.13). Figure 3.12 shows that exports of travel and transportation services followed generally an upward trend, while exports of other types of commercial services have rather mixed trends. In terms of imports, again transportation and travel services account more than 57 per cent of total services imports in OIC countries.

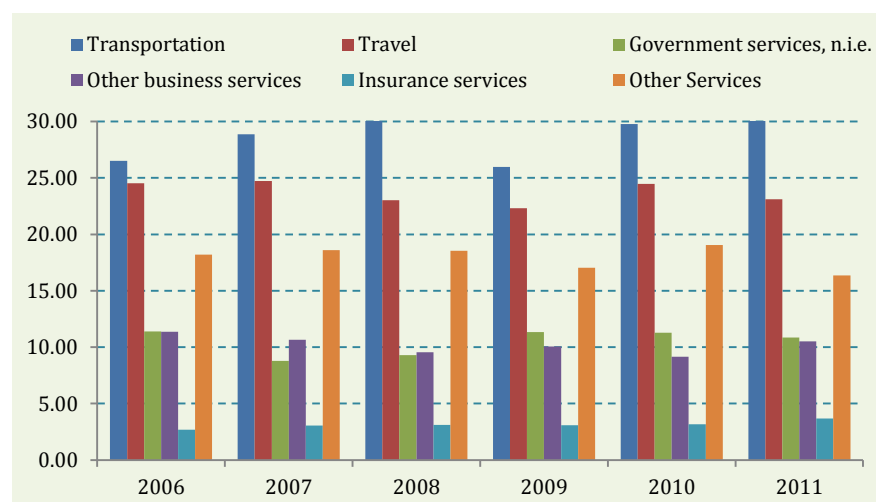


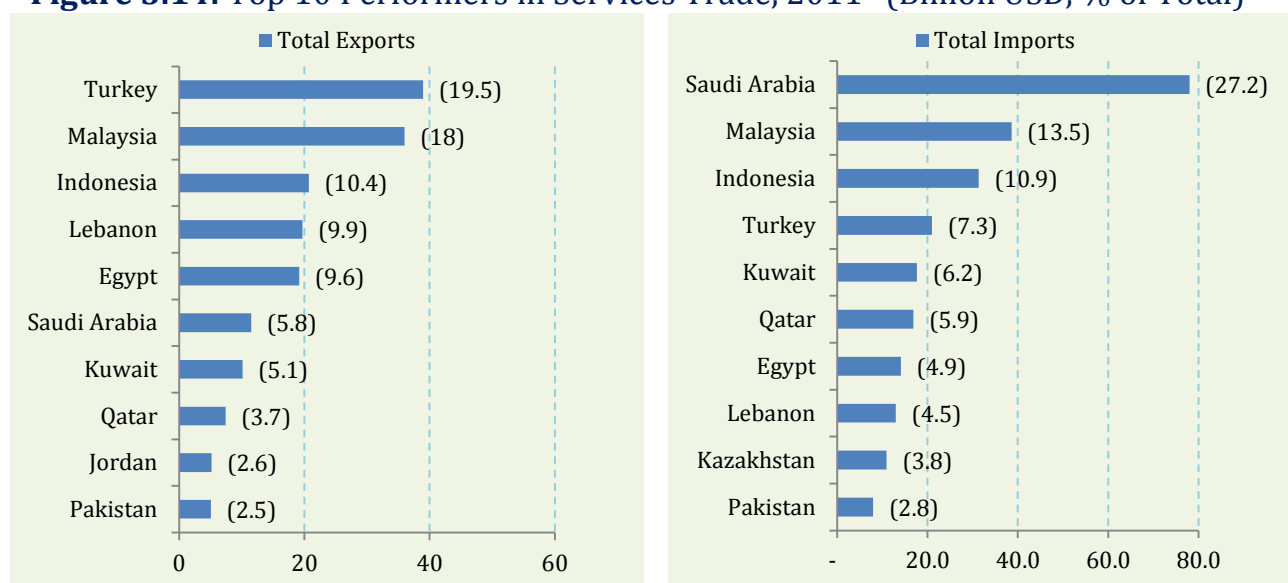
Figure 3.13: Imports of Services in OIC Countries, by Subsectors

Transportation and travel services together account for more than 57 per cent of services imports in OIC countries.

Source: UN Service Trade Database.

Turkey, with \$39 billion exports and 19.5 per cent share in total services exports of OIC countries, was the top exporter in services in 2011 (Figure 3.14, left). It was followed by Malaysia (18%), Indonesia (10.4%), Lebanon (9.9%) and Egypt (9.6%). In 2011, the top 10 countries accounted for 87 per cent of total services exports of OIC countries. In the same year, Saudi Arabia was the top importer of services (\$78 billion), corresponding to 27.2 per cent of total services imports of OIC countries. It was followed by Malaysia (13.5%) and Indonesia (10.9%). The top 10 importers accounted for 86.9 per cent of total services imports of OIC countries (right panel).⁹

Figure 3.14: Top 10 Performers in Services Trade, 2011* (Billion USD, % of Total)



Source: UN Service Trade Database. (*) The numbers in parenthesis represents the percentage share of the country in total exports of OIC.

⁹ While being major exporter and importer of services, the data for United Arab Emirates, Morocco and Tunisia were not available at the time when the report is drafted.

Average Trade Costs in OIC Countries

Trade costs broadly include all costs incurred in getting a good to a final user other than the marginal cost of producing the good itself: transportation costs (both freight costs and time costs), policy barriers (tariffs and nontariff barriers), information costs, contract enforcement costs, costs associated with the use of different currencies, legal and regulatory costs, and local distribution costs (wholesale and retail) (Anderson and Wincoop, 2004). Therefore, in an increasingly globalised and networked world, trade costs matter as a determinant of the pattern of bilateral trade and investment, as well as of the geographical distribution of production and they are an important determinant of a country's ability to take part in regional and global production networks. (Arvis et al. (2013).

The World Bank and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) jointly prepared a new global data set of bilateral trade costs based on trade and production data, covering 178 countries for the time period 1995-2010. According to the World Bank and UNESCAP research, trade costs are influenced to varying degrees by distance and transport costs, tariff and non-tariff measures, and logistics. The data also stress the importance of supply chains and connectivity constraints in explaining the higher costs and lower levels of trade integration observed in developing countries.

Figure 3.B1: Average Trade Costs, 1995-2010

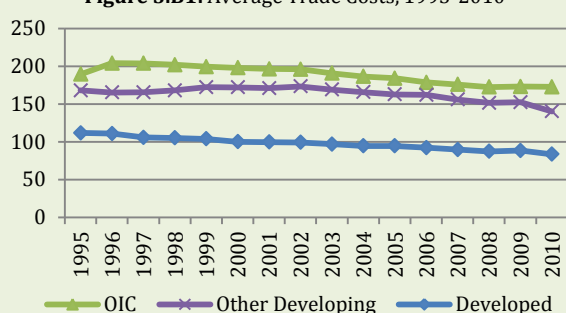


Figure 3.B2: Average Trade Costs, 1995=100

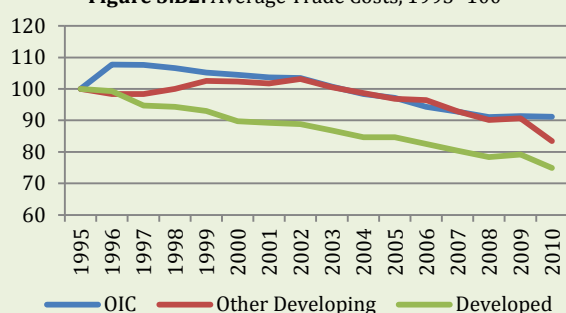
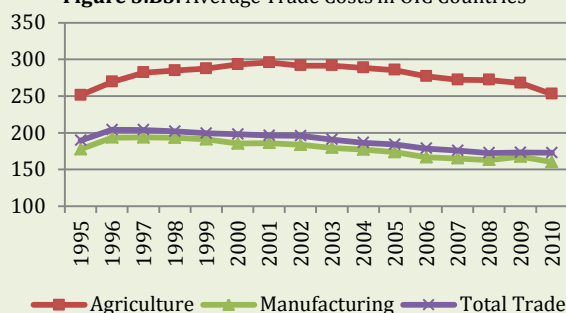


Figure 3.B3: Average Trade Costs in OIC Countries



Source: World Bank & UNESCAP Trade Cost Database.

Figure 3.B1 shows the trade costs for different country groups over the period 1995-2010, aggregated by using bilateral trade costs with 20 largest export partners. As it is evident, although tariffs in many countries are now at historical lows, overall trade costs remain high. Average trade costs in different country groups tend to exhibit higher trade costs for developing countries. OIC countries, on average, display higher trade costs. In 2010, trade costs for OIC countries (173% ad valorem) were on average more than two times higher than those in developed countries (84% ad valorem).

Converting ad valorem equivalents to index numbers makes it possible to see the rate at which trade costs have evolved over time in different country groups. Figure 3.B2 shows that, on average, trade costs have fallen most quickly in developed countries (around 25%). They have fallen considerably more slowly in OIC countries and decreased only around 9 per cent to 91.2 in 2010. The fall in trade costs of other developing countries accelerated in 2010 and index number decreased to 83.4.

Finally, Figure 3.B3 shows the average trade costs in OIC countries in agriculture and manufacturing sectors separately. On average, agricultural products tend to exhibit significantly higher trade costs and it did not decreased over the period in consideration, which is consistent with the continued existence of major policy barriers. There was only a modest decrease in manufacturing from 177 per cent ad valorem to 160 per cent ad valorem. This dynamic needs to be addressed by policymakers in OIC countries if they want to deepen their countries' integration into the global economy.

3.3 Trade Balance

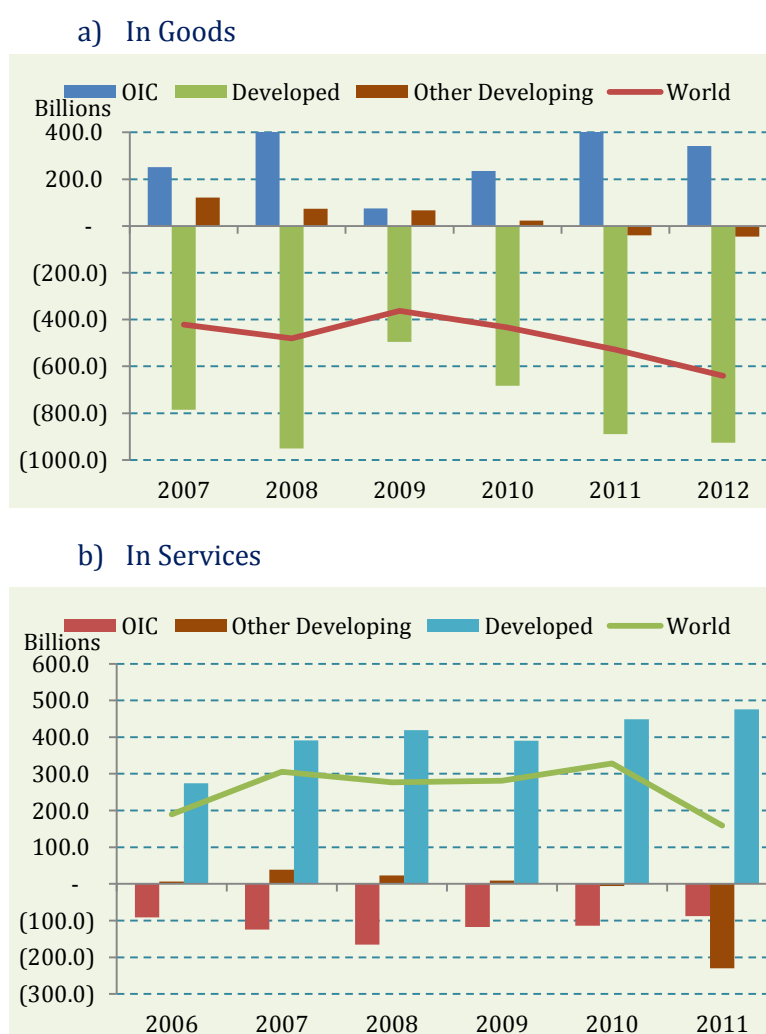
OIC countries recorded a surplus in merchandise trade in each year from 2007 through 2012 (Figure 3.15a). During this period, the highest trade surplus of the OIC countries (\$413 billion) was recorded in 2008 while the lowest (\$75 billion) was recorded in 2009. Trade surplus in OC countries almost reached to its pre-crisis level in 2011 with \$411 billion, indicating a strong recovery after the crisis, but it then decreased to \$342 billion in 2012.

The trade surpluses of other developing countries –that recorded at \$121 billion in 2007– also melt down to \$23 billion in 2010 before turning to a deficit of \$40 billion in 2011 and \$45 billion in 2012, respectively. In contrast, the group of developed countries experienced trade deficits in all the years of the period under consideration, although it declined to \$495 billion in 2009. As their economies started to recover from their gloomy levels of 2009, trade deficit of developed economies increased back to \$926 billion in 2012.

On the other hand, OIC countries recorded significant trade deficits in services trade over the period under consideration (Figure 3.15b). After exceeding \$165 billion in 2008, their deficit fell to \$87 billion in 2011. In 2011, around 45 per cent of exports of services in OIC are made in travel or tourism sector, which require relatively less sophisticated infrastructure and knowledge. However, in order to achieve a better performance in services trade, OIC countries need to invest more in dynamic services sectors, including communication services, financial services, health-related services and business and professional services.

Unlike the OIC countries, other developing countries as a group are able to sustain an export/import ratio close to one, indicating near to zero trade deficit or surplus. India, Brazil and China are among the major developing countries with robust growth in services trade. Missing data for India leads to significant deficits in other developing countries in 2011. Developed countries, on the other hand, enjoy significant trade

Figure 3.15: Trade Balance in Goods and Services



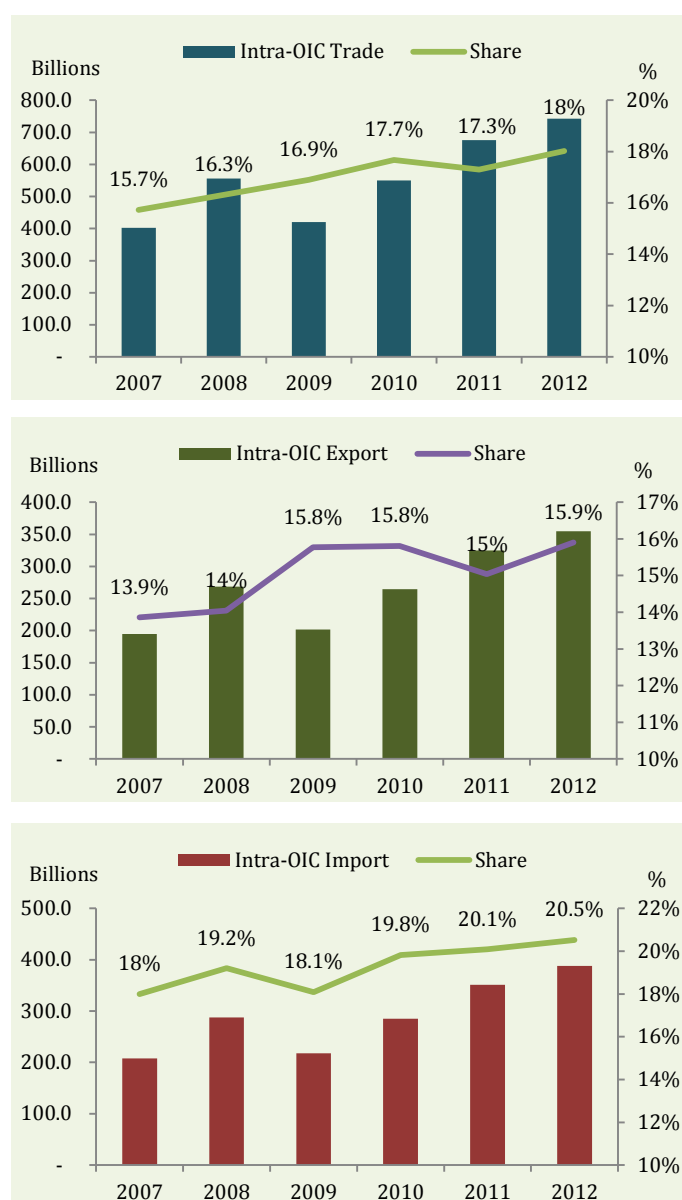
Source: IMF DOT Database, UN Comtrade Database

surpluses in services trade owing to their significantly developed infrastructure in services provision.

3.4 Intra-OIC Merchandise Trade

After witnessing a sharp fall in 2009, total merchandise trade among the OIC countries rebounded to \$743 billion in 2012 and broke a new record (Figure 3.16, top). This increase was in line with the improvement in trade all over the world, but OIC countries as a group showed relatively stronger upturn compared to the world average. From 2007 to 2012, the share of intra-OIC trade in OIC total trade continuously increased, except a slight fall in 2011. Intra-OIC trade hit its highest level in 2012 and accounted for 18 per cent of total OIC trade.

Figure 3.16: Intra-OIC Trade, Volume and Share in Total Trade



Source: IMF DOT Database.

Similar patterns are observed in the cases of both intra-OIC exports and imports. Since 2009, intra-OIC exports significantly increased from \$202 billion to \$355 billion, whereby the share of intra-OIC exports in total OIC exports increased only 0.1 percentage points and reached 15.9 per cent in 2012. (Figure 3.16, middle). In 2011, although intra-OIC export was at its highest level of \$325 billion at that time, its share in total exports of OIC countries witnessed a decline of 0.8 percentage points, falling to 15 per cent. In 2012, with the increase in total intra-OIC exports to \$355 billion, the share of intra-OIC exports in total exports of OIC countries increased to 15.9 per cent.

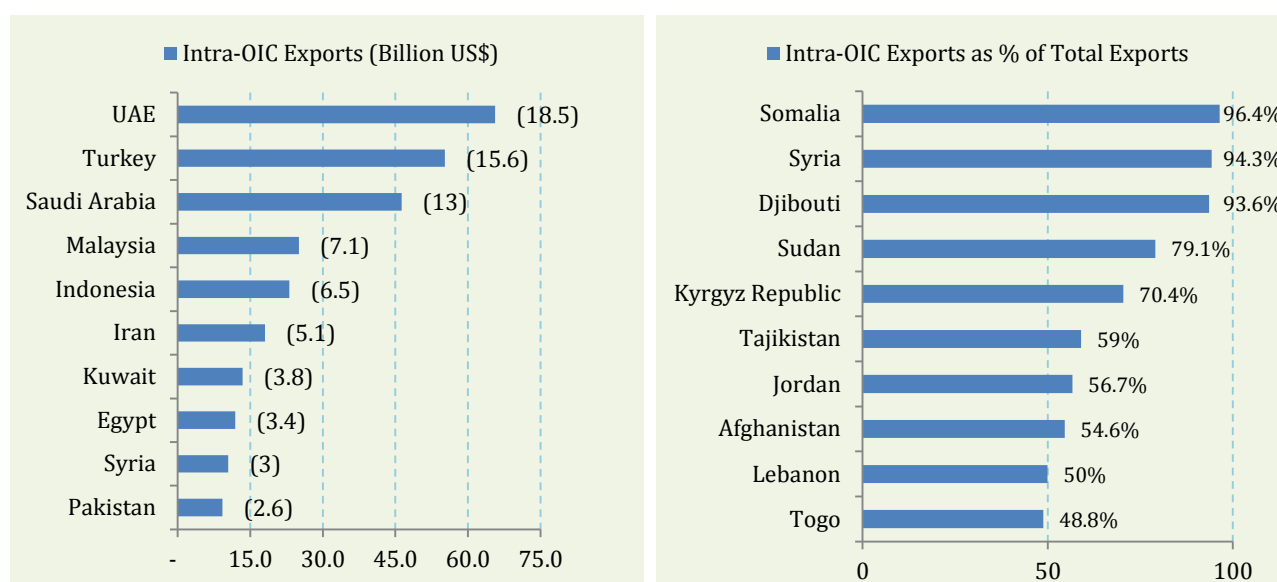
Likewise, intra-OIC imports increased constantly over the last four years and reached to \$388 billion in 2012 compared to \$218 billion in 2009, corresponding to an increase of its share in total OIC imports from 18.1 per cent to 20.5 per cent (Figure 3.16, bottom).

Figure 3.17 shows the list of top 10 member countries in terms of intra-OIC exports. In 2012, 78.5 per cent of the intra-OIC exports were undertaken by only 10 OIC countries. United Arab Emirates took the lead with \$65.6 billion, or 18.5 per cent of the total intra-OIC exports, followed by Turkey and Saudi Arabia, with \$55.2 billion and \$46.3 billion, respectively (Figure 3.17, left). Together with Malaysia (\$25.1 billion) and Indonesia (\$23.1 billion), these five countries accounted for 60.7 per cent of the total

intra-OIC exports. Iran, Kuwait, Egypt, Syria and Pakistan were also among the top 10 OIC countries in intra-OIC exports.

Some OIC countries with relatively lower *volumes* of intra-OIC exports reported higher *shares* of intra-OIC exports in their total exports. For instance, despite low trade volumes in absolute terms, around 96.4 per cent of Somalia's exports went to OIC countries in 2012. The share of intra-OIC exports reached 94.3 per cent in 2012 (from 67.6 per cent in 2011) in Syria, 93.6 per cent in Djibouti, 79.1 per cent in Sudan and 70.4 per cent in Kyrgyz Republic. Syria was the only country to enter the top 10 list both by volume and share of intra-OIC exports. Tajikistan, Jordan, Afghanistan, Lebanon and Togo were also among the top 10 countries with the highest shares of intra-OIC exports in their total exports (Figure 3.17, right).

Figure 3.17: Top 10 Intra-OIC Trade Exporting Countries, 2012 (Billion USD, % of Total)



Source: IMF DOT Database.

3.5 Trade Policy

International trade has been one of the most important drivers of global growth, convergence and poverty alleviation. Despite the fears of protectionism after the global economic crisis, countries mostly preferred to adopt policies that can minimize the risks that higher openness can bring. With respect to the impacts of the crisis, recent studies suggest that open economies experienced more rapid fall in their trade and income (GDP) compared to economies that were less integrated in global markets. On the other hand, more integrated economies recovered more quickly.

Countries commonly use trade policy measures, which include tariffs and non-tariff barriers to discourage the importation of foreign products, together with industrial policy measures, in order to spur industrial growth and economic diversification. Accordingly, support measures for particular industrial sectors, combined with tariff and/or other trade measures aim to protect them from foreign competition on the domestic market and boost their export performance at the same time. Such trade

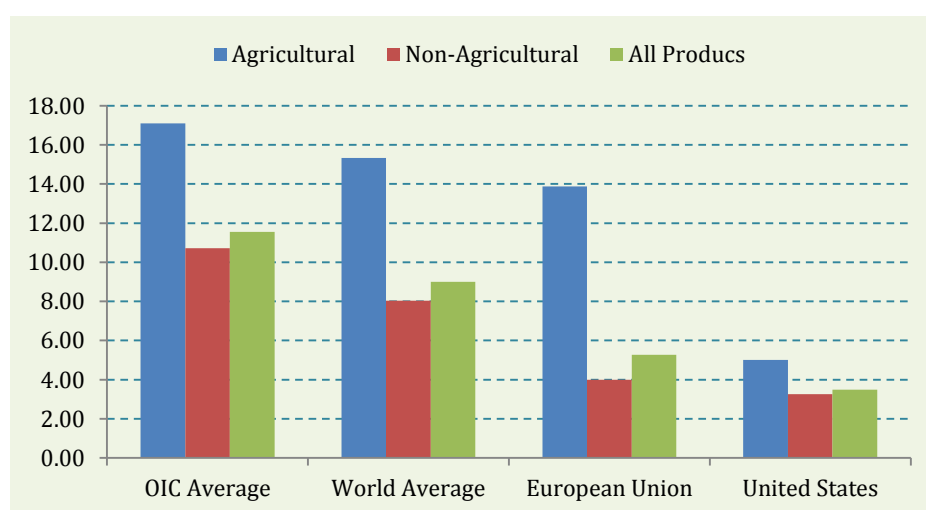
policies affect economic activity and well-being not only in the country enacting these policies but in their trade partner countries as well.

Figure 3.18 compares the average level of protectionism applied in OIC countries with the world average and other major economies by using the latest data available on most-favoured nation (MFN) tariffs.¹⁰ It includes average tariff rates for agricultural and non-agricultural products as well. On aggregate, by applying an average of 11.6 per cent tariff rate, OIC countries reveal a more protectionist picture when compared to the world average of 9 per cent and EU average of 5.3 per cent. This ratio more than triples the tariff rates applied by the United States. Traditionally, agricultural products enjoy higher protectionism. In these products, OIC countries remained the most protectionist group with 17.1 per cent tariff rates, which is higher than the world average of 15.3 per cent and EU average of 13.9 per cent.

Figure 3.18:
Average Tariff Rates

In all categories, OIC countries are imposing higher tariff rates than world average.

Source: World Tariff Profiles, WTO/ITC/UNCTAD.



While trade policy measures are important elements of industrial policies in promoting the competitiveness of domestic industries, careful analyses should be made to measure the effectiveness of such restrictive policies for the welfare of the country in the long-term. If not properly regulated, such measures may harm the majority of the people, without significantly contributing to the overall well-being of the country.

¹⁰ In current usage, MFN tariffs are what countries promise to impose on imports from other members of the World Trade Organization (WTO), unless the country is part of a preferential trade agreement (such as a free trade area or customs union). This means that, in practice, MFN rates are the highest (most restrictive) that WTO members charge one another.

section 4

Balance of Payments and External Financing

The balance of payments records all economic transactions between resident and non-resident entities during a given period. The current account balance determines the exposure of an economy to the rest of the world, whereas the capital and financial account explains how it is financed. This section examines the developments in the balance of payments and external financing in OIC member countries.

4.1 Current Account Balance

After witnessing an increasing trend between 2009 and 2011, current account surplus slightly decreased in OIC countries in 2012 (Figure 4.1). Consequently, current account

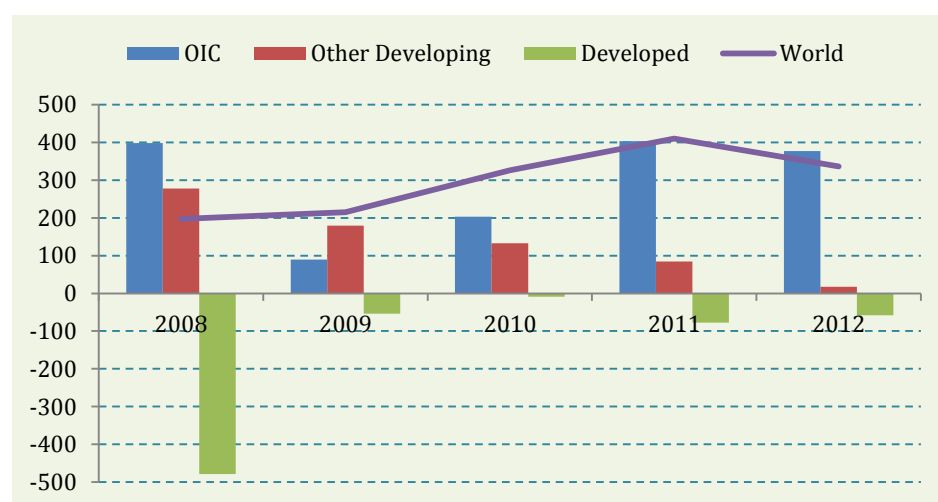


Figure 4.1: Current Account Balance

Current account surplus in OIC countries slightly decreased in 2012.

Source: IMF, World Economic Outlook 2013 and SESRIC BASEIND Database.

surplus of OIC member countries accounted for almost 5.9 per cent of GDP in 2012 compared to 6.8 per cent in 2011. Such a decline is a result of decreasing oil prices worldwide. On the other hand, despite some improvements, current account deficit has remained stable for developed countries, around 0.1 per cent of GDP since 2011. After exceeding \$270 billion in 2008, current account surpluses of the other developing countries started to decelerate throughout the period under consideration. Overall, current account balance in the world is in surplus.

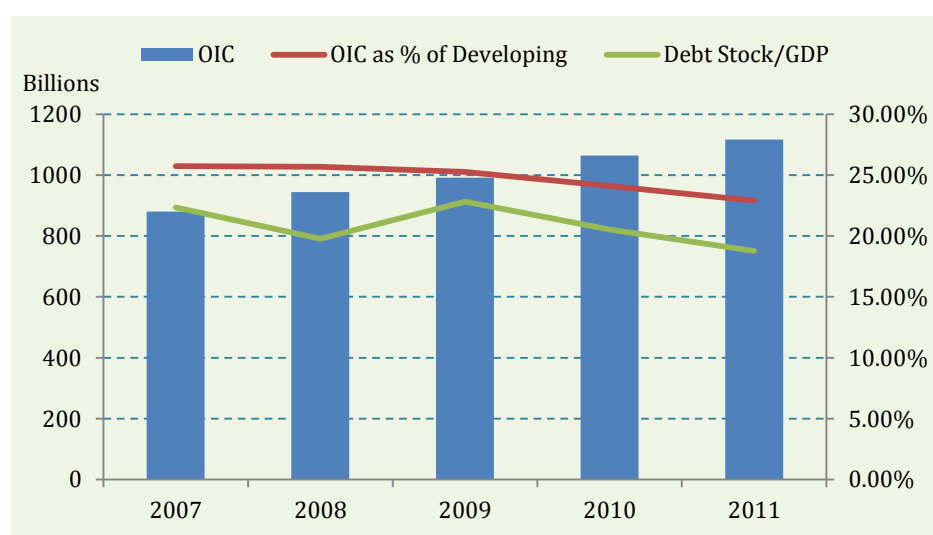
4.2 External Debt

The total external debt stock of the OIC countries showed an increasing trend during the period under consideration. In 2012, the total external debt of the OIC countries amounted to \$1,116 billion, with almost 5 per cent increase from 2010. The situation becomes worse when we consider the fact that according to recent World Bank classification, 21 OIC countries are still classified as Heavily Indebted Poor Countries (HIPC), of which 18 countries are also classified as Least Developed Countries (LDC's). Nevertheless, as illustrated in Figure 4.2, the Debt to GDP ratio of the OIC countries and their share in the total debt of developing countries witnessed a downward trend since 2009. Average debt-to-GDP for the indebted OIC countries was 22.8 per cent in 2009 compared to 18.7 per cent in 2011. During the same period, the total external debt stock of the OIC countries also showed a declining share in the total external debt stock of the developing countries. It decreased from 25.3 per cent in 2009 to 22.9 per cent in 2011. Such a decline in that share indicates that the increase in the total debt stock of the OIC countries is less than that of other developing countries.

Figure 4.2: Total External Debt Stock

The OIC countries' total external debt stock is on the rise.

Source: World Bank, WDI Database and SESRIC BASEIND Database.

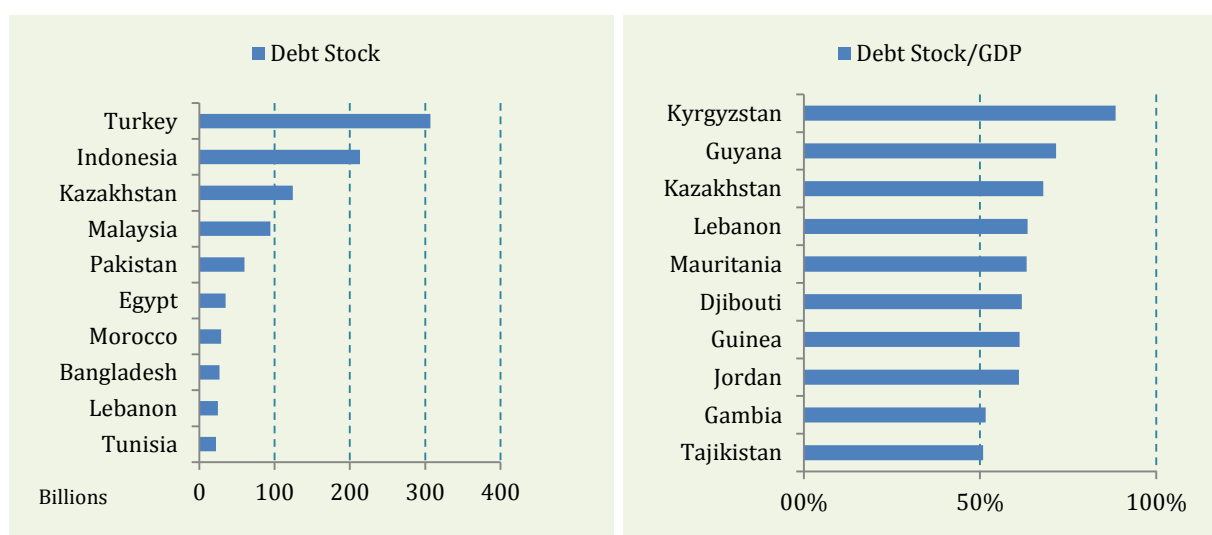


Debt-to-GDP ratio increased in only 15 OIC countries during the period under consideration. These countries are Guyana (from 43.6 per cent to 71.6 per cent), Albania (from 27.1 per cent to 45.8 per cent), Tajikistan (from 36.2 per cent to 50.9 per cent), Kyrgyz Republic (from 75.7 per cent to 88.5 per cent), Sierra Leone (from 25.9 per cent to 36.2 per cent), Uganda (from 12.7 per cent to 21.9 per cent), Senegal (from 22.9 per cent to 29.9 per cent), Benin (from 13.9 per cent to 19.5 per cent), Mauritania (from 60.9 per cent to 63.2 per cent), Burkina Faso (from 21.7 per cent to 23.7 per cent), Morocco from 27.5

per cent to 29.3 per cent), Azerbaijan (from 11.4 per cent to 13 per cent), Mali (from 25.9 per cent to 27.5 per cent), Malaysia (32.6 per cent to 32.8 per cent) and Nigeria (from 5.3 per cent to 5.4 per cent). In absolute terms, the top-five most indebted countries were Turkey (\$307.0 billion, corresponding to 39.6 per cent of its GDP), Indonesia (\$213.5 billion, corresponding to 25.2 per cent of its GDP), Kazakhstan (\$124.4 billion, corresponding to 67.9 per cent of its GDP), Malaysia (\$94.5 billion, corresponding to 32.8 per cent of its GDP), and Pakistan (\$60.2 billion, corresponding to 28.6 per cent of its GDP) (Figure 4.3).

The composition of external debt stock is an important factor in debt analysis since it has

Figure 4.3: The Most Indebted OIC Countries, 2011



Source: World Bank, WDI Database

a direct bearing on the process of debt repayment, rescheduling and relief. The total external debt stock is made of three categories: (i) long-term debt (LDOD), which is a combination of public debt, publicly guaranteed debt, and private non-guaranteed debt, (ii) short-term debt (STD), and (iii) the use of IMF credit (IMFCR).

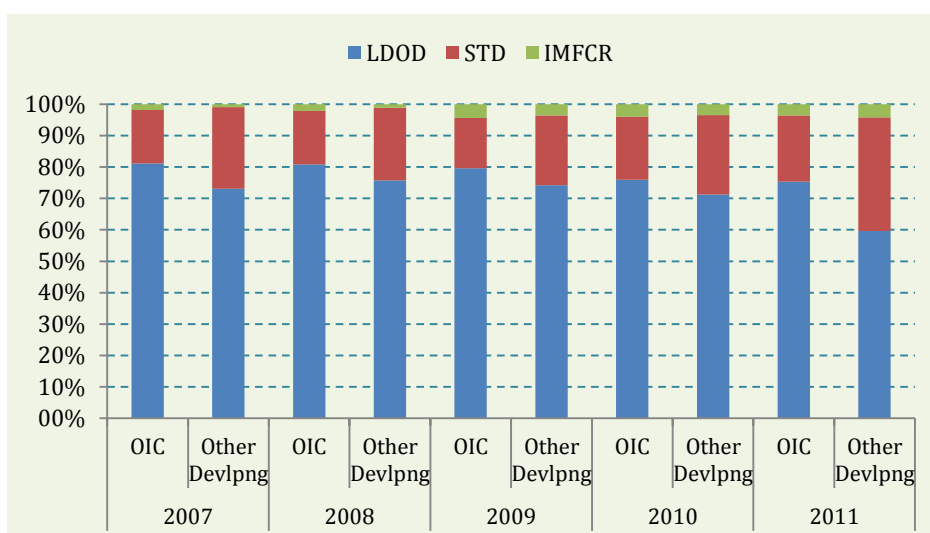


Figure 4.4:
Composition of
External Debt Stock

The use of IMF credit accounted for less than 2 per cent in 7 OIC member countries.

Source: World Bank, WDI Database and SESRIC BASEIND Database.

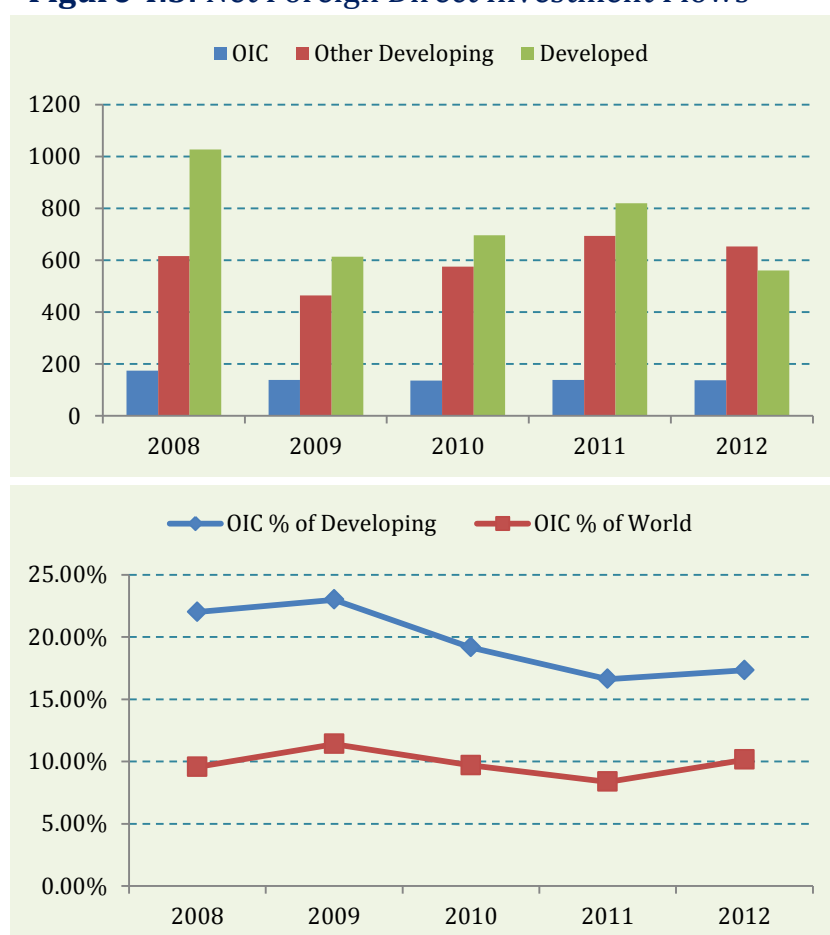
The composition of the total external debt of the OIC countries remained slightly different than that of other developing countries. Although long term debt accounted for the largest portion of total external debt in both country groups, its share in OIC countries remained comparatively high. As illustrated in Figure 4.4, for OIC countries LDOD share in total debt decreased from 81.1 per cent in 2007 to 75.3 per cent in 2011; whereas for other developing countries it declined from 73.0 per cent in 2007 to 59.6 per cent in 2011. The use of IMF credit remained quite low in both country groups; whereas the share of short-term debt in total debt was 17.1 per cent for OIC countries and 21.1 per cent for the other developing countries in 2011.

As for individual countries, long-term debt accounted for more than 90 per cent of the total external debt in 6 OIC member countries, and this share varied in 2011 from 93.9 per cent in Chad to 25.4 per cent in Iran. The use of IMF credit accounted for less than 2 per cent of the total debt in 7 OIC countries, yet, it reached up to 39.5 per cent in Togo. On the other hand, while the share of short-term debt was less than 10 per cent in 24 OIC members, it reached up to 63.0 per cent in Iran, 56.0 per cent in Jordan, 46.2 per cent in Malaysia, 32.9 per cent in Guyana, and 31.6 per cent in Nigeria.

4.3 Foreign Direct Investment (FDI) Flows

With a decrease of 18.2 per cent, world total foreign direct investment (FDI) flows amounted to \$1351 billion in 2012, most of which went increasingly to developing

Figure 4.3: Net Foreign Direct Investment Flows



Source: UNCTAD, FDI Statistics 2012.

countries (Figure 4.5). As of 2008, developed countries were destination for 56.5 per cent of the \$1816 billion world FDI flows. Yet this share declined to 42 per cent in 2012. Despite the decline in FDI flows to developing countries in 2012, they were home to more than half of the global FDI flows in 2012.

As for the OIC countries, FDI inflows during the period under consideration were generally unsatisfactory. Nevertheless, there was a notable improvement in these flows as they increased up to \$174 billion in 2008, however, parallel to the global trends, FDI flows to OIC member countries declined to \$139 billion in 2009. Although there was a slight increase in the volume of

FDI flows in 2011, there was another decline in 2012 to \$137 billion. The share of OIC countries in total FDI flows to *developing* countries has been declining since 2009, but in 2012 it slightly increased to 17.3 per cent (Figure 4.5). Accordingly, their share in *world* total FDI flows decreased from 11.4 per cent in 2009 to 10.1 per cent in 2012.

As was the case in most of the major macroeconomic aggregates, FDI flows into OIC countries also concentrated in a few of them. In 2012, Indonesia took the lead with \$19.9 billion of FDI inflows, accounting for 14.5 per cent of the total FDI inflows to all OIC countries, followed by Kazakhstan (\$14.0 billion), Turkey (\$12.4 billion), Saudi Arabia (\$12.1 billion), and Malaysia (\$10.0 billion). These five countries, together, accounted for 50.0 per cent of the total FDI flows to all OIC countries (Figure 4.6).

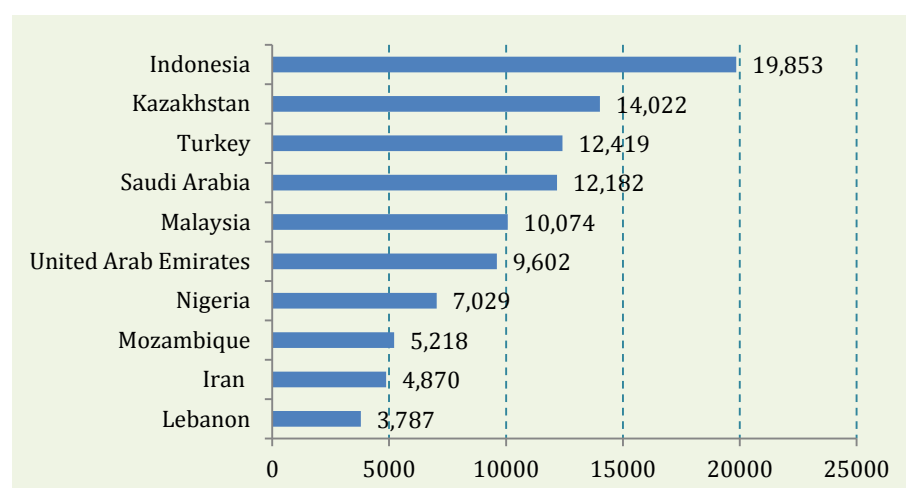


Figure 4.6: Top 10 OIC Countries by FDI Inflows, 2012

FDI flows to OIC countries concentrated in a few of them.

Source: UNCTAD, FDI Statistics 2012.

This picture shows that most of the OIC countries are still not able to create a favourable economic environment and to provide the required conditions to attract more FDI flows. Consequently, OIC countries, in general, need to take speedy measures to foster an environment conducive to attracting more foreign investments. To achieve this goal, reforms are needed to improve the business climate and to introduce investment incentives for local and foreign investors. This requires building adequate infrastructure and investment in modern technologies to enhance their productive capacities, which is still more of a challenge to majority of them.

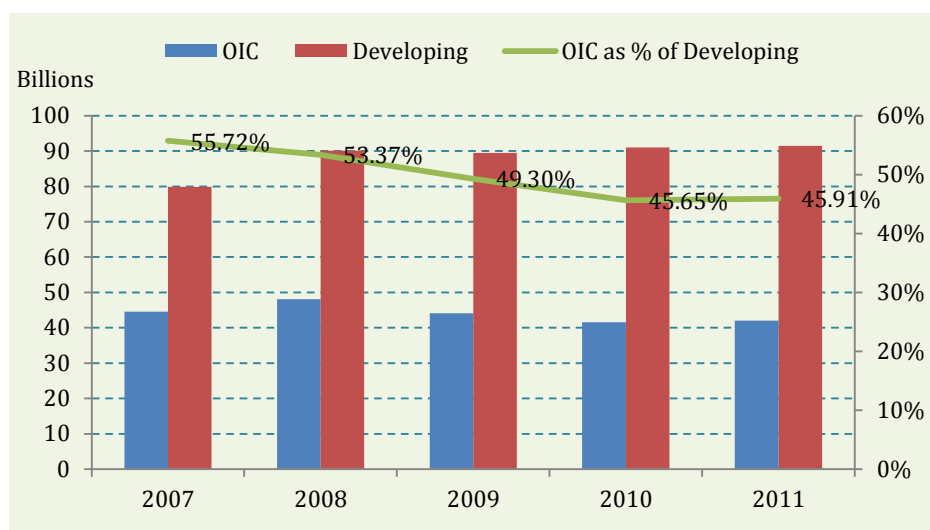
4.4 Official Development Assistance (ODA) Flows

Official Development Assistance (ODA) is still an important source of financing for many developing countries, particularly the least developed ones. It continues to constitute a significant part of the total net financial flows to these countries and play a key role in their economic growth and development. In 2011, net ODA flows from all donors to developing countries reached \$91.5 billion compared to 79.9 billion in 2007. However, during this period, ODA flows to OIC countries witnessed a declining trend and decreased to \$41.9 billion in 2011 compared to \$44.5 billion in 2007. Accordingly, OIC share in total ODA flows to developing countries also declined from 55.7 per cent in 2007 to 45.9 per cent in 2011 (Figure 4.7) which indicates that OIC member countries received lesser ODA compared to the other developing countries.

Figure 4.7: Net ODA Flows

The ODA flows to OIC countries indicate a downward trend.

Source: World Bank, WDI Database and SESRIC BASEIND Database.



It is also observed that ODA flows to the OIC member countries are concentrated in a few countries, where only 10 member countries received 57.6 per cent of the total ODA flows to OIC countries in 2011. Among these top 10 ODA recipients, Afghanistan stood first with inflows of \$6.7 billion, then followed by Pakistan (\$3.5 billion), Palestine (\$2.4 billion), Mozambique (\$2.0 billion), Iraq (\$1.9 billion), Nigeria (\$1.8 billion), Uganda (\$1.6 billion), Bangladesh (\$1.5 billion), Cote d'Ivoire (\$1.4 billion), and Mali (\$1.3 billion). During the period under consideration, 16 member countries witnessed decline in net ODA flows.

Figure 4.8: ODA to GDP Ratio

ODA flows accounted for less than one per cent of GDP in 12 OIC member countries.

Source: World Bank, WDI Database and SESRIC BASEIND Database.

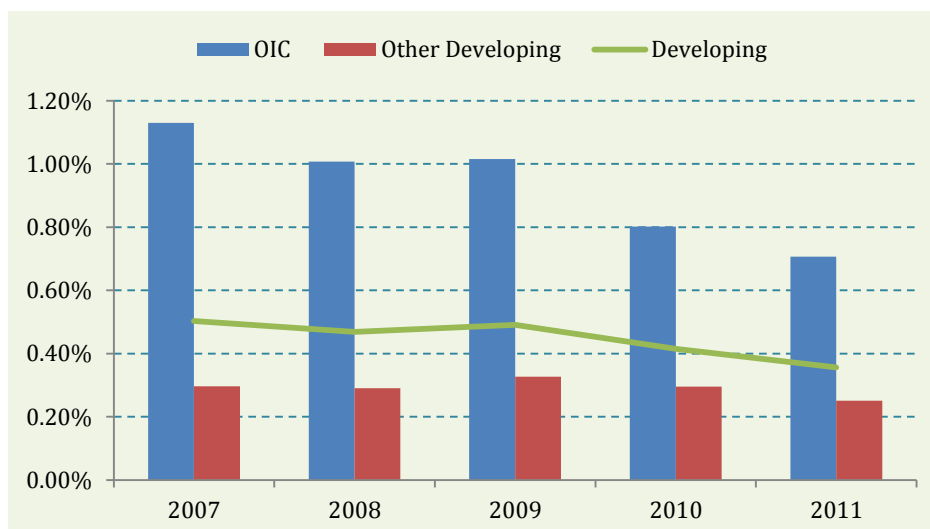


Figure 4.8 indicates that net ODA disbursements as percentage of GDP has been declining for all country groups since 2009. In general, ODA accounted for higher percentage of GDP in OIC countries than other developing countries. ODA-to-GDP ratio in other developing countries declined to 0.25 per cent in 2011 from 0.30 per cent in 2007. Similarly, in OIC countries, this ratio declined to 0.71 per cent in 2011 from 1.13 per cent in 2007.

At the individual country level, in 2011 ODA flows accounted for 37.1 per cent of GDP in Afghanistan, followed by 16.2 per cent in Mozambique, 15.1 per cent in Togo, 14.9 per

cent in Gambia, and 14.8 per cent in Sierra Leone. Notably, ODA flows accounted for less than one per cent of GDP in 12 member countries.

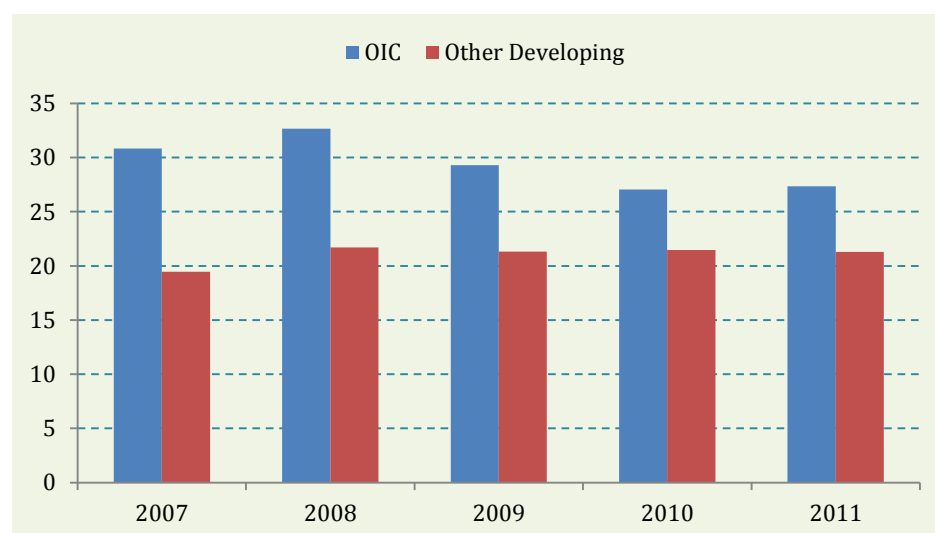


Figure 4.9: ODA Per Capita

ODA per capita declined in OIC member countries over the years.

Source: World Bank, WDI Database and SESRIC BASEIND Database.

In line with the net ODA flow trends, ODA per capita has witnessed steady decline in OIC member countries from \$32.6 in 2008 to \$27.3 in 2011. In contrast, other developing countries witnessed an increasing trend in ODA per capita which reached \$21.3 in 2011 from \$19.4 in 2007 (Figure 4.9). At the individual country level, ODA per capita in OIC member countries in 2011 was highest in Afghanistan, Guyana, Suriname, Djibouti and Jordan with \$216, \$206, \$176, \$164, and \$153, respectively.

4.5 Reserves Position

The world total reserves –excluding gold– increased from \$7.1 trillion in 2008 to \$10.7 trillion in 2012. Of this amount, \$3.2 trillion was recorded in the developed countries while the remaining \$7.5 trillion was accumulated by the developing countries (Figure 4.10). Notably, the reserves of the developed countries were higher than those of the developing countries until 2004, but since then the situation has been rapidly changing and as of 2012, developing countries owned more than two thirds of the world total reserves (69.9 per cent). Although this can be explained, in part, by the increasing trade flows and the large surpluses of some developing countries, such as China, newly

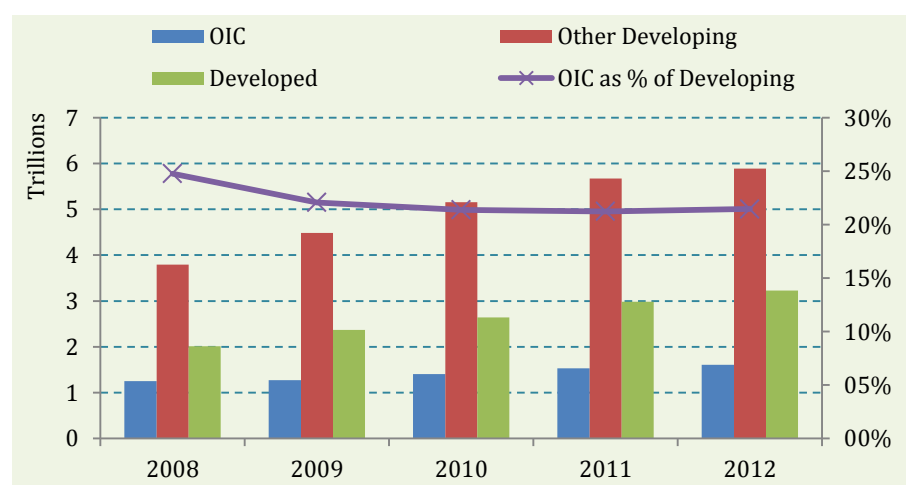


Figure 4.10: Total Reserves minus Gold

The share of the OIC countries in total reserves of developing countries showed a declining trend.

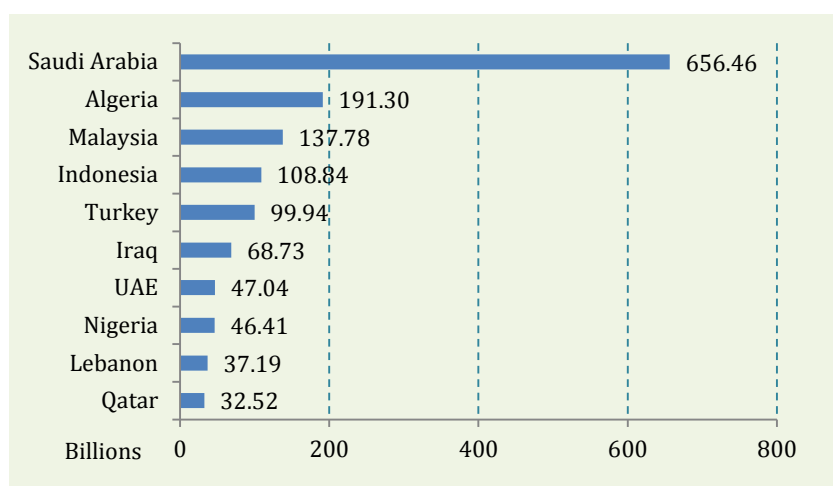
Source: IMF, IFS Database 2012 and SESRIC BASEIND Database.

industrialized Asian countries and oil exporting countries in the Middle East, it is more likely due to financial reforms efforts in some developing countries with chronic current account deficits to improve their reserves position. It seems that the widespread implementation of capital account liberalization in developing countries has brought about a need for accumulating more and more reserves in order to cushion against financial volatilities, such as sudden reversal of capital flows, and decrease their vulnerability to global financial crises.

As shown in Figure 4.10, the total reserves -excluding gold- of the OIC countries increased from \$1.2 trillion in 2008 to \$1.6 trillion in 2012. However, the share of OIC countries in total reserves of the developing countries showed a declining trend in this period. It has become 21.4 per cent in 2012 compared to 24.7 per cent in 2008. Yet, it is

observed that the bulk of the total reserves of the OIC countries are still accumulated in a few of these countries. As of 2012, only 10 OIC countries accounted for 88.6 per cent of the total reserves of OIC group (Figure 4.11). Saudi Arabia alone, with \$656 billion of reserves, accounted for more than one-third of the total reserves of all OIC countries (40.8 per cent). Algeria, Malaysia, Indonesia, Turkey, Iraq, United Arab Emirates, Nigeria, Lebanon and Qatar followed Saudi Arabia in terms of reserves position.

Figure 4.11: Top 10 OIC Countries by Total Reserves, 2011



Source: IMF, IFS Database 2012.

At the individual country level, 38 OIC countries, for which data are available, have improved their reserves positions during the period 2008-2012. Yet, although the term “improving” indicates an addition to these reserves, this situation may occur even when a country has a deficit in its current account balance, provided that it may manage to finance its deficit through external financing channels such as external borrowing (foreign debt) rather than using its reserves.

Over the years, many countries across the world have built up huge reserves. However, according to economic experts, countries should maintain reserves equivalent to three months’ worth of imports. Reserves are usually considered as an important instrument to safeguard the economy against external shocks. According to the IMF study entitled “Assessing Reserve Adequacy” (2011); reserves played an important role to help many countries wither the negative impacts of recent financial and economic crisis.

As shown in Figure 4.12, the number of months of imports that can be covered by reserves in OIC countries fluctuated between 7.1 and 8.7 months which indicate that, during the period under consideration, OIC member countries, on average, accumulated reserves higher than the threshold level of three months’ worth of imports. Other

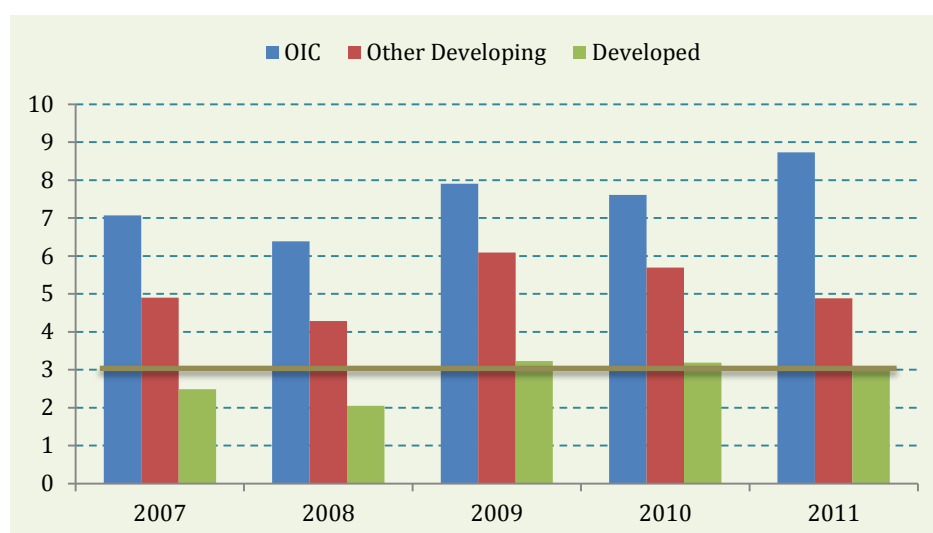


Figure 4.12: Total Reserves equivalent to # of Months of Imports

On average, OIC member countries accumulated reserves higher than the threshold level of three months' worth of imports.

developing countries, however, witnessed a decline in reserves, decreasing from equivalent to 6.1 months' worth of imports in 2009 to 4.9 months in 2011. However, on the other hand, in developed countries reserves equivalent to months of imports remained below the threshold of three months during the period under consideration, except the years 2009 and 2010. Low performance of developed countries could be explained by the fact that usually countries with good institutions and policies are supposed to hold lower levels of reserves.

At the individual country level, Libya took the lead in 2011 with holding reserves equivalent to imports value of 80.7 months, followed by Algeria (35.9 months), Saudi Arabia (32.1 months), Lebanon (16.8 months), and Iraq (13.1 months). With the exception of 7 OIC member countries, for which the data are available, namely Bangladesh, Sierra Leone, Bahrain, Maldives, Tajikistan, Guinea and Sudan, all other member countries kept reserves equivalent to import value of more than three months in 2011.

4.6 Remittances

The inflows of remittances to OIC member countries increased from \$92.6 billion in 2007 to \$118.5 billion in 2011 despite a slight decrease in 2009 given the fact that the financial crisis has severely damaged the developed economies where majority of workers from

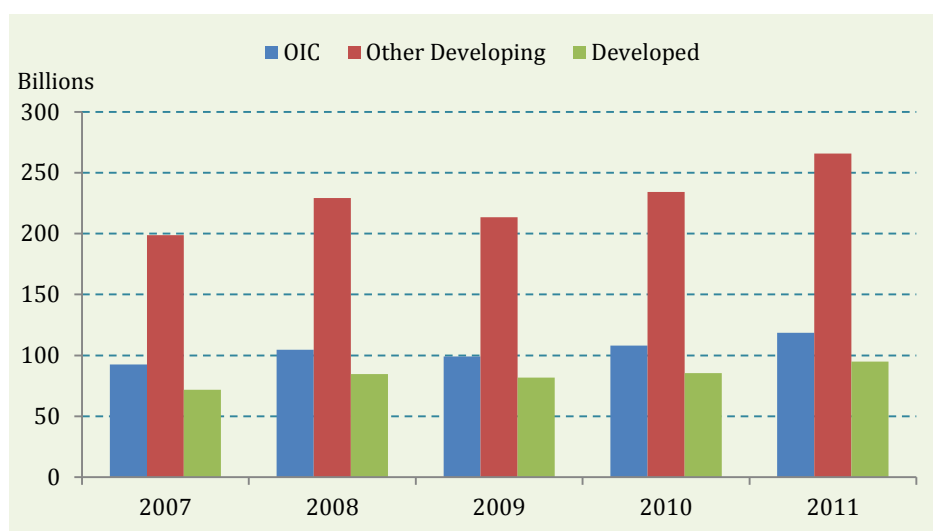


Figure 4.13: Remittances Flows

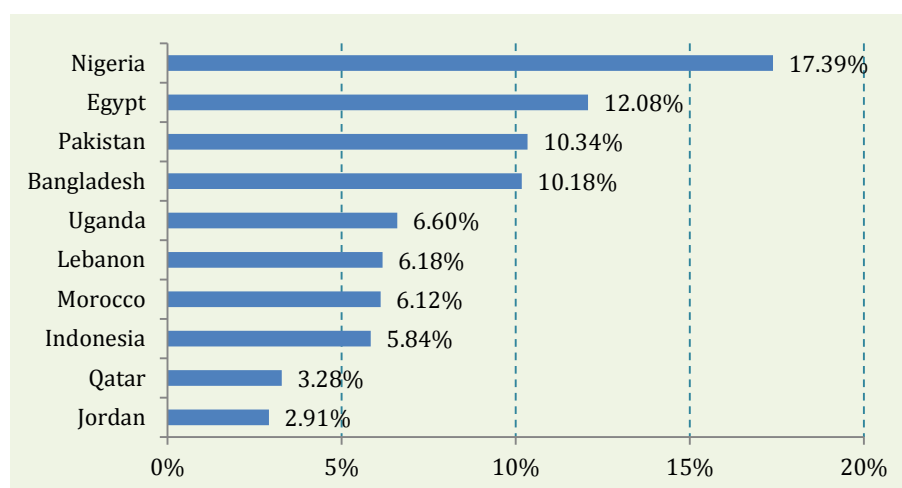
The inflows of remittances to OIC countries are on the rise.

Source: World Bank, WDI Database.

developing countries are employed, as migrant workers are losing jobs or not able to afford to send home as much money as they were sending before the crisis (Figure 4.13). Similarly, developing countries also suffer from the economic crisis and witnessed a decline in 2009. Remittances flows to developed countries, on the other hand, increased from \$71.6 billion in 2007 to \$94.9 billion in 2011, corresponding to an increase of 32 per cent during the period under consideration.

Figure 4.14: Top 10 OIC Countries by Remittances Inflows as % of Remittances Inflows to all OIC Countries, 2011

Source: World Bank, WDI Database.



As was the case in most of the major macroeconomic aggregates, the inflows of remittances into OIC countries also concentrated in a few of them. In 2011, Nigeria took the lead with \$20.6 billion of remittances inflow, accounting for 17.4 per cent of the total remittances inflows to all OIC countries, followed by Egypt (\$14.3 billion), Pakistan (\$12.2 billion), Bangladesh (\$12.1 billion), Uganda (\$7.8 billion), Lebanon (\$7.3 billion), Morocco (\$7.2 billion), Indonesia (\$6.9 billion), Qatar (\$3.9 billion), and Jordan (\$3.5 billion). These ten countries, together, accounted for 81 per cent of the total remittances inflows to all OIC countries.

section 5

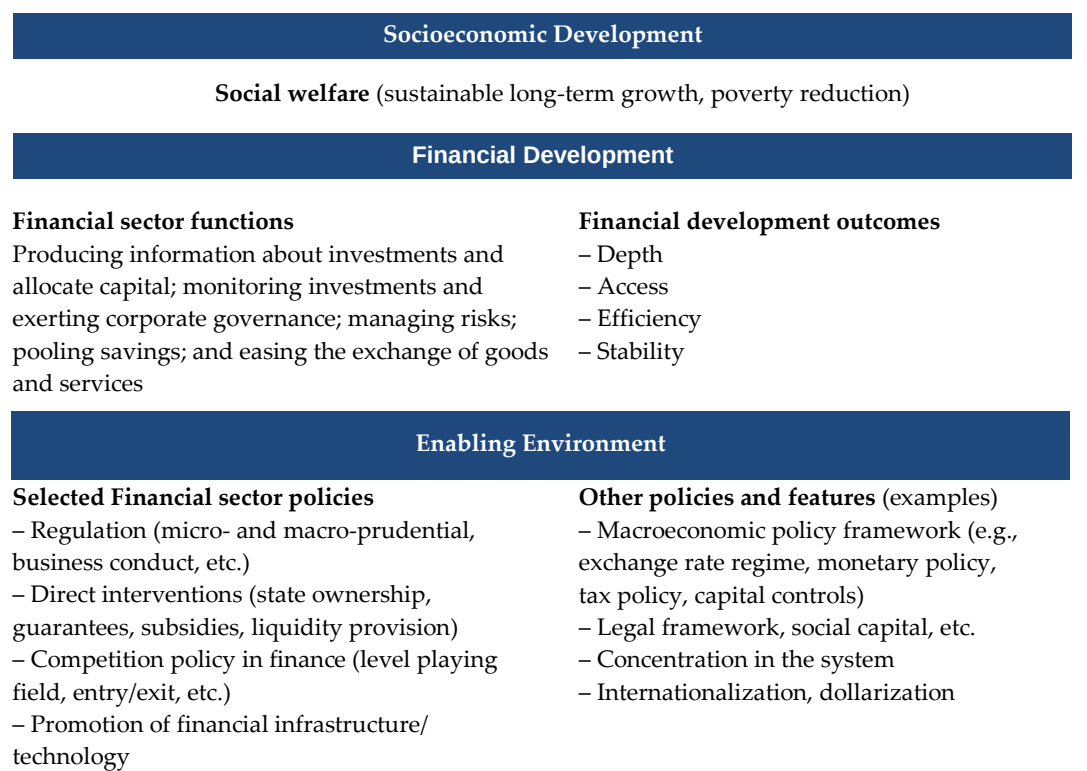
Financial Sector Development

The role of the financial sector in an economy is to channel resources from primary savers to investment projects. Therefore, a well-functioning financial system can create avenues for rapid economic development through, inter alia, the efficient allocation of domestic savings into productive economic activities. The importance of this role has indeed received much attention in the recent literature on economic growth and a strong consensus has emerged in the last decade that well-functioning financial intermediaries have a significant impact on economic growth. Figure 5.1 presents the relationships between socioeconomic development, financial development, and the enabling environment. It is important to care about the process of financial development because it has a well-documented association with economic and social development. It improves sustainable long-term growth and reduces poverty, thereby improving social welfare. The figure also highlights that financial systems do not exist in a vacuum. Financial system characteristics depend on the enabling environment, which consists of financial sector policies and other relevant policies and features.

The degree of financial development varies substantially across the OIC region. Some member countries, including Malaysia, Turkey, Jordan and GCC countries are fairly well advanced and have relatively well-developed financial systems including vibrant banking, insurance and other financial institutions, and effective financial regulatory and supervisory regimes; whereas many others lag behind in terms of their stages of financial development. This, in turn, offers a significant room for improvement and, all in all, more needs to be done to reinforce the institutional environment and promote financial sector development in the OIC countries.

The concept of financial development is multi-faceted and it encompasses not only monetary aggregates and some high-frequency indicators but also long-term dimensions such as the quality of regulation and supervision, degree of competition, financial openness, institutional capacities, penetration of financial services, and the variety and depth of financial markets and products. In this context, this section focuses on major indicators to identify the level of financial development in the OIC countries, and benchmarks them against other developing countries as well as developed countries.

Figure 5.1: Financial Sector Development



Source: Based on the literature review in Cihák, Demirgüç-Kunt, Feyen, and Levine 2012

5.1 Financial Depth

Conceptually, financial depth is often described by three dimensions: (i) sectors and agents are able to use a range of financial markets for savings and investment decisions, including at diverse maturities (access); (ii) financial intermediaries and markets are able to deploy larger amounts of capital and manage larger turnover, without necessitating large corresponding movements in asset prices (liquidity); and (iii) the financial sector can create a broad spectrum of assets for risk-sharing purposes (hedging or diversification). A commonly used metric for determining the degree of financial deepening is the ratio of broad money¹¹ to GDP. A higher ratio is generally associated

¹¹ The IMF defines broad money as the sum of currency outside banks; demand deposits other than those of the central government; the time, savings, and foreign currency deposits of resident sectors other than the central government; bank and traveler's checks; and other securities such as certificates of deposit and commercial paper.

with greater financial liquidity and depth. As shown in Figure 5.1, the average volume of broad money relative to the GDP of OIC countries has been recorded at 57.6 per cent in 2011, as compared to 105 per cent in other developing countries and 129.8 in developed countries. This situation clearly indicates that the financial sector in the member countries is lagging behind their counterparts in other developing as well as developed countries in terms of the provision of sufficient liquidity and better investment opportunities to the economy at a lower cost.

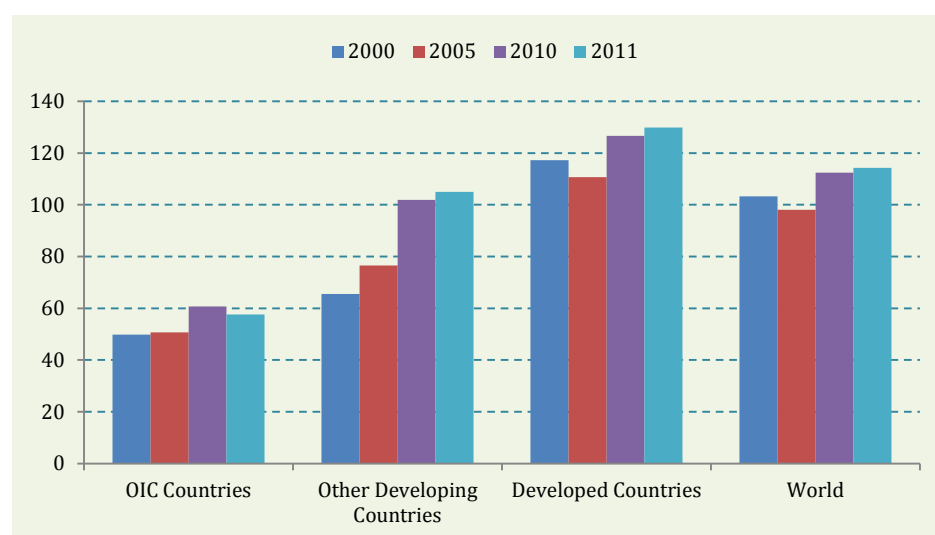


Figure 5.2: Ratio of Broad Money to GDP

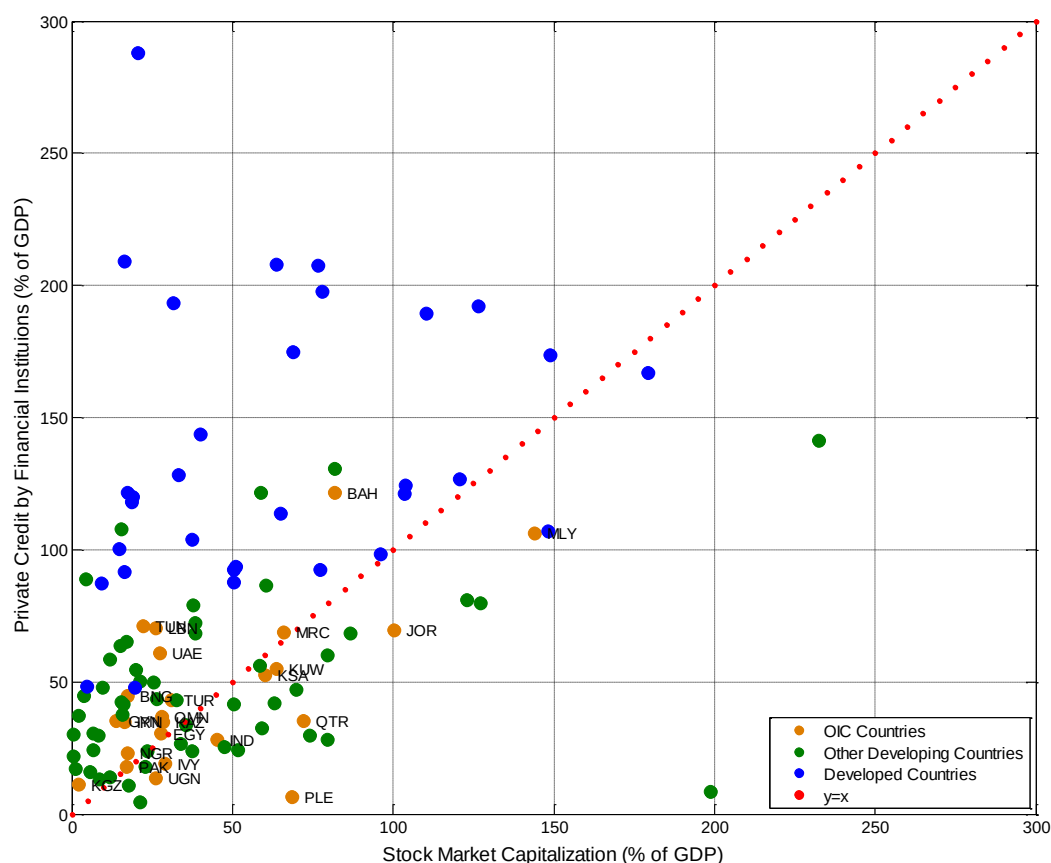
There is a strong need for the further deepening of the financial sector in OIC countries.

Source: IMF International Financial Statistics (IFS) Database, World Bank WDI Database.

Taking into account the widely accepted view that the financial deepening confers important stability benefits to the economy, albeit with caveats, OIC countries are apparently deprived of these stability benefits. For instance, according to a recent report by the IMF, through an increase in financial transaction volumes, financial deepening can enhance the capacity of the financial system of a country to intermediate capital flows without large swings in asset prices and exchange rates (IMF, 2011). It can also lower the reliance on foreign savings and attenuate balance sheet mismatches by increasing the scope to raise funds in domestic currencies and at longer maturities (World Bank, 2011). Deeper financial markets can provide alternative sources of funding during times of international stress, limiting adverse spill-overs, as evidenced in the recent global financial crisis. Yet, deeper financial markets can also attract volatile capital inflows, complicating macroeconomic management of the country's economy. Moreover, financial deepening can occur too quickly, leading to credit booms and subsequent busts. At the systemic level, all these factors, if properly managed, can attenuate the need to accumulate foreign assets, and, at the global level, promote global adjustment (Maziad et al., 2011).

Figure 5.3: Financial Depth: Growing with Debt or Equity? (2011)

Developed country financial systems are more skewed towards debt



Source: World Bank Financial Development and Structure Dataset (April 2013), World Bank Global Financial Development Database (April 2013), and Bankscope

On the other hand, the issue of financial structure – the mixture of financial institutions and markets operating in an economy – has been an important topic in the policy debate. Financial structure is usually approximated by the relative size of bank credit and stock market capitalization. This gives another perspective on the development of the financial structure by looking at in which direction the financial system deepens more. Figure 5.2, in this regard, gives an overall picture of the relative importance of debt and equity in the deepening of financial markets in OIC countries as compared to other developing as well as developed countries. Few important results follow. Firstly, debt and equity in OIC countries, for which data is available as of 2011, exhibit a more balanced cross-country growth trajectory – as many OIC countries are located in the vicinity of the 45 degree line (red, dotted) which goes through the points at which the share of debt in GDP is equal to share of stock market capitalization in GDP. Other developing country economies are slightly more skewed towards debt as compared to OIC countries. Developed countries, on the other hand, exhibit the highest levels of credit-to-GDP ratios as almost all developed countries appear above the aforesaid line. A significant majority of developed countries have credit supply levels which are more than their GDPs. This is an indication of how developing countries, in particular the OIC countries, differ from developed countries in the relative importance of equity versus debt to these countries.

This result is not parallel to, if not contradicts, the results of Demirgüç-Kunt et al (2012) who've recently examined empirically the issue of financial structure and found that, as economies develop, use of services provided by securities markets increases relative to those provided by banks. Secondly, excluding a few member countries such as Malaysia, Bahrain and Jordan, financial markets in most of the OIC countries, both debt and equity, are apparently at their infancy – represented by their relatively small shares in the GDPs of these countries.

5.2 Financial Access

When viewed from the perspective of reducing risk and vulnerability for financially disadvantaged groups in the community, financial depth is closely linked to financial inclusion, or financial access – another indicator on financial sector development. Although financial deepening is expected to increase the ability of individuals and households to have access to basic financial services, financial systems can become deep without delivering access for all, as found in recent studies.¹²

Access to basic consumer financial services by individuals can be monitored mainly through two indicator groups: their use of financial services and the physical outreach of financial services to the clients. In this regard, using 2011 data, Figure 5.4 presents the shares of adult population holding an account in a financial institution and having performed a borrowing or saving activity during the past year. The figure reveals that, as of 2011, only 28 per cent of OIC population has an account in a financial institution whereas, respectively, only 11.3 and 8.4 per cent performed a saving and borrowing activity. This compares poorly to other developing and developed countries where on average 47 and 91.6 per cent of the adult population hold accounts. One notable observation is that what we call “savers surplus”, i.e. the difference in the percentages of the adult population with saving and borrowing activities, is increasing as we go from left to right in the graph, i.e. from OIC countries to developed countries.

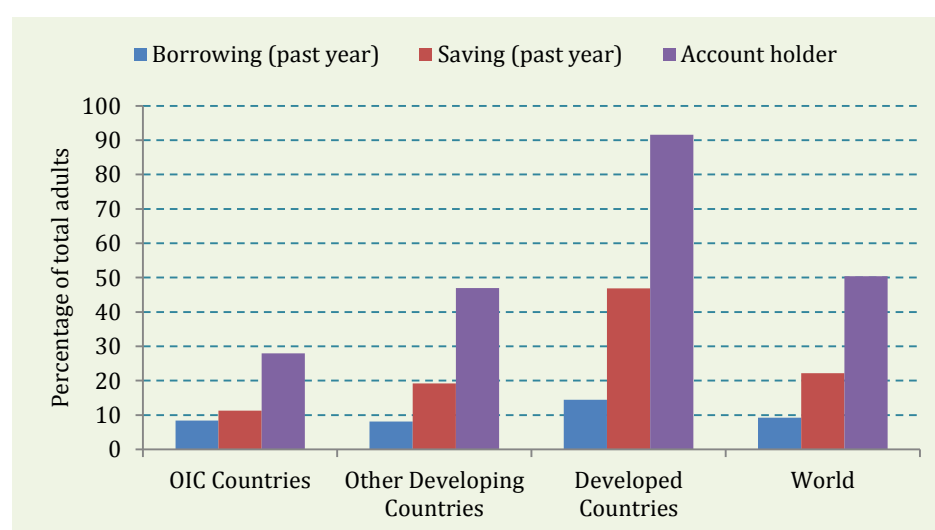


Figure 5.4:
Households with bank accounts

There is a strong need for the further deepening of the financial sector in OIC countries.

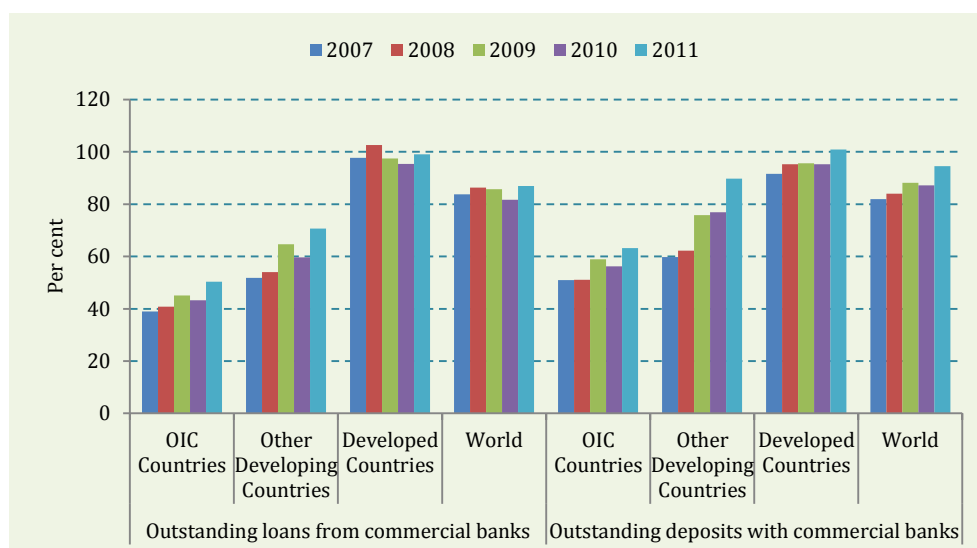
Source: IMF International Financial Statistics (IFS) Database, World Bank WDI Database.

¹² see, e.g., Demirguc-Kunt, 2012

Figure 5.5, on the other hand, depicts the relative sizes of commercial bank loans and deposits with respect to GDP in different country groups. In 2011, the sizes of the commercial bank loans and deposits in OIC countries corresponded on average to 50.4 and 63.2 per cent of the GDP, respectively. These figures compared poorly to other developing countries where the relative sizes of the commercial bank loans and deposits are 70.7 and 89.8 per cent, respectively. In developed countries, this ratio is as high as 99 per cent of the GDP for loans – despite the significant contraction in credit during the financial turmoil in 2008 – and 100.9 per cent for deposits.

Figure 5.5:
Outstanding loans
and deposits of
commercial banks
(% of GDP)

Source: IMF Financial Access Survey (FAS), World Bank WDI Database.



A critical barrier to having access to basic financial services in most developing regions, in general, and OIC countries, in particular, is the inadequacy of physical outreach. Due to high expense of establishing and operating bank branches and ATMs, investment costs are likely to be high compared with the scale of business. In Figure 5.6, the penetration of financial services among the population is shown in terms of the number of commercial bank branches and automated teller machines (ATMs) per 100,000 adults. OIC countries are characterized by, on average, very low levels of branch and ATM *population* densities. In 2011, the member countries had on average 10.4 commercial bank branches per 100,000 adults, as compared to 15.2 in other developing countries and 35.8 in developed countries (left panel). Although the OIC member countries are fairly comparable in terms of their branch population density to other developing countries, as far as the ATM population density is considered, this argument no more holds. Despite the progress made over the 5-year period under consideration, the average number of ATMs servicing per 100,000 adults in the OIC countries increased only up to 17.2 in 2011 and still lag behind other developing countries (35.8 ATMs) as well as developed countries (142.9 ATMs).

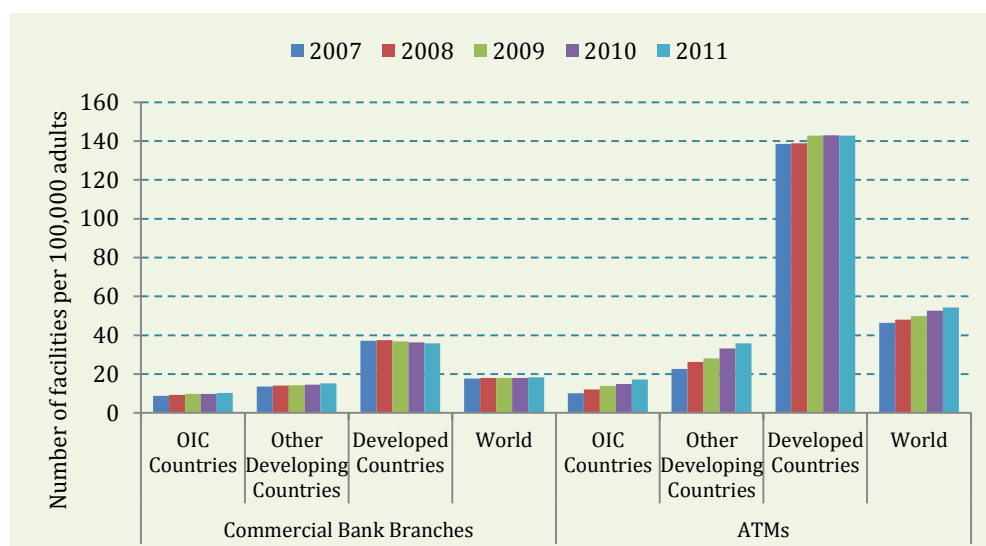


Figure 5.6:
Penetration of
Financial Services
among Population
through Branches
and ATMs

Source: IMF IFS Database, World Bank WDI Database.

5.3 Financial Stability and Efficiency

The degrees of financial stability and efficiency are important features of the financial sector development. They are closely interlinked with the broader process of financial development. On the other hand, to perform its functions well, a financial sector should be efficient and able to perform its intermediating functions in the least costly way possible. If intermediation is costly, the higher costs may get passed on to households, firms, and governments. This subsection conducts an analysis of the financial sector stability and efficiency through some key variables including bank concentration, bank z-score (defined as the sum of capital to assets and return on assets, divided by the standard deviation of return on assets), lending-deposits spread, and return on assets.

5.3.1 Concentration

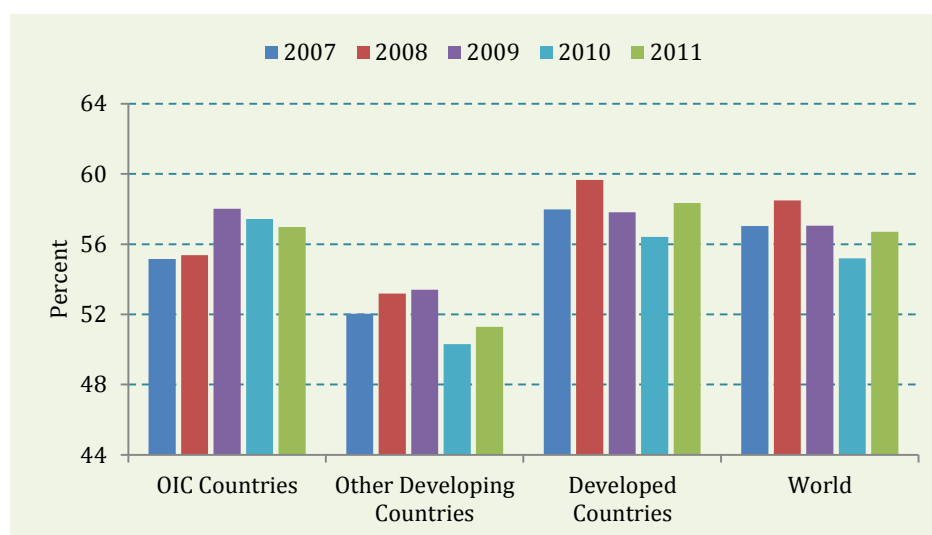
Bank concentration of a country's financial system represents the assets of three largest commercial banks as a share of total commercial banking assets in that country. There are diverse views in the literature as to whether concentration is a source of financial soundness or fragility. Proponents of the concentration mainly hold three arguments. First, large banks can better diversify and, thus, make the financial system in which they are operating less fragile than those with many small banks. Second, concentrated banking systems may bring economies of scale, enhance profits and, thus, lower bank fragility – providing a “buffer” against adverse shocks. Third, as far as the monitoring capacity is concerned, few large banks are much easier to monitor than many small banks, so that corporate control of banks will be more effective and the risks of contagion less pronounced in a concentrated banking system. An opposing view holds that a higher concentration in the financial structure corresponds to a higher level of fragility. According to this view, first, large banks frequently receive subsidies through implicit “too big to fail” policies – which intensify their incentives for risk-taking and, therefore, increase the fragility of the financial system. Second, as the banking system becomes more concentrated and the share of few banks increases, so does their complexity and opaqueness. This makes them more difficult to monitor, contrary to the earlier view, and

increases the system's fragility. Third, few large banks with greater market power tend to charge higher interest rates to firms and, thus, induce firms to assume greater risk Beck et al (2003). Also they can act like a monopoly.

In the light of this background information, Figure 5.7 depicts the average level of bank concentration in OIC member countries, in comparison to other country groups. It is observed from the figure that, as of 2011, more than half of the banking assets in OIC countries are concentrated in the largest three banks. In 2009, just after the breakout of the global financial crisis, the concentration level increased substantially in the member countries and it started to decline gradually. The level of bank concentration in OIC member countries, given its current state, is higher than other developing countries average and close to that of developed countries. Given the developing countries were relatively unaffected from the global financial crisis, the mixed picture of bank concentration in developing countries (i.e. OIC countries as compared to other developing countries) makes it difficult to conclude a certain causality relationship between the level of bank concentration and that of financial fragility. However, the example of developed countries during the last global financial crisis provides strong evidence that if bank assets concentrate in a few banks, these banks can become much more complex in their operations, reach a point that they acquire systemic importance for the system as a whole and exacerbate the impact of crises.

Figure 5.7: Bank Concentration (%)

Source: World Bank Financial Development and Structure Dataset (April 2013), World Bank Global Financial Development Database (April 2013), and Bankscope



5.3.2 Insolvency

The latest global financial crisis has led to significant losses of financial institutions. However, the impact level was not uniform across institutions as well as country groups. This was mainly due to their different levels of appetite for risk-taking. On the other hand, it is widely accepted in the literature that the more a bank has appetite for risk-taking, the more leveraged it is and the closer to the insolvency threshold. Once a bank is insolvent it defaults. The bank z-score, in this regard, is a commonly used measure of the probability of insolvency¹³. It has been used frequently in the recent studies to analyse

¹³ Bank z-score is defined as the number of standard deviations that a bank's return on asset has to fall for the bank to become insolvent.

the determinants of bank risk-taking in the pre-crisis period. The z-score is the inverse of the probability of insolvency, that is, a higher z-score indicates that a bank incurs fewer risks and is more stable (see Box 5.1). When the z-score is averaged over a country's financial institutions, it can be used as an indicator of the extent to which the default of a country's financial system as a whole is likely. Figure 5.8, in this regard, compares the z-scores for different country groups – weighted by the size of banking assets in each country. It is observed that the impacts of global financial crisis on the stability of financial systems in different country groups were diverse. While it had serious negative impacts on the stability of developed country financial systems – as indicated by a falling z-score in 2008 – the financial stability impacts on OIC countries were limited. In the case of other developing countries, however, even an improvement in financial stability is observed. However, significant improvements in the post-crisis period 2009-2010 seem to be offset by a reversal in the bank z-scores across all country groups – with OIC countries being no exception.

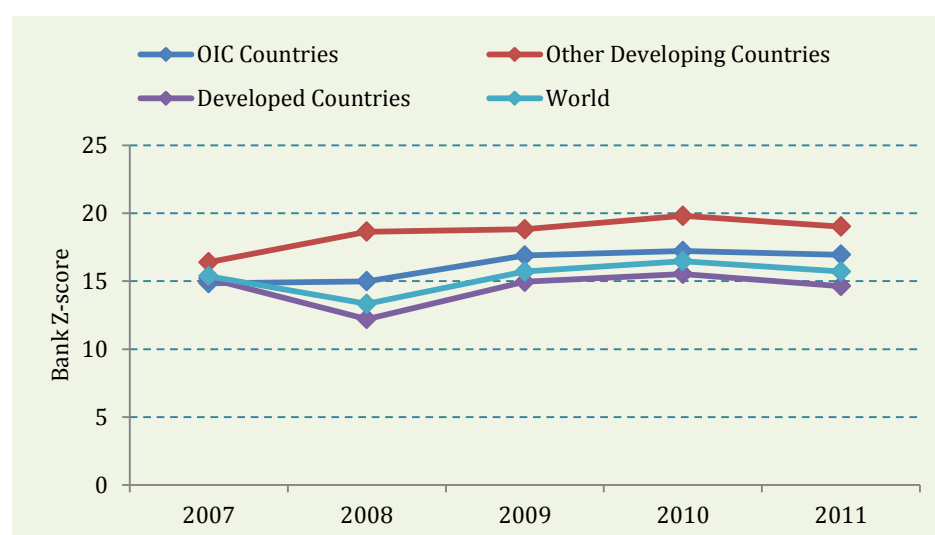


Figure 5.8: Bank Z-score (Likelihood of Insolvency)

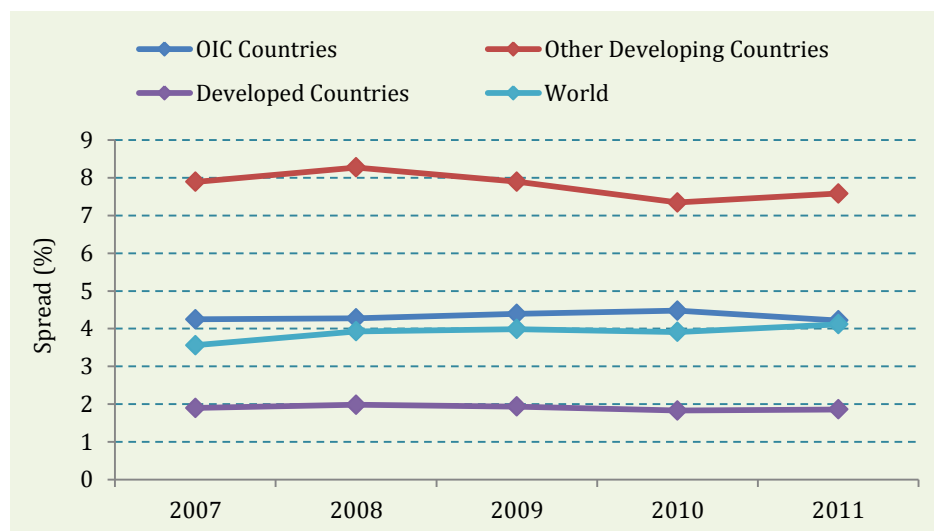
Source: World Bank Financial Development and Structure Dataset (April 2013), World Bank Global Financial Development Database (April 2013), and Bankscope

5.3.3 Spreads

Interest rate spread refers to the lending-deposit spread, i.e. the difference between the lending rate, the rate charged by banks on loans to the private sector, and the deposit interest rate, the rate offered by commercial banks on three-month deposits. Although the terms and conditions attached to these rates differ by country, limiting their comparability, the spreads are frequently used as rough measures of the level of efficiency in the banking sector in different country groups. It is widely argued in the literature that the high lending-deposit spreads are driven by high profit margins, which are, in turn, driven by lack of competition in the financial sector (see, e.g., Demirgüç-Kunt and Huizinga (1999) or Beck and Fuchs (2004)). Against this backdrop, Figure 5.9 shows the average interest rate spreads in OIC countries during the period 2007-2011 in comparison to other country groups. The average spread is calculated through weighting country spreads by the average of the credit and deposit volume, expressed in US\$, in the corresponding country. The calculations point to significantly higher margins between the lending and deposit rates in OIC countries as compared to those in developed countries but lower than those in other developing countries.

Figure 5.9:
Interest rate
spreads (%)

Source: World Bank Financial Development and Structure Dataset (April 2013), World Bank Global Financial Development Database (April 2013), and Bankscope.



5.3.4 Return on Assets

The link between the efficiency of a financial system and its profitability is a complex one. While financial institutions may generate higher returns on their assets just because they're efficient in utilizing their assets, they may also do so because of operational inefficiency and the need for setting higher lending margins in order to be able to cover the potential losses which the institution might incur due to its inefficient operations. Other factors which make this relationship hard to read include monetary policies and general macroeconomic conditions. An inefficient financial system can post relatively high profitability if it operates in an economic upswing whereas an otherwise efficient system hit by an adverse shock may generate losses. In the view of the above, Figure 5.10 offers a look at the returns on commercial bank assets in OIC countries as compared to other developing as well as developed countries. Commercial banking in OIC countries, particularly after 2000, has been a profitable business, generating considerably higher returns on assets in comparison to other country groups. On the other hand, the generally tighter profit margins on advanced country financial systems are particularly due to the fact that these systems benefit from economies of scale – obtaining higher amounts of liquidity at lower costs and, therefore, lending at lower margins. With the global financial crisis which broke out in 2008, however, the commercial bank profits shrunk significantly across the board. It is noteworthy to observe that the OIC countries were largely exposed to the second round effects of the financial crisis – as indicated by plummeting returns in 2009 – rather than the first round effects as in the case of other developing as well as developed countries. In the post-crisis period starting from 2010, however, the OIC member countries have quickly returned to a state of higher commercial banking returns despite another sizeable downturn in 2011.

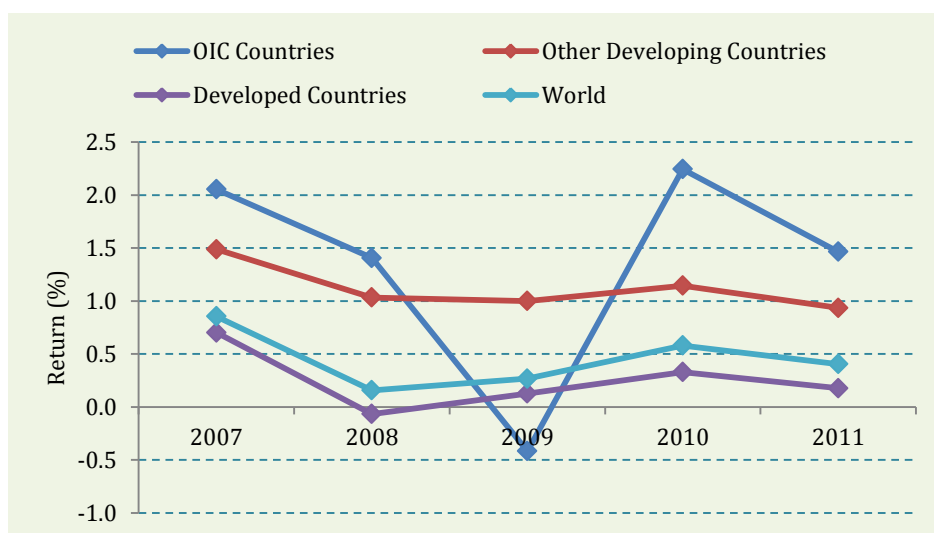


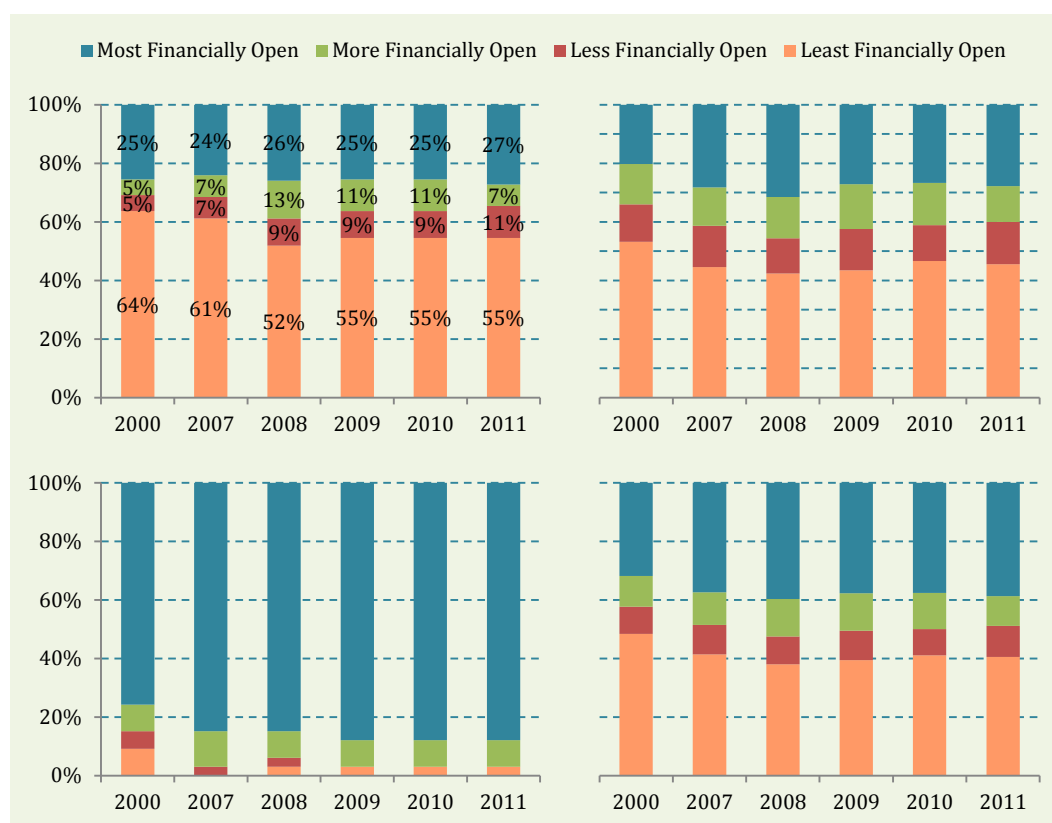
Figure 5.10:
Return on Assets
(%)

Source: World Bank Financial Development and Structure Dataset (April 2013), World Bank Global Financial Development Database (April 2013), and Bankscope

5.4 Financial Openness

The financial openness aspect of financial sector development assesses the appropriateness of exchange regimes implemented by countries and examines whether there are significant restrictions on the trading of financial assets or currency by foreigners and residents. Restrictions on current account transactions could significantly hinder trade of goods and services. In the same vein, multiple exchange practices and

Figure 5.11: Distribution of Countries according to their Chinn-Ito Financial Openness Index Values, 2000-2011



Source: Chinn and Ito (2013). Data extracted from authors' website at: http://web.pdx.edu/~ito/Chinn-Ito_website.htm

misaligned exchange rates could hinder trade and resource allocation. Restrictions on capital account transactions, however, might be needed unless appropriate institutional arrangements, including prudential regulations and supervision, are in place. As is being debated in the context of currency and financial crises and liberalization, an open capital account without appropriate oversight and information disclosure could increase the risk of financial collapse. With appropriate institutions, however, a financially open economy can benefit from the worldwide pool of funds to finance promising domestic investment projects as well as the allocation of local savings to promising investment alternatives globally (Creane, Goyal, Mobarak and Sab, 2004).

The Chinn-Ito Index is an index measuring a country's degree of capital account openness (Chinn and Ito, 2008). The Index is based on variables that codify the tabulation of restrictions on cross-border financial transactions reported in the IMF's Annual Report on Exchange Arrangements and Exchange Restrictions. Index values range on a scale between -1.86 and 2.46, indicating the "least financially open" and "most financially open", respectively. Figure 5.7 shows the distribution of countries in each country group according to their index scores. According to the Figure, in 2011, 55 per cent of the OIC member countries were ranked in the low financial openness cluster, marked with the lowest quartile of index scores. This share was even higher in 2000, representing 64 per cent of the member countries. In this regard, the member countries poorly compared to other developing as well as developed countries, respectively, 46 per cent and only 3 per cent of which fall under this category in 2011. On the other hand, while as much as 39 per cent of the developed countries scored Chinn-Ito Index values which fall into the highest quartile in 2011, which indicates the highest level of financial openness, 27 per cent of the OIC countries were classified as such. All in all, these figures suggest that OIC countries are more conservative in managing their capital accounts and impose relatively more intensive restrictions on the flow of capital through their financial systems.

PART III

SPECIAL REPORTS



- Private Participation in
Infrastructure in OIC Countries

section 6

Private Participation in Infrastructure in OIC Countries

A well-functioning and efficient infrastructure is highly instrumental for economic and social development. It increases living standards, attracts more businesses, and supports the production process of agricultural and manufactured goods by reducing costs. It also helps economic integration and facilitates trade as it eases the access to goods and services. Better transport and communication links make it easier for many countries to access international markets, which is of significant importance particularly for landlocked countries. Infrastructure projects also have a stimulus effect in the economy and they are very likely to increase employment, not just for short term construction purposes but also for the longer term, as infrastructure facilities are believed to draw more companies in their areas. Following a demand-side approach, it can also be said that infrastructure projects create a demand for skilled labour and intermediary materials to be used as inputs. Responding to this demand, initiatives such as labour training or local production of intermediary materials can be undertaken, which will further benefit the economy in the long term.

Bearing the above mentioned advantages in mind, today's developed nations had been investing in infrastructure for many years. However, lack of infrastructure still remains a major challenge in developing and least developed countries. Some of the biggest challenges to investment in infrastructure in these countries include lack of government resources, inefficiency of state owned enterprises, unskilled labour and low levels of technology. To remedy this problem, private companies are increasingly given

infrastructure projects by different contract types, varying according to the necessities of the particular project and country.

Using the World Bank Private Participation in Infrastructure (PPI) Database, this report analyses the tendency of private participation in infrastructure in 49 OIC member countries¹⁴ between 1990 and 2011 and compares the position of OIC countries with non-OIC developing countries to make assessments on the number of projects, total investments and deal types. However, the average performance of non-OIC developing countries are highly influenced by four leading emerging economies, namely Brazil, Russia, India, and China (BRIC countries). High infrastructure investment in these countries induces marked differences in the amount of private participation in infrastructure and number of projects. For that reason, the average performance of OIC countries is compared with non-OIC developing countries as well as non-OIC developing countries excluding BRIC (henceforth non-OIC/non-BRIC).

According to the database, there are four major areas for infrastructure investment, which are also accordingly considered in this report. These are energy, transport, telecom and water and sewage. These infrastructure investments are also classified under four contract types, including management and lease contracts, concessions, Greenfield projects, and divestitures. Management and lease contracts leave the operation and management of a state owned facility to a private entity while the state still remains the decision maker. Concessions also leave the management to a private entity; however the private entity bears an important part of investment risk. Greenfield projects take place when a private entity or a public-private joint venture builds a new project and then operates it for a fixed period. Divestitures on the other hand are privatization projects, they occur when private companies buy shares of a state owned enterprise (see World Bank 2013a for detailed definitions).¹⁵

6.1 Private Participation in Energy Infrastructure

Energy infrastructure covers natural gas and electricity generation, transmission and distribution (World Bank 2013a). Between 1990 and 2011, 379 private participation in energy infrastructure projects reached contractual or financial closing in 49 OIC countries, comprising of investment commitments of \$112.3 billion.

Total private investment in the OIC countries increased more than three-fold in 1993 with the impact of the increase of private activities in Morocco, Malaysia and Algeria, which involved investment commitment of \$5.9 billion, 90 per cent of total private investment in OIC countries (Figure 6.1a). After this rising tendency between 1994 and 1997, however, the implemented number of projects fell by 50 per cent in 1998 explained by large decline in investments of major OIC countries. With the global trend of credit expansion between 2003 and 2007, large energy projects began to be implemented in OIC member

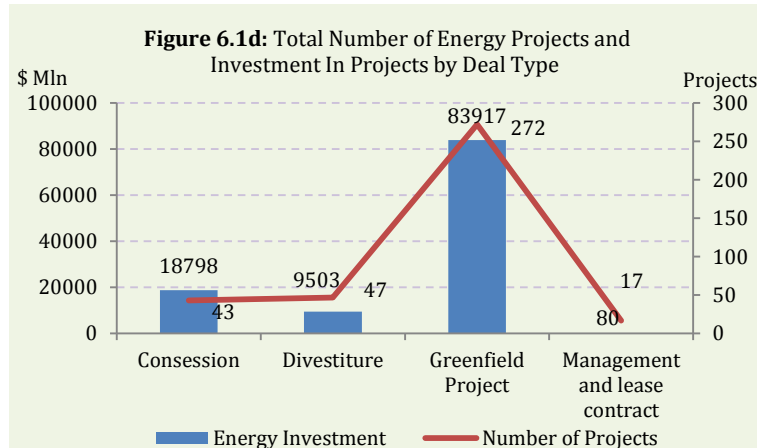
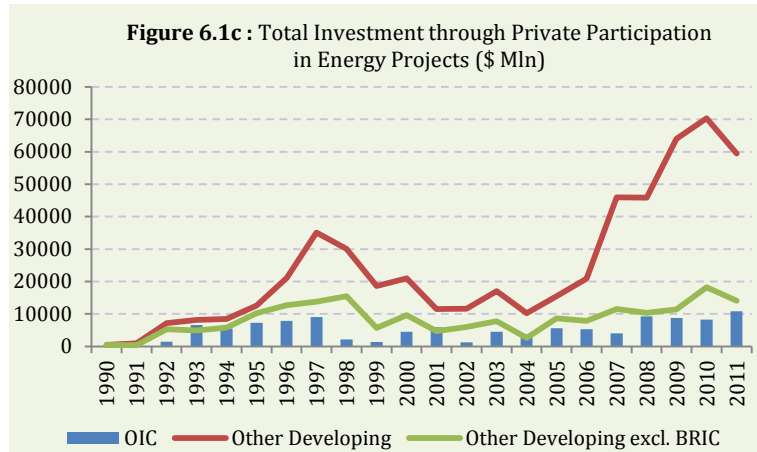
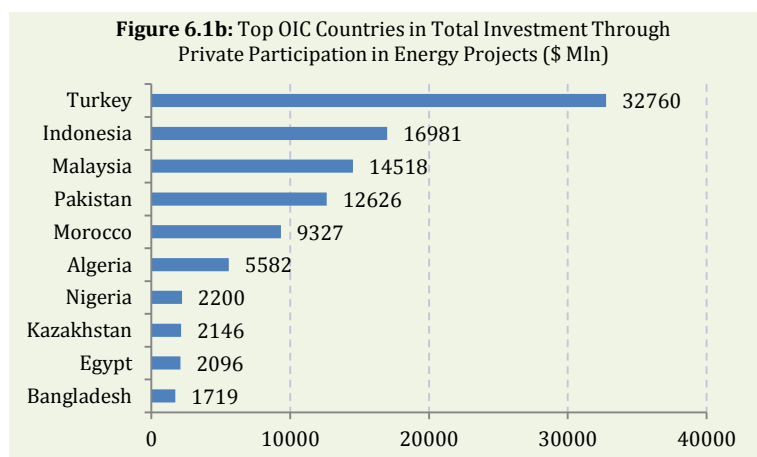
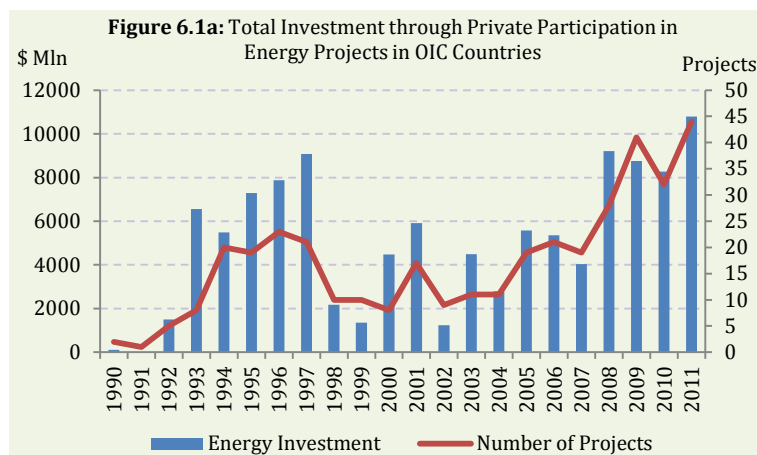
¹⁴ The data are not available for Bahrain, Brunei, Kuwait, Libya, Oman, Qatar, Saudi Arabia, United Arab Emirates. The database also does not cover developed countries.

¹⁵ A statistical annex is available online at <http://www.sesric.org/files/article/464.pdf>. It includes the dataset covering the amount of total investment and number of projects by deal types between 1990 and 2011 through private participation in energy, telecom, transport and water and sewage infrastructure in developing OIC member countries.

countries again. This positive trend ended when private investment in 2008 had a slowdown after the global financial crisis. With the moderate recovery stimulus in world economy, it then reached to its historically highest level of \$10.8 billion in 2011.

Energy investment in OIC countries between 1990 and 2011 was concentrated in five countries that made up 77 per cent of total private participation in energy infrastructure on their own. Turkey had by far the most active private sector with 94 projects worth \$32.8 billion in total, which constituted 29 per cent of total investment in OIC countries (Figure 6.1b). Turkey was followed by Indonesia, Malaysia, Pakistan and Morocco, which represented the remaining 48 per cent of total investment with 125 projects. Twelve countries located in Central Asia and Sub-Saharan Africa reported no energy infrastructure projects at all.

Between 1990 and 1996, OIC, non-OIC and non-OIC/non-BRIC countries have indicated similar progress of development in private energy infrastructure investment. However, with enormous growth in private activity in BRIC countries in 1997 and 1998, total non-OIC investment has sharply increased. India, Russia, China, and Brazil spent \$36 billion in 1997 and 1998 for investment in total, which was \$6.8 billion more than the total investment of other non-OIC countries (Figure 6.1c). However, following the drastic fall in investments in BRIC countries after 2000 and comparatively low private activity level in the rest of non-OIC countries, the total infrastructure investment through private participation has declined from \$35.1 billion in 1997 to \$10.3 million in 2004 in non-OIC developing countries.



With \$240 billion total private investment in BRIC countries in seven years during 2005-2011, total investment in non-OIC countries saw a huge rise and reached a total of \$322 billion during this period, while OIC countries witnessed \$52 billion investment in energy sector during the same period. Although OIC member countries had been able to show similar trends with non-OIC/non-BRIC countries, the total investment gap between OIC and non-OIC countries grew massively especially after the growth of private activities started to take off in BRIC countries after 2004. At a time when other countries experienced a fall in total investments, total investment in OIC countries exceeded for the first time the \$10 billion threshold and reached \$10.8 billion in 2011.

Private investments in energy projects in OIC countries were concentrated mostly on Greenfield projects which accounted for 75 per cent of investment worth \$83.9 billion (Figure 6.1d). Concessions were the second most widespread type of private participation, accounting for \$18.8 billion of investment, 16.7 per cent of the total OIC investment between 1990 and 2011. Although by number of projects, divestitures were slightly above concessions (four more projects) their contribution has reached only \$9.5 billion, explaining 8.5 per cent of total investment in OIC countries.

6.2 Private Participation in Transport Infrastructure

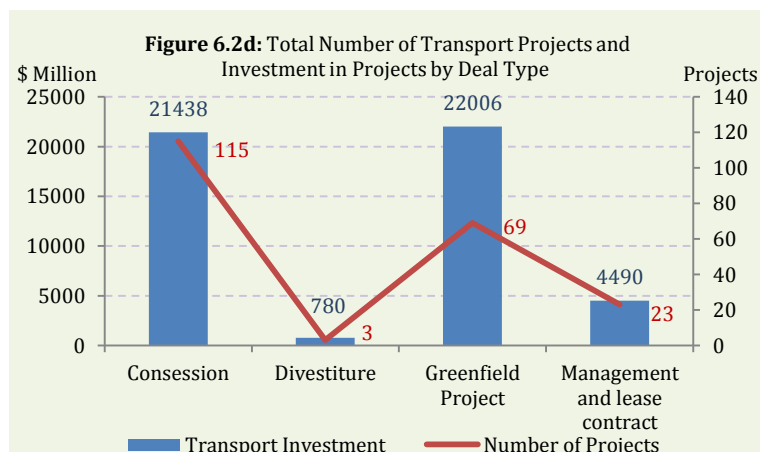
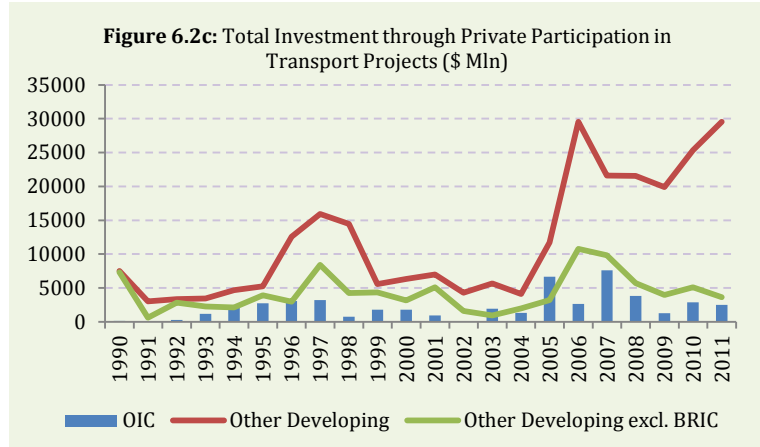
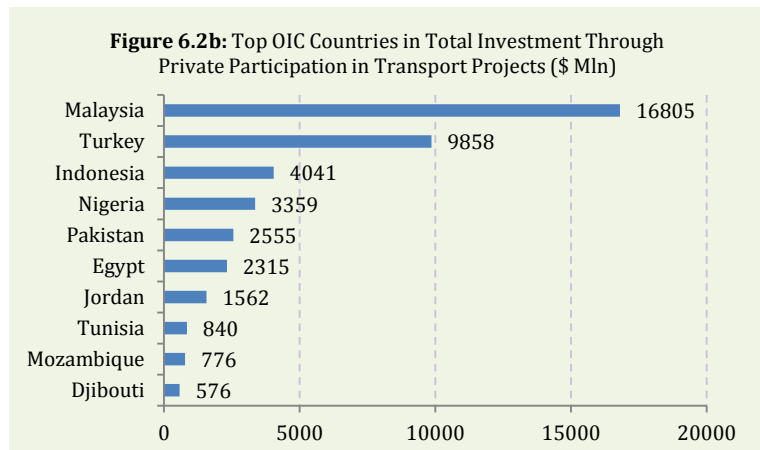
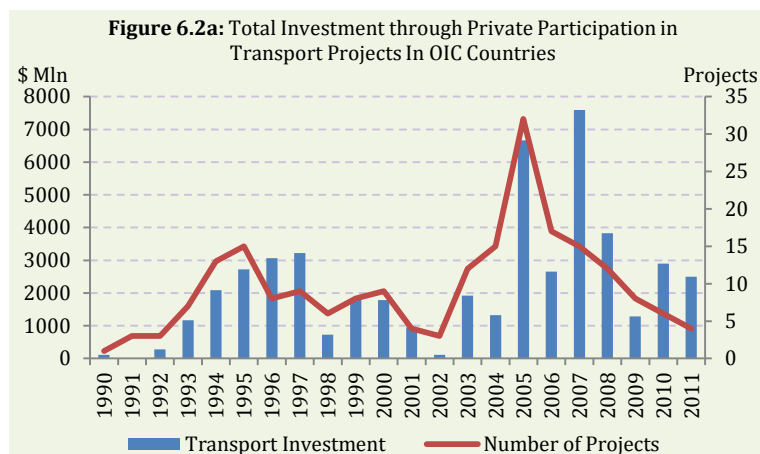
Transport infrastructure consists of airport runways and terminals, railways, toll roads, bridges, highways, tunnels, port infrastructure, terminals, superstructures, and channels (World Bank 2013a). It plays a significant role in economic development through improving the freight industry and transfer of agricultural, manufacture products, raw and intermediary materials. During the period of 1990-2011, 210 private transport infrastructure projects took place in OIC countries, involving investment commitments of \$48.7 billion.

There has been a progressive growth in private investment until 1997 owing to high private participation in Malaysia, which accounted for 80 per cent of total OIC investment during 1993-1997 with approximately \$9.8 billion total investment (Figure 6.2a). With the slowdown of private activities in major OIC countries, especially in Malaysia and Turkey, total annual investments remained below \$2 billion during 1998-2004 and annual private investment fell even below \$110 million in 2002. However, with the stimulus impact of Turkey, Nigeria, Malaysia and Indonesia during 2005 and 2007 with totally \$11.4 billion in private transport investment explaining 67 per cent of total OIC investment, total private activity in OIC member countries increased to \$6.7 and \$7.6 billion in 2005 and 2007, respectively. The number of projects and the volume of investments fell after 2007, pointing out the adverse effects of the financial crisis. In 2009, total annual investment in OIC countries declined to \$1.3 billion, but increased again to \$2.5 billion in 2011.

From 1990 to 2011, private participation in transport infrastructure in OIC countries was concentrated mainly in two countries, Malaysia and Turkey, accounting for 55 per cent of total private transport infrastructure investment with 65 projects (Figure 6.2b). Malaysia had the largest amount of private investment in transport infrastructure by implementing 35 per cent of total OIC projects, \$16.8 billion in value. Private transport

infrastructure investment in Turkey represented 20.2 per cent of total investment in 49 OIC countries and it was worth \$9.8 billion. Despite major private participation in major OIC countries, 15 countries located in central Asia and sub-Saharan Africa have reported no transport infrastructure project between 1990 and 2011.

While private investment in transport in OIC countries followed an upward trend during 1990-1997, non-OIC developing and non-OIC/non-BRIC developing countries have displayed investment growth in transport infrastructure at a rather slow rate between 1990 and 1995 (Figure 6.2c). In 1996, although non-OIC/non-BRIC countries had total investment commitments of \$3 billion, only Brazil and China had \$4.4 and \$5.1 billion private investments in transport infrastructure projects, respectively, explaining the drastic rise in average investment in non-OIC countries (OIC and non-OIC/non-BRIC countries accounted for less than two-fifth of total investment in the same year). With the sharp fall of private activities in BRIC countries after 1998, average total transport infrastructure investment in other developing countries remained below \$5.5 billion until 2004. With the global credit expansion trend after 2005, BRIC countries as well as other developing countries excluding BRIC saw an ever higher growth in private activity. While total investment of non-OIC/non-BRIC developing countries peaked to \$10.8 billion in 2006, India and China alone had a total of \$18.4 billion for transport infrastructure investment in the same year. However, during the credit crunch between 2007 and 2009, private investment level experienced



rapid downturn in much of the world. In 2011, total private investment in other developing countries exceeded its previous peak of \$29.5 billion in 2006 and reached \$29.6 billion, its highest level throughout the period under consideration.

In terms of classification of investment in transport projects by deal types, investment in OIC countries were mostly concentrated on both concession and Greenfield contracts with similar levels. Greenfield and concession contracts in total made up 89 per cent of total OIC investment with 184 projects and a total investment commitment of \$43.4 billion (Figure 6.2d). Management and lease contracts made up 9 per cent of private activity with 23 projects while divestiture contracts had only 3 projects in very small amount of investment.

6.3 Private Participation in Telecom Infrastructure

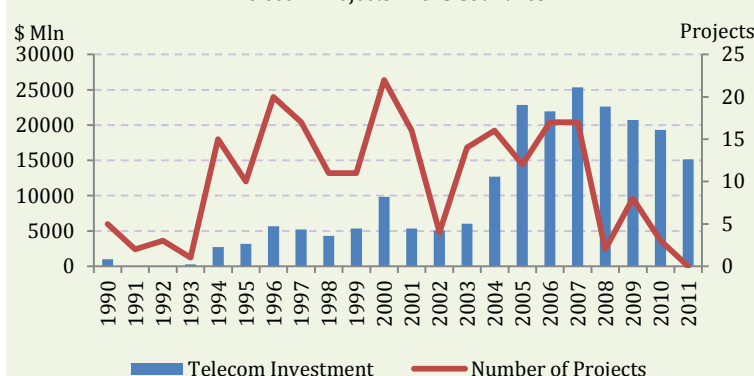
Telecom infrastructure involves fixed or mobile local telephony, domestic long distance telephony, and international long-distance telephony is quite significant bearing in mind the strong role IT technology and e-commerce has in business (World Bank 2013a). Between 1990 and 2011, telecom infrastructure projects with private activity reached contractual or financial closing in OIC member countries, covering investment commitments of \$214.6 billion through 226 projects.

Over the last two decades, private activity in telecom infrastructure has indicated substantial and sustained growth in OIC countries. Private investment gained momentum firstly in Indonesia, and then followed by Malaysia and Turkey during 1990's. Total investment in these three countries accounted for 67 per cent of total investment in OIC countries during 1990's. After 2003, total investments gained further momentum in OIC countries and reached \$22.8 billion in 2005 and \$25.3 billion in 2007. Total private investment in OIC countries in telecom infrastructure during 1992-2001 was worth \$42 billion (Figure 6.3a). This number reached \$172 billion during the period 2002-2011. During this period, Nigeria, Pakistan and Egypt also witnessed significant private investment in telecom sector.

Between 1990 and 2011, investment in telecom infrastructure in OIC countries was mostly located in five member counties accounting for 56 per cent of total telecom infrastructure investment (Figure 6.3b). Turkey was the leading country with \$33.6 billion, 16 per cent of total private investment in 49 OIC countries. It is followed by

Indonesia, Nigeria, Egypt and Pakistan, together represented 40 per cent of total OIC investment by implementing 47 projects. Nearly all OIC member countries had private participation in the telecom infrastructure sector since telecom infrastructure projects requires high levels of technology and skilled labour which can sometimes be hard to find in less competitive state owned enterprises.

Figure 6.3a: Total Investment through Private Participation in Telecom Projects In OIC Countries



When the performance of OIC countries is compared with other country groups, a similar trend can be observed. In terms of total investment in telecom projects, non-OIC/non-BRIC developing countries have indicated similar annual total investment levels with OIC member countries (Figure 6.3c). After 1996, with the acceleration of private activities in telecom infrastructure in BRIC countries, non-OIC total investment has more than doubled by increasing from \$15.3 billion in 1996 to \$42.9 billion in 1998. Moreover, with \$76 billion private activity observed in Brazil during 1996-2003, a single country has recorded 50 per cent more than the total investment of \$47 billion in OIC countries during the same period. After 2003, all country groups witnessed upward trends in total private investments with wide-ranging technological improvement in the telecom sector. It is, however, noteworthy to observe a somewhat higher rise in investment in OIC and non-OIC developing countries after 2003 compared to non-OIC/non-BRIC developing countries.

The private activity in telecom infrastructure in OIC countries was again concentrated on Greenfield projects, explaining 67 per cent of total OIC investment with 183 projects worth \$144.8 billion in total between 1990 and 2011 (Figure 6.3d). Divestiture contracts were the second most prevailing type of private participation accounting for 30 per cent of the total OIC with 32 implemented projects worth \$64.9 billion. Management & lease and concession contracts represented only 2 per cent of the investment in OIC countries.

6.4 Private Participation in Water and Sewage Infrastructure

Making possible drinkable water generation, distribution, sewage collection and treatment; water and sewage infrastructure is not only a substantial element in determining the achievement of agricultural and manufacturing activities but also essential to providing the decent life standards for human and economic development (World Bank 2013a). During the period 1990-2011, 70 private water and sewage

Figure 6.3b: Top OIC Countries in Total Investment through Private Participation in Telecom Projects (\$ Mln)

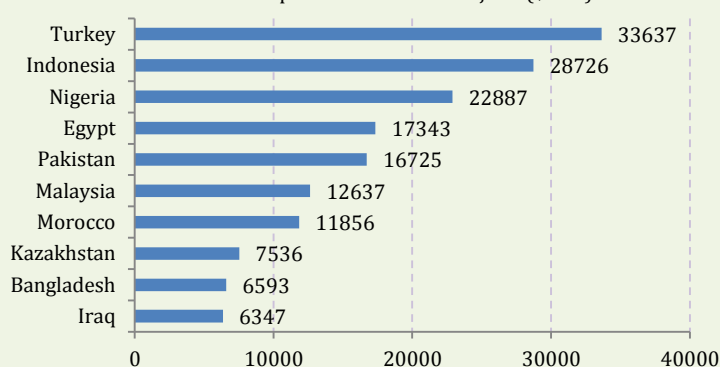


Figure 6.3c: Total Investment through Private Participation in Telecom Projects (\$ Mln)

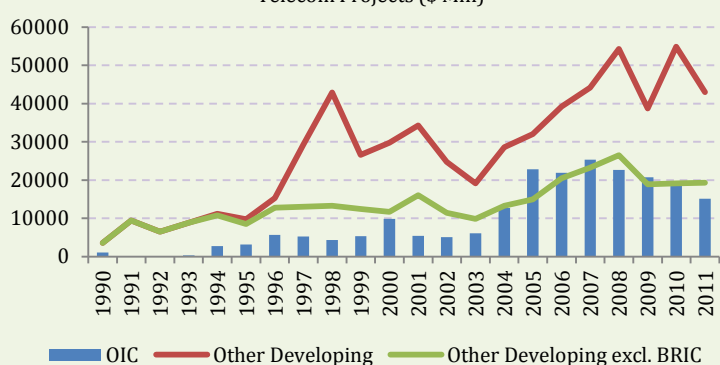
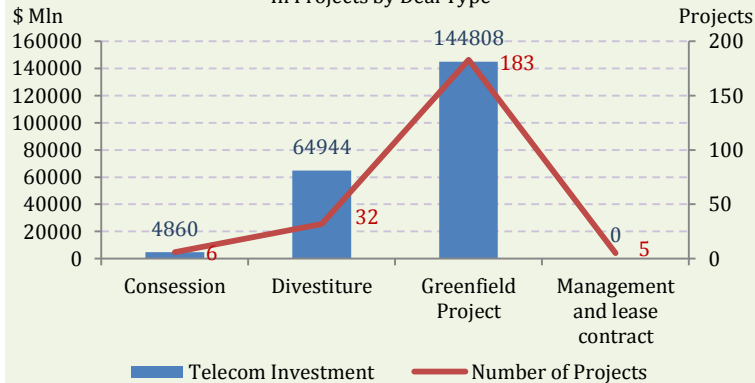


Figure 6.3d: Total Number of Telecom Projects and Investment In Projects by Deal Type

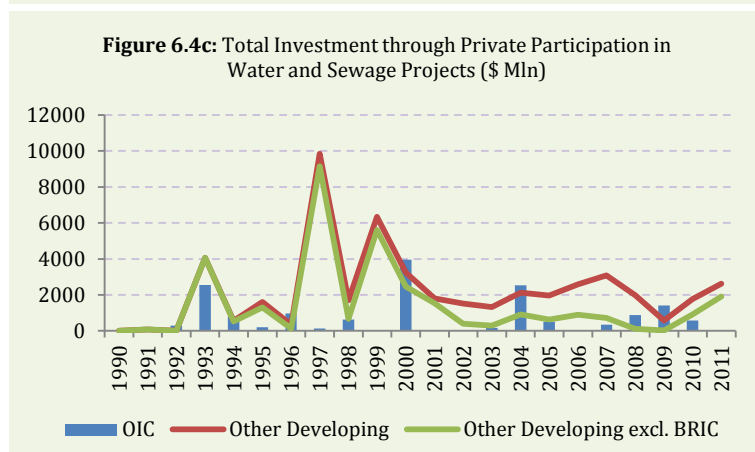
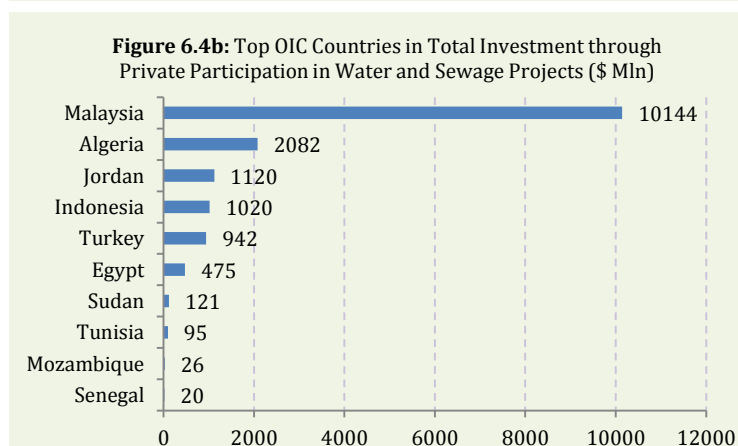
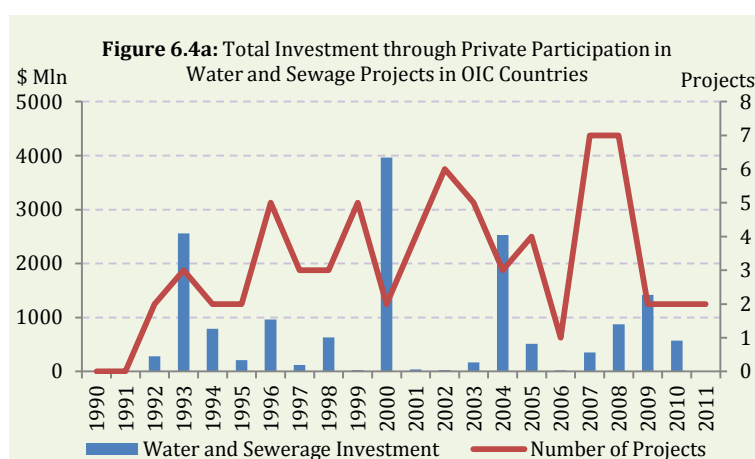


infrastructure projects reached contractual or financial closing in OIC countries, comprising investment commitments of \$16 billion since 1990.

From 1990 to 2011, water and sewage investment in OIC countries was highly volatile, mainly led by Malaysia, Indonesia, Algeria and Jordan. Private activities in Malaysia during 1993, 2000 and 2004 with totally \$9 billion investment explained 99 per cent of gigantic growth during these years (Figure 6.4a). Other growth episodes during 1996 and 2009 took place through private investments in Turkey, Algeria and Jordan with totally \$2.4 billion, which accounts for 99 per cent of total investment in OIC countries for which data are available.

Private participation in water and sewage infrastructure in OIC countries has been

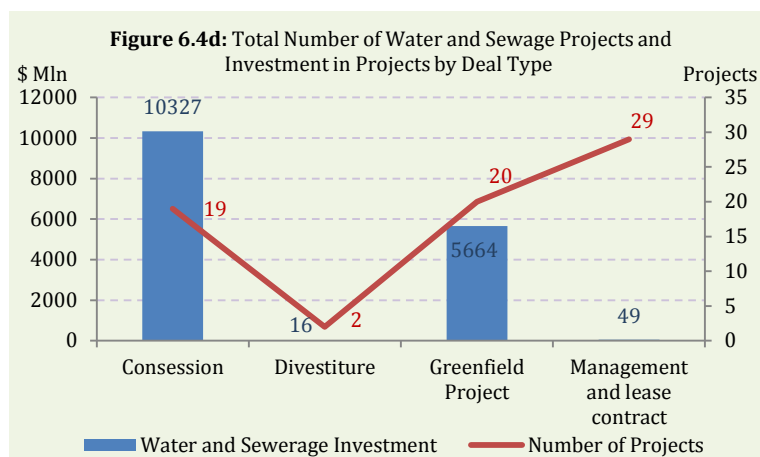
implemented mainly in Malaysia with 16 projects, explaining 63 per cent of total OIC investment. Algeria, Jordan, Indonesia and Turkey together accounted for 32 per cent of private activity in OIC countries with totally \$5.2 billion investment (Figure 6.4b). 31 of 49 OIC countries, on the other hand, had no water and sewage projects through private participation during 1990-2011.



Similar to the OIC countries, annual total private investment in the non-OIC as well as non-OIC non-BRIC developing countries was highly correlated with private activity in few countries between 1990 and 2011. Non-OIC and non-OIC/non-BRIC countries saw similar total private participation levels until 2001 because of low investment levels in BRIC countries. Non-OIC developing countries saw a high growth during 1993, 1997 and 1999 (Figure 6.4c). In 1993 and 1997, Philippines and Argentina accounted for 89 per cent of total non-OIC investment with investments worth \$12.4 billion. Moreover, \$4 billion private participation in Chile explained the 63 per cent of growth in annual average investment in the non-OIC developing countries in 1999. As private investment in BRIC countries

accelerated during 2006-2011, the private investment gap between non-OIC and non-OIC/non-BRIC countries enlarged. While \$8 billion was spent to finance water and sewage projects in BRIC countries, other non-OIC countries invested only \$4.6 billion between 2006 and 2011.

Classification of investments in terms of deal types reveal that investment in water and sewage projects in OIC countries was mostly dominated by concession contracts (19 projects) of \$10.3 billion in total value, 64 per cent of total investment in OIC countries (Figure 6.4d). The second most implemented type of projects was Greenfield projects worth \$5.7 billion in total. The remaining type of financial contracts had very low amounts of investment compared to the concession and Greenfield types of projects.



6.5 Concluding Remarks

As far as developing countries are concerned, poor state-enterprises face low technology levels, high costs of unskilled labour and lack of intermediary materials which makes them unable to implement enough infrastructure projects for long years. The larger portion of private investment in infrastructure has been observed especially in more industrial countries during the period 1990-2011. Relatively more industrialised OIC countries such as Turkey, Malaysia and Indonesia have had the biggest volumes of private infrastructure investment in general. This is due to the fact that these countries possess necessary resources to undertake private infrastructure investment such as higher human capital levels and more financial resources. They also have more incentive to invest in infrastructure as better infrastructure further supports the development of industry.

In 49 OIC countries, 885 privately funded infrastructure projects took place, worth \$391.7 billion between 1990 and 2011. Of these projects \$214.6 billion was utilized to finance telecom infrastructure projects, accounting for 55 per cent of total investment in OIC countries. The second biggest investment was made in energy infrastructure involving \$112.3 billion private investment with 379 projects. Transport and water infrastructure investment together made up a total of \$64.8 billion, pointing out the disproportionality of private infrastructure investment.

Among the 49 countries, Malaysia, Turkey and Indonesia have been the leading OIC countries through conducting 307 infrastructure projects, involving private investment of \$182 billion, 46 per cent of total OIC investment. Having higher income levels, human capital and better conditions for doing business have promoted private investments in infrastructure.

Many OIC countries, located mostly in sub-Saharan Africa and central Asia, on the other hand, lag behind their peers in terms of private investment in infrastructure. Out of 49

OIC member countries, 31 countries reported no private infrastructure projects at all for water and sewage, followed by 15 in transport, 12 in energy and 2 in telecom.

The greatest progress has been maintained through Greenfield projects by investment commitments of \$256.4 billion, accounting for 65 per cent of total OIC investments, meaning that most of the projects were newly initiated, having no prior infrastructure to build on. With the increasing of economic decentralization and privatisation policies, divestiture contracts were the second most widespread deal type in private participation involving investment of \$75.2 billion, 19 per cent of total investments in OIC countries.

Promoting water and energy infrastructure accelerates efficiency in agricultural and manufacture production, while improving telecom and transport infrastructure strengthens economic integration of poor and landlocked areas. Having a bigger industrial sector and higher income levels, on the other hand, promote the density of private infrastructure projects in emerging countries as they increase growth and develop operational performance.

Improving coordination among the government and private enterprises and institutions is the main principle for having higher returns from existing infrastructure and developing infrastructure in a country. Therefore, the followings are recommended to be completed by public institutions, state-owned and private enterprises in order to have efficient infrastructure with high revenues and to increase private participation in infrastructure:

- Efficient infrastructure investments should be prioritized for the high returns they bring. Therefore, applying low-cost technology in infrastructure projects and having reforms in institutions for improving operational performance in income distribution and collection of revenue are significant investment areas for increasing infrastructure efficiency.
- Greater maintenance expenditure will limit waste and inefficiency in infrastructure spending made for new infrastructure investments. Rehabilitation and preservation of infrastructure assets are more likely to bring higher returns than obtaining new technological instruments and intermediary materials.
- Having regulatory and administrative reforms to decrease freight tariffs and costs or promoting multimodal transportation networks can improve economic integration of an area and hence, bring higher returns through accessibility to trade channels, increasing the feasibility of infrastructure projects for private firms, which prioritize cost-benefit analysis instead of social benefit.
- Many developing OIC countries are too small to develop infrastructure on their own. Therefore, integrating energy, water and transport infrastructure with the assistance of more developed countries will be a more efficient option as it would reduce the cost of doing trade and enable people to have access to large markets.
- Institutional reforms through improving governance and accountability in state-owned and private enterprises can reduce inefficiency of operational performance in enterprises.



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Country Profiles

Technical Notes

The following Country Profiles prepared by SESRIC give a general economic overview for each of the OIC Member Countries. These profiles include information on the country's key economic ratios, annual growth rates, structure of economy, inflation, trade as well as general social overview. The Country Profiles contain the latest available data from SESRIC, UNSD, UNESCO, World Bank, and IMF. The Country Profiles are intended for general information and background briefing purposes only.

Structure

The profiles exhibit data in both tables and charts. The data in the tables are presented in two main parts.

The first part presents data related to population, income, and social development indicators. The concerned country's data are then compared with the averages of the developing countries and world. In order to enhance the comparability, economic indicators such as Gross National Income (GNI) per capita, using Purchasing Power Parity (PPP) method, have also been included in the first part. GNI comprises the total value of currently produced final goods and services by the domestic economy of a country during a particular year (it is the same as Gross National Product: GNP). The Purchasing Power Parity method incorporates the relative purchasing power of different countries' currencies over the same types of goods and services with differential rates of inflation. This allows more accurate comparisons of living across countries, because the cost of goods and services may be higher in one country than in another.

The second part presents the basic economic indicators including key economic indicators, inflation and trade for the years 2010, 2011 and 2012, and economic structure and indebtedness for the years 2009, 2010 and 2011. Although most of the data are available for the majority of countries, the missing/unavailable data are denoted by three dots [...]

For a quick review of the data presented in the tables, 5 different charts are also displayed next to the tables. These charts include diamonds for the development and economic ratios, and time series graphs of inflation, current account balance, and intra-OIC merchandise trade.

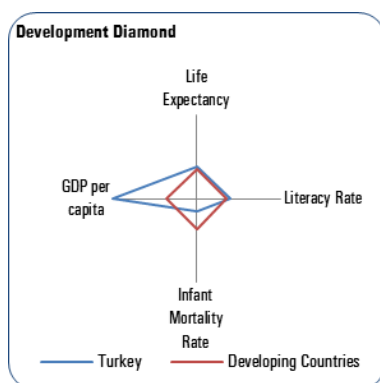


Chart 1: A diamond chart comparing a country's chosen aspects (blue) with the reference low income group (red).

exceeding the group average, while any point inside represents the country's position below the group average. For example, for the country presented in Chart 1, the country's average infant mortality rate is less than the average infant mortality rate of Developing Countries as the blue diamond is inside the red diamond for this variable.

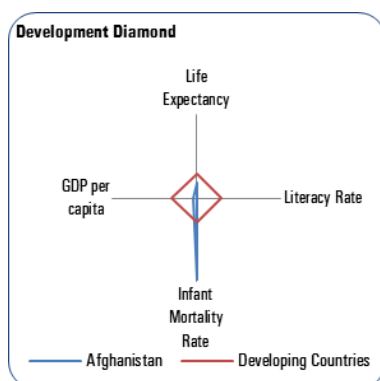


Chart 2: A partial diamond (blue) with its reference diamond (red) with intersection points on scale value of 1.

A diamond chart visually compares several quantitative or qualitative aspects of a situation as shown in Chart 1. A visual comparison between the situations may be made when charts are drawn for several situations using the same axes. However; in a diamond chart, axes must not be interpreted as Cartesian coordinates. Any variable in the diamond can be compared to a reference diamond. For example, the red diamond in Chart 1 is the reference diamond. Each of the four variables of the reference diamond has been normalized to 1. The country's relative position is reflected by the blue diamond. Any point outside the reference diamond indicates the country's position

The diamond is considered to be partial when data are missing as shown in Chart 2. In Chart 2; since Literacy Rate data is not available for the country, it is not possible to draw a square by combining the values of the four aspects so a triangle is formed with values of Life Expectancy, GDP per capita and Infant Mortality Rate.

The development diamond in the Country Profiles illustrates the four chosen socioeconomic indicators (life expectancy, GDP per capita, literacy rate and infant mortality rates) for a given country in comparison with the related averages for the income classification to

which the country belongs for the year 2011 or the latest year available.

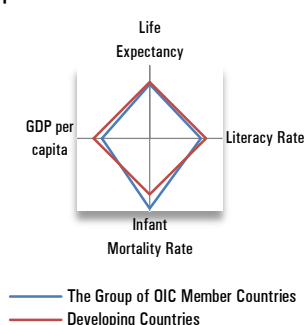
The second diamond plots for the economic ratios, expressed as ratios to GDP, illustrates the four economic indicators (trade, domestic savings, capital formation and indebtedness) for a given country in comparison with the average of the Developing Countries. The four variables in these diamonds have been calculated as follows: trade is obtained by dividing the sum of total exports and imports of goods and services by GDP, gross domestic savings and gross fixed capital formation are also expressed as ratios to GDP, and indebtedness is total external debt divided by GDP.

The last three charts show inflation, current account balance to GDP, and intra-OIC merchandise trade for the last five-year period of 2008 to 2012.

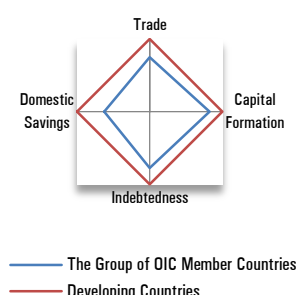
The Group of OIC Member Countries

	The Group of OIC Member Countries	Developing Countries	World
Population and Income			
Population Growth (%)	2012	1.91	1.29
Labour Force (% of total population)	2011	38.66	46.30
GDP per capita (PPP, cur. \$)	2012	5,978	7,020
GNI per capita (PPP, cur.int. \$)	2012	5,658	6,376
Social Development Indicators			
Urban Population (% of total population)	2012	47.72	46.40
Literacy (% of population age 15+)	2011	72.97	80.22
Infant Mortality (per 1000 live births)	2011	50.90	40.70
Life Expectancy at Birth (years)	2011	65.33	67.88
Basic Indicators			
Key Economic Indicators			
GDP (PPP, cur. \$ billion)	2010	2011	2012
GDP (annual % change)	8,353.75	8,811.83	9,364.94
GDP per capita (annual % change)	6.17	5.23	4.90
Current Account Balance (US\$ billions)	4.28	3.39	2.95
Current Account Balance / GDP	202.66	402.89	376.78
Foreign Direct Investment (US\$ millions)	3.91	6.78	5.91
Inflation (%)	2010	2011	2012
Consumer Prices	6.60	6.83	8.46
Implicit GDP Deflator	9.37	10.37	4.51
Trade (Million US\$)			
Merchandise Exports	2010	2011	2012
Merchandise Exports	1,673,899	2,159,053	2,231,546
Intra-OIC Merchandise Exports (% of Merchandise Exports)	15.81	15.04	15.90
Merchandise Imports	1,438,572	1,748,236	1,889,228
Intra-OIC Merchandise Imports (% of Merchandise Imports)	19.83	20.09	20.53
Structure of Economy (% of GDP)			
Agriculture	2009	2010	2011
Agriculture	11.19	11.05	10.72
Industry	27.12	29.07	31.03
Services	47.79	45.79	44.28
Household Final Consumption Expenditures	57.36	54.96	52.82
General Government Final Expenditure	14.06	13.29	12.92
Gross Capital Formation	25.17	25.66	25.53
Gross Domestic Savings	22.54	22.85	20.63
Exports of Goods and Services	33.41	32.52	28.65
Imports of Goods and Services	30.54	29.06	24.48
Indebtedness			
Total External Debt / GDP	2009	2010	2011
Total External Debt / GDP	23.08	21.09	19.10
Interest Payments on External Debt / GDP	0.78	0.63	0.67
Total Debt Service / Exports	0.54	8.18	7.49

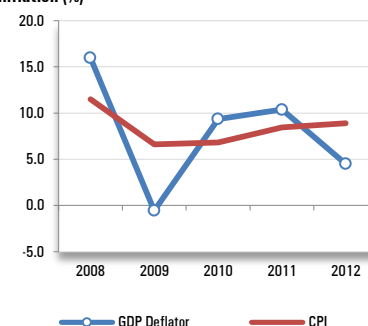
Development Diamond



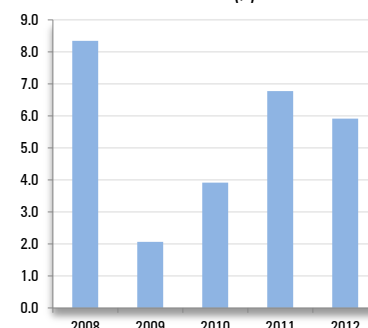
Economic Ratios (% of GDP)



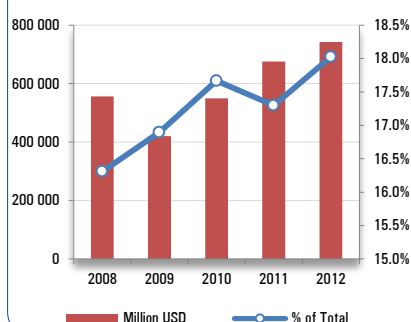
Inflation (%)



Current Account Balance to GDP (%)



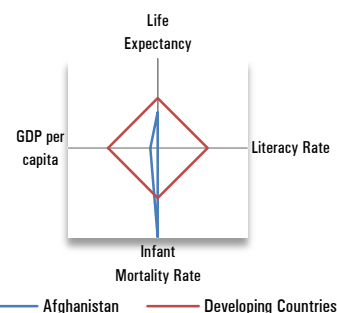
Intra-OIC Merchandise Trade



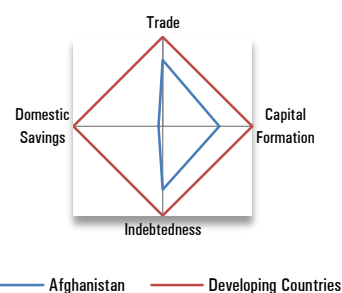
Afghanistan

		Afghanistan	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.44	1.29	1.15
Labour Force (% of total population)	2011	25.55	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,054	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2011	1,400	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	23.86	46.40	52.55
Literacy (% of population age 15+)	...	...	80.22	84.08
Infant Mortality (per 1000 live births)	2011	72.70	40.70	37.60
Life Expectancy at Birth (years)	2011	48.68	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	27.53	30.08	33.74
GDP (annual % change)		8.44	6.96	10.21
GDP per capita (annual % change)		5.17	3.85	7.00
Current Account Balance (US\$ billions)		0.45	0.40	0.80
Current Account Balance / GDP		2.84	2.20	4.02
Foreign Direct Investment (US\$ millions)		211	83	94
Inflation (%)				
Consumer Prices	2010	7.15	10.36	4.45
Implicit GDP Deflator		9.44	10.68	...
Trade (Million US\$)				
Merchandise Exports	2010	500	465	536
Intra-OIC Merchandise Exports (% of Merchandise Exports)		42.09	55.88	54.61
Merchandise Imports		8,421	10,398	9,457
Intra-OIC Merchandise Imports (% of Merchandise Imports)		37.64	32.64	41.04
Structure of Economy (% of GDP)				
Agriculture	2009	32.99	29.58	30.60
Industry		22.45	21.92	23.80
Services		44.56	48.50	45.60
Household Final Consumption Expenditures		98.52	97.37	97.65
General Government Final Expenditure		11.35	11.52	10.86
Gross Capital Formation		17.39	17.46	15.06
Gross Domestic Savings		-9.60	-17.05	-11.01
Exports of Goods and Services		14.71	10.02	8.84
Imports of Goods and Services		42.20	44.94	36.41
Indebtedness				
Total External Debt / GDP	2009	19.78	15.21	14.55
Interest Payments on External Debt / GDP		0.06	0.06	0.00
Total Debt Service / Exports		...	...	...

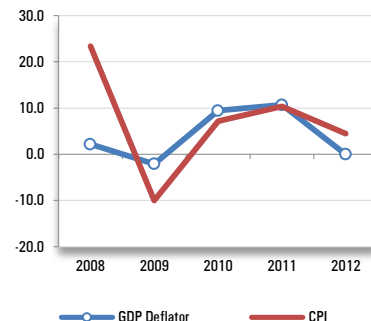
Development Diamond



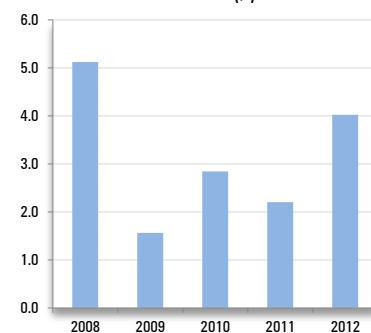
Economic Ratios (% of GDP)



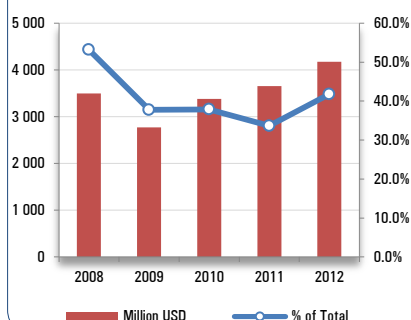
Inflation (%)



Current Account Balance to GDP (%)



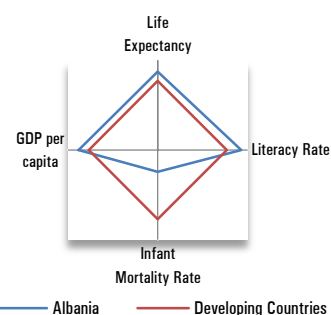
Intra-OIC Merchandise Trade



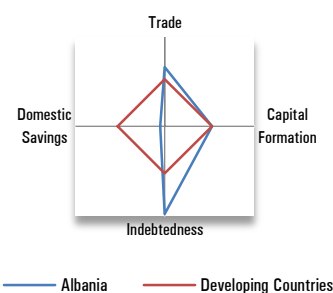
Albania

		Albania	Developing Countries	World
Population and Income				
Population Growth (%)	2012	0.26	1.29	1.15
Labour Force (% of total population)	2011	46.99	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	8,052	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	9,390	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	54.45	46.40	52.55
Literacy (% of population age 15+)	2011	96.85	80.22	84.08
Infant Mortality (per 1000 live births)	2011	12.80	40.70	37.60
Life Expectancy at Birth (years)	2011	77.04	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	24.07	25.32	26.11
GDP (annual % change)		3.50	3.00	1.30
GDP per capita (annual % change)		2.99	2.49	0.80
Current Account Balance (US\$ billions)		-1.35	-1.56	-1.28
Current Account Balance / GDP		-11.37	-12.04	-10.11
Foreign Direct Investment (US\$ millions)		1,051	1,036	957
Inflation (%)				
Consumer Prices	2010	3.55	3.43	2.02
Implicit GDP Deflator		3.46	3.00	3.00
Trade (Million US\$)				
Merchandise Exports	2010	1,554	1,952	1,924
Intra-OIC Merchandise Exports (% of Merchandise Exports)		7.83	7.74	5.50
Merchandise Imports		4,548	5,319	5,047
Intra-OIC Merchandise Imports (% of Merchandise Imports)		8.39	7.91	8.08
Structure of Economy (% of GDP)				
Agriculture	2009	18.78	20.30	19.26
Industry		24.10	22.05	23.62
Services		57.12	57.65	57.12
Household Final Consumption Expenditures		71.12	78.47	80.83
General Government Final Expenditure		10.58	10.27	9.86
Gross Capital Formation		42.74	32.34	31.24
Gross Domestic Savings		3.81	4.34	3.14
Exports of Goods and Services		28.41	32.43	33.80
Imports of Goods and Services		53.51	53.88	56.00
Indebtedness				
Total External Debt / GDP	2009	38.46	41.13	45.82
Interest Payments on External Debt / GDP		0.74	0.70	0.97
Total Debt Service / Exports		6.26	8.26	9.33

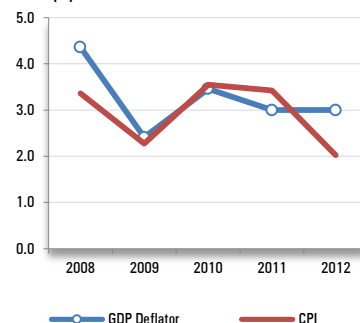
Development Diamond



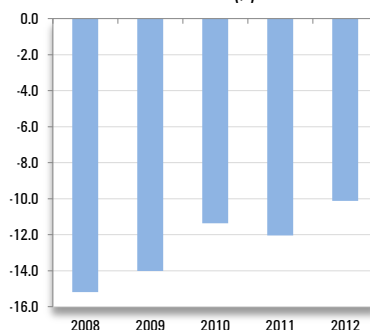
Economic Ratios (% of GDP)



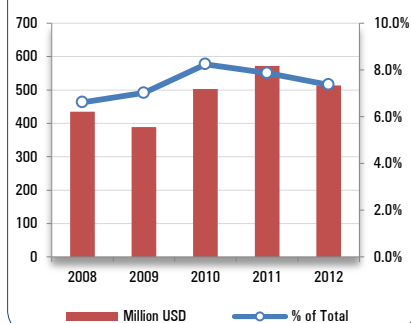
Inflation (%)



Current Account Balance to GDP (%)



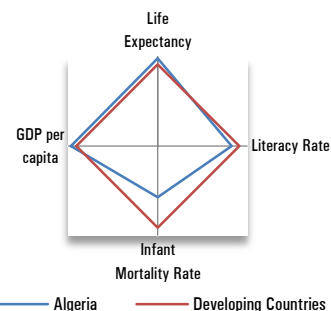
Intra-OIC Merchandise Trade



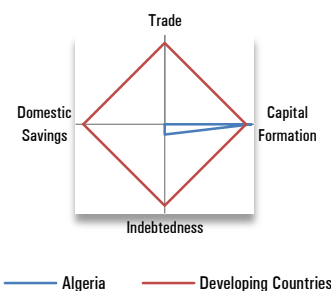
Algeria

		Algeria	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.89	1.29	1.15
Labour Force (% of total population)	2011	31.74	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	7,477	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2011	7,550	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	73.71	46.40	52.55
Literacy (% of population age 15+)	2006	72.65	80.22	84.08
Infant Mortality (per 1000 live births)	2011	25.60	40.70	37.60
Life Expectancy at Birth (years)	2011	73.08	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	250.07	261.46	272.87
GDP (annual % change)		3.60	2.37	2.53
GDP per capita (annual % change)		2.06	0.86	1.01
Current Account Balance (US\$ billions)		12.13	19.80	12.27
Current Account Balance / GDP		7.50	9.96	5.90
Foreign Direct Investment (US\$ millions)		2,264	2,571	1,484
Inflation (%)				
Consumer Prices	2010	3.91	4.52	8.89
Implicit GDP Deflator		15.76	17.51	8.63
Trade (Million US\$)				
Merchandise Exports	2010	57,064	73,452	57,508
Intra-OIC Merchandise Exports (% of Merchandise Exports)		8.44	7.37	6.27
Merchandise Imports		40,489	47,198	51,925
Intra-OIC Merchandise Imports (% of Merchandise Imports)		9.89	9.81	10.02
Structure of Economy (% of GDP)				
Agriculture	2009	9.52	8.56	8.23
Industry		48.88	51.14	53.29
Services		41.60	40.30	38.48
Household Final Consumption Expenditures		37.56	34.48	35.50
General Government Final Expenditure		16.41	17.98	16.55
Gross Capital Formation		46.62	40.38	33.05
Gross Domestic Savings		51.17	50.80	...
Exports of Goods and Services		29.29	30.87	...
Imports of Goods and Services		24.82	21.52	...
Indebtedness				
Total External Debt / GDP	2009	5.33	4.46	3.06
Interest Payments on External Debt / GDP		0.10	0.08	0.06
Total Debt Service / Exports		1.99	1.03	0.78

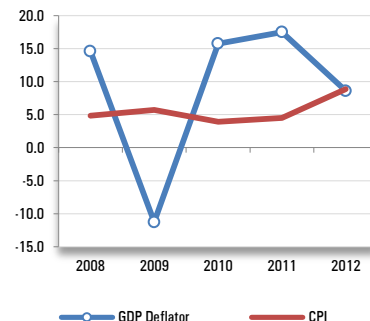
Development Diamond



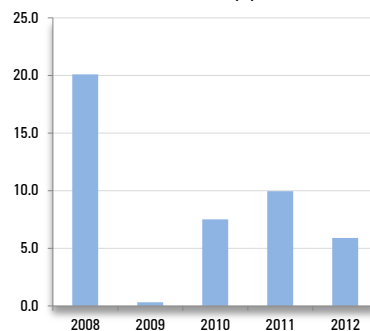
Economic Ratios (% of GDP)



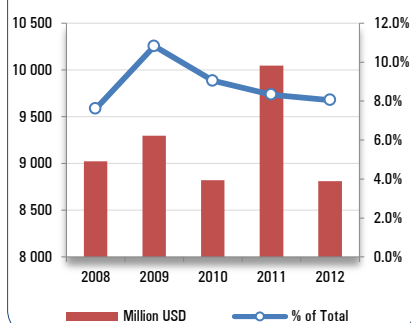
Inflation (%)



Current Account Balance to GDP (%)



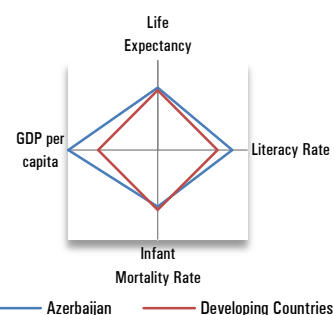
Intra-OIC Merchandise Trade



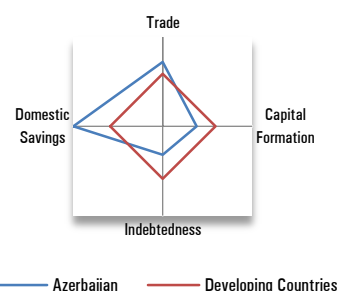
Azerbaijan

		Azerbaijan	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.35	1.29	1.15
Labour Force (% of total population)	2011	50.36	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	10,478	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	9,410	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	53.89	46.40	52.55
Literacy (% of population age 15+)	2009	99.76	80.22	84.08
Infant Mortality (per 1000 live births)	2011	38.50	40.70	37.60
Life Expectancy at Birth (years)	2011	70.65	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	91.03	93.05	96.77
GDP (annual % change)		4.96	0.09	2.16
GDP per capita (annual % change)		3.79	-1.15	0.79
Current Account Balance (US\$ billions)		14.83	17.15	13.97
Current Account Balance / GDP		28.04	26.45	20.31
Foreign Direct Investment (US\$ millions)		563	1,467	2,005
Inflation (%)				
Consumer Prices	2010	5.67	7.87	1.08
Implicit GDP Deflator		13.60	16.74	0.95
Trade (Million US\$)				
Merchandise Exports	2010	21,360	26,571	25,852
Intra-OIC Merchandise Exports (% of Merchandise Exports)		12.35	10.76	12.76
Merchandise Imports		6,600	9,756	12,037
Intra-OIC Merchandise Imports (% of Merchandise Imports)		20.10	19.74	24.12
Structure of Economy (% of GDP)				
Agriculture	2009	6.53	5.91	5.78
Industry		60.04	63.99	66.11
Services		33.43	30.10	28.11
Household Final Consumption Expenditures		42.76	39.36	39.11
General Government Final Expenditure		11.12	10.88	9.54
Gross Capital Formation		18.95	18.06	19.87
Gross Domestic Savings		48.24	50.81	55.87
Exports of Goods and Services		51.58	53.97	62.80
Imports of Goods and Services		22.29	19.94	24.16
Indebtedness				
Total External Debt / GDP	2009	10.77	13.63	13.29
Interest Payments on External Debt / GDP		0.21	0.19	1.72
Total Debt Service / Exports		1.49	1.42	4.92

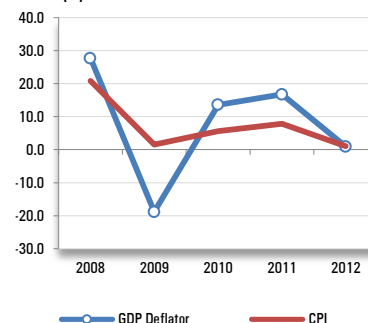
Development Diamond



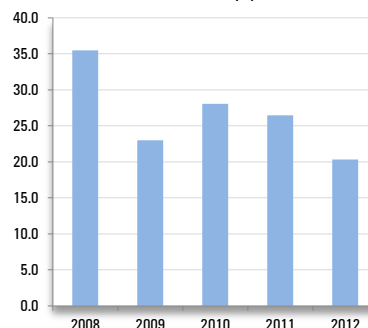
Economic Ratios (% of GDP)



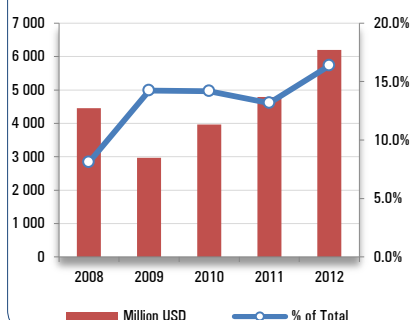
Inflation (%)



Current Account Balance to GDP (%)



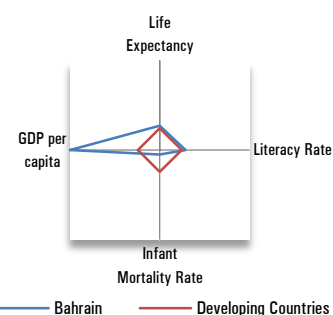
Intra-OIC Merchandise Trade



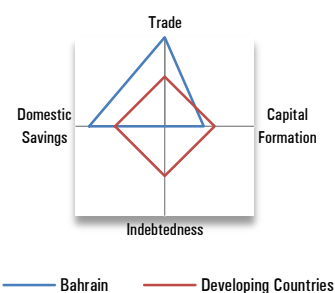
Bahrain

		Bahrain	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.92	1.29	1.15
Labour Force (% of total population)	2011	56.70	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	28,744	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2010	21,420	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	88.76	46.40	52.55
Literacy (% of population age 15+)	2010	94.56	80.22	84.08
Infant Mortality (per 1000 live births)	2011	8.60	40.70	37.60
Life Expectancy at Birth (years)	2011	75.16	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	30.02	31.30	33.09
GDP (annual % change)	2011	4.74	2.10	3.85
GDP per capita (annual % change)	2012	-1.65	0.10	1.81
Current Account Balance (US\$ billions)	2010	0.77	3.25	4.17
Current Account Balance / GDP	2011	3.58	12.55	15.43
Foreign Direct Investment (US\$ millions)	2012	156	781	891
Inflation (%)				
Consumer Prices	2010	1.97	-0.42	1.20
Implicit GDP Deflator	2011	13.66	...	...
Trade (Million US\$)				
Merchandise Exports	2010	29,580	33,680	38,228
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	10.92	11.66	10.60
Merchandise Imports	2012	11,517	12,725	13,774
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	33.38	37.69	36.33
Structure of Economy (% of GDP)				
Agriculture	2009	0.40	0.39	0.37
Industry	2010	40.53	42.91	46.26
Services	2011	59.07	56.70	53.36
Household Final Consumption Expenditures	2012	34.27	34.18	37.13
General Government Final Expenditure	2010	15.22	14.96	12.70
Gross Capital Formation	2011	26.80	29.04	24.40
Gross Domestic Savings	2012	49.74	50.85	50.17
Exports of Goods and Services	2010	81.29	81.53	76.61
Imports of Goods and Services	2011	58.77	59.72	50.84
Indebtedness				
Total External Debt / GDP	2009	...	...	...
Interest Payments on External Debt / GDP	2010	...	...	...
Total Debt Service / Exports	2011	...	...	...

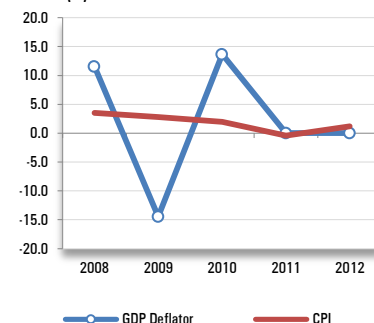
Development Diamond



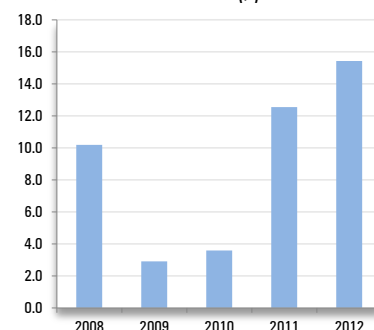
Economic Ratios (% of GDP)



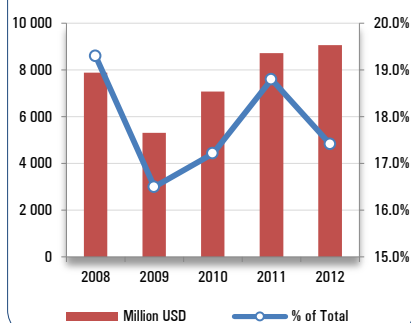
Inflation (%)



Current Account Balance to GDP (%)



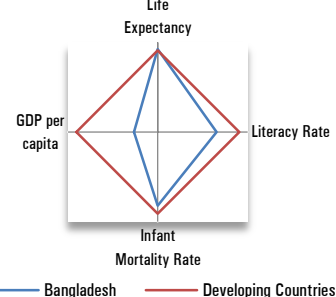
Intra-OIC Merchandise Trade



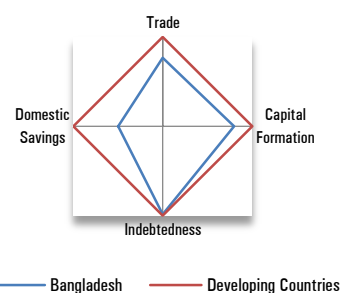
Bangladesh

		Bangladesh	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.19	1.29	1.15
Labour Force (% of total population)	2011	48.77	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	2,039	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	2,070	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	28.89	46.40	52.55
Literacy (% of population age 15+)	2011	57.73	80.22	84.08
Infant Mortality (per 1000 live births)	2011	36.70	40.70	37.60
Life Expectancy at Birth (years)	2011	68.94	67.88	69.92
Basic Indicators				
Key Economic Indicators		2010	2011	2012
GDP (PPP, cur. \$ billion)		260.60	283.47	306.00
GDP (annual % change)		6.40	6.51	6.05
GDP per capita (annual % change)		5.21	5.38	4.93
Current Account Balance (US\$ billions)		0.51	-1.40	0.45
Current Account Balance / GDP		0.48	-1.23	0.37
Foreign Direct Investment (US\$ millions)		913	1,136	990
Inflation (%)		2010	2011	2012
Consumer Prices		8.13	10.70	8.72
Implicit GDP Deflator		6.47	7.53	8.00
Trade (Million US\$)		2010	2011	2012
Merchandise Exports		16,497	23,100	22,937
Intra-OIC Merchandise Exports (% of Merchandise Exports)		6.64	5.53	6.36
Merchandise Imports		27,813	36,193	36,363
Intra-OIC Merchandise Imports (% of Merchandise Imports)		21.02	22.77	22.23
Structure of Economy (% of GDP)		2009	2010	2011
Agriculture		18.73	18.59	18.43
Industry		28.66	28.46	28.55
Services		52.61	52.96	53.01
Household Final Consumption Expenditures		74.65	74.53	74.93
General Government Final Expenditure		5.26	5.37	5.47
Gross Capital Formation		24.37	24.41	24.73
Gross Domestic Savings		17.25	17.80	16.44
Exports of Goods and Services		19.43	18.41	22.90
Imports of Goods and Services		26.55	25.02	31.61
Indebtedness		2009	2010	2011
Total External Debt / GDP		27.55	25.66	24.17
Interest Payments on External Debt / GDP		0.23	0.22	0.26
Total Debt Service / Exports		5.59	4.72	5.46

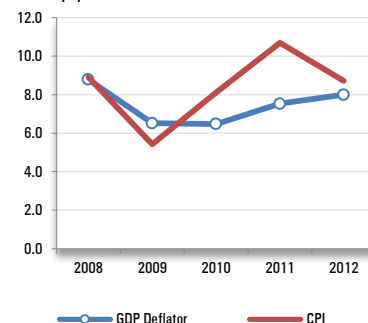
Development Diamond



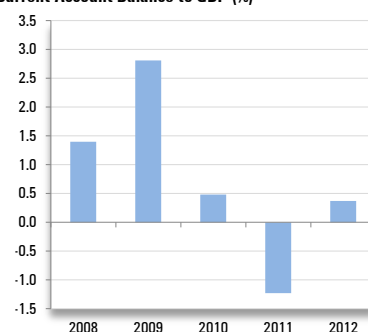
Economic Ratios (% of GDP)



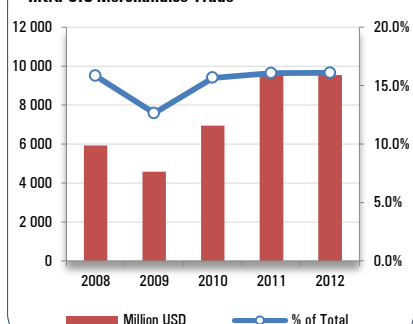
Inflation (%)



Current Account Balance to GDP (%)



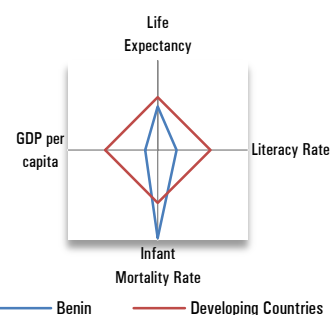
Intra-OIC Merchandise Trade



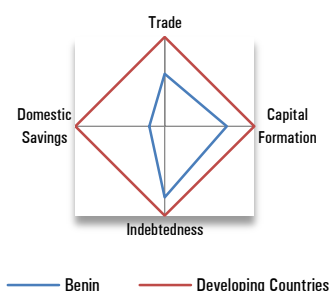
Benin

		Benin	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.73	1.29	1.15
Labour Force (% of total population)	2011	41.25	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,667	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	1,570	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	45.56	46.40	52.55
Literacy (% of population age 15+)	2006	28.70	80.22	84.08
Infant Mortality (per 1000 live births)	2011	67.90	40.70	37.60
Life Expectancy at Birth (years)	2011	56.01	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	13.95	14.75	15.59
GDP (annual % change)	2011	2.55	3.53	3.85
GDP per capita (annual % change)	2012	-0.32	0.69	1.05
Current Account Balance (US\$ billions)	2011	-0.48	-0.73	-0.72
Current Account Balance / GDP	2012	-7.30	-9.98	-9.75
Foreign Direct Investment (US\$ millions)	2011	177	161	159
Inflation (%)				
Consumer Prices	2010	2.18	2.74	6.75
Implicit GDP Deflator	2011	1.86	2.36	6.34
Trade (Million US\$)				
Merchandise Exports	2010	662	862	935
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	48.14	30.61	37.58
Merchandise Imports	2010	7,169	10,193	7,133
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	17.82	12.39	16.65
Structure of Economy (% of GDP)				
Agriculture	2009	35.21	35.40	35.57
Industry	2010	14.18	14.42	14.70
Services	2011	50.61	50.17	49.74
Household Final Consumption Expenditures	2012	76.06	76.63	75.66
General Government Final Expenditure	2012	12.04	11.87	12.12
Gross Capital Formation	2012	21.22	21.04	21.59
Gross Domestic Savings	2012	11.90	11.50	5.66
Exports of Goods and Services	2012	15.78	15.11	14.98
Imports of Goods and Services	2012	25.10	24.65	26.96
Indebtedness				
Total External Debt / GDP	2009	17.42	19.64	19.50
Interest Payments on External Debt / GDP	2010	0.19	0.20	0.17
Total Debt Service / Exports	2011	2.47	2.51	0.00

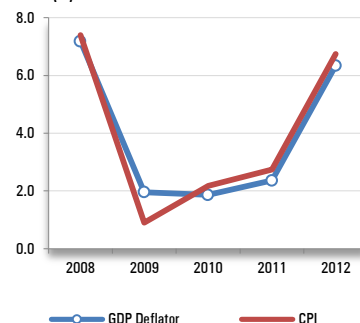
Development Diamond



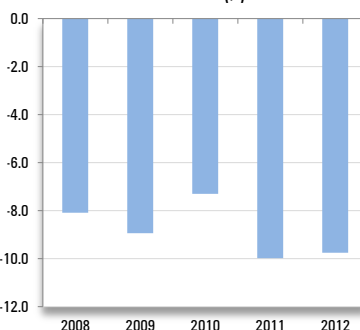
Economic Ratios (% of GDP)



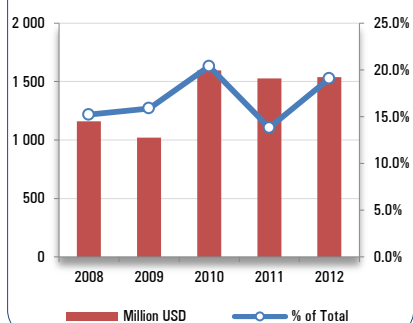
Inflation (%)



Current Account Balance to GDP (%)



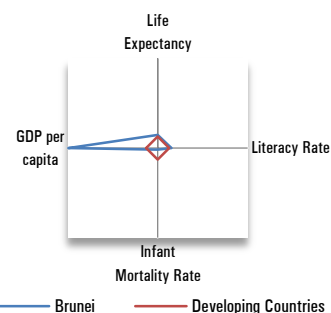
Intra-OIC Merchandise Trade



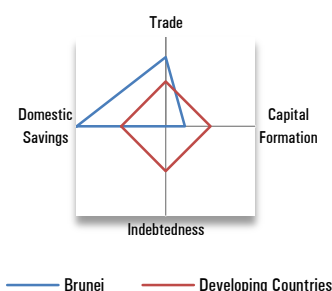
Brunei

		Brunei	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.40	1.29	1.15
Labour Force (% of total population)	2011	48.73	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	54,389	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2009	49,370	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	76.32	46.40	52.55
Literacy (% of population age 15+)	2011	95.45	80.22	84.08
Infant Mortality (per 1000 live births)	2011	5.60	40.70	37.60
Life Expectancy at Birth (years)	2011	78.07	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	20.15	21.03	21.69
GDP (annual % change)	2011	2.60	2.21	1.30
GDP per capita (annual % change)	2012	0.82	0.67	-0.23
Current Account Balance (US\$ billions)	2011	5.62	5.29	8.06
Current Account Balance / GDP	2012	45.45	32.36	48.48
Foreign Direct Investment (US\$ millions)	2011	626	1,208	850
Inflation (%)				
Consumer Prices	2010	0.35	2.02	0.46
Implicit GDP Deflator	2011	5.31	19.37	0.77
Trade (Million US\$)				
Merchandise Exports	2010	8,255	11,483	11,648
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	8.06	8.56	3.81
Merchandise Imports	2010	3,132	6,400	6,459
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	18.45	11.19	14.23
Structure of Economy (% of GDP)				
Agriculture	2009	0.91	0.76	0.64
Industry	2010	65.40	66.84	71.67
Services	2011	33.69	32.40	27.69
Household Final Consumption Expenditures	2012	24.36	23.17	19.87
General Government Final Expenditure	2011	23.29	22.41	17.33
Gross Capital Formation	2010	17.56	15.88	13.36
Gross Domestic Savings	2011	54.56	64.44	65.51
Exports of Goods and Services	2012	72.78	81.44	81.28
Imports of Goods and Services	2011	35.79	32.87	29.13
Indebtedness				
Total External Debt / GDP	2009	...	...	...
Interest Payments on External Debt / GDP	2010	...	...	...
Total Debt Service / Exports	2011	...	...	...

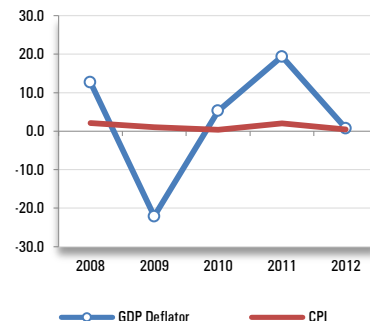
Development Diamond



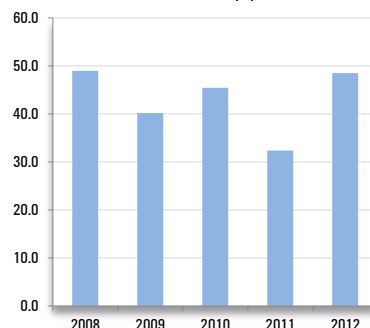
Economic Ratios (% of GDP)



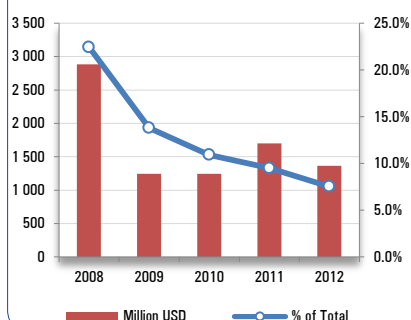
Inflation (%)



Current Account Balance to GDP (%)



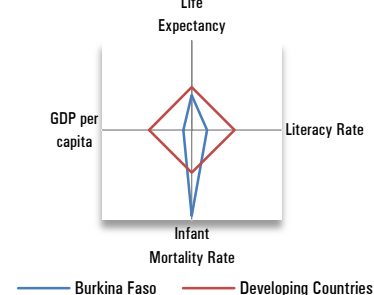
Intra-OIC Merchandise Trade



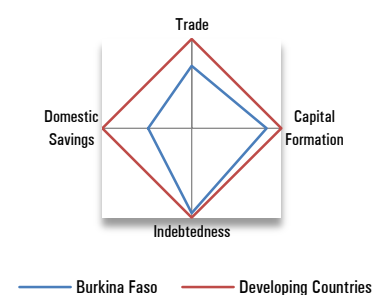
Burkina Faso

		Burkina Faso	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.86	1.29	1.15
Labour Force (% of total population)	2011	45.38	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,399	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	1,510	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	27.35	46.40	52.55
Literacy (% of population age 15+)	2007	28.73	80.22	84.08
Infant Mortality (per 1000 live births)	2011	81.60	40.70	37.60
Life Expectancy at Birth (years)	2011	55.36	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	20.77	22.10	24.29
GDP (annual % change)	2011	7.89	4.16	8.01
GDP per capita (annual % change)	2012	4.71	1.10	5.58
Current Account Balance (US\$ billions)	2011	-0.21	-0.12	-0.49
Current Account Balance / GDP	2012	-2.33	-1.13	-4.72
Foreign Direct Investment (US\$ millions)	2012	35	42	40
Inflation (%)				
Consumer Prices	2010	-0.58	2.75	3.60
Implicit GDP Deflator	2011	7.20	3.20	-1.24
Trade (Million US\$)				
Merchandise Exports	2010	624	788	812
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	30.71	39.86	44.22
Merchandise Imports	2012	1,910	2,186	2,445
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	33.51	31.23	32.56
Structure of Economy (% of GDP)				
Agriculture	2009	35.47	34.85	35.02
Industry	2010	17.99	25.31	27.94
Services	2011	46.54	39.84	37.04
Household Final Consumption Expenditures	2012	68.78	60.57	69.47
General Government Final Expenditure	2010	21.69	17.45	17.99
Gross Capital Formation	2011	24.71	28.25	25.97
Gross Domestic Savings	2012	9.53	17.63	16.12
Exports of Goods and Services	2010	12.61	17.05	21.14
Imports of Goods and Services	2011	27.79	24.88	28.58
Indebtedness				
Total External Debt / GDP	2009	23.01	23.66	23.28
Interest Payments on External Debt / GDP	2010	0.19	0.21	0.24
Total Debt Service / Exports	2011	3.82	2.49	...

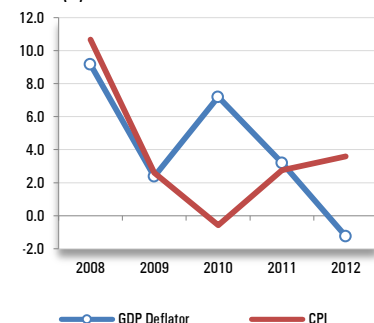
Development Diamond



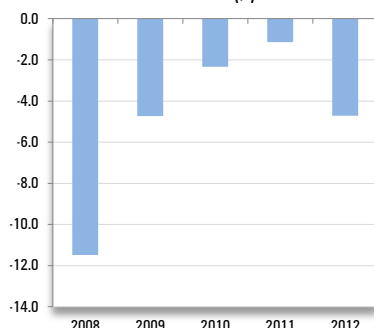
Economic Ratios (% of GDP)



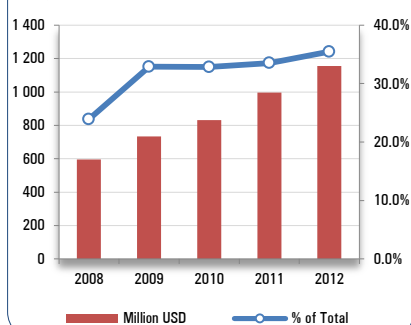
Inflation (%)



Current Account Balance to GDP (%)



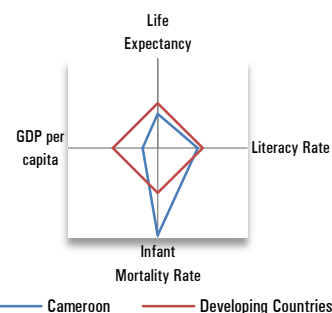
Intra-OIC Merchandise Trade



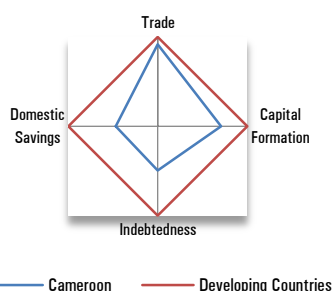
Cameroon

		Cameroon	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.54	1.29	1.15
Labour Force (% of total population)	2011	40.13	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	2,366	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	2,320	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	52.66	46.40	52.55
Literacy (% of population age 15+)	2010	71.29	80.22	84.08
Infant Mortality (per 1000 live births)	2011	79.20	40.70	37.60
Life Expectancy at Birth (years)	2011	51.58	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	44.79	47.62	50.77
GDP (annual % change)		3.32	4.10	4.74
GDP per capita (annual % change)		0.80	1.56	2.19
Current Account Balance (US\$ billions)		-0.68	-0.75	-1.10
Current Account Balance / GDP		-3.00	-2.97	-4.39
Foreign Direct Investment (US\$ millions)		538	243	507
Inflation (%)				
Consumer Prices	2010	1.28	2.94	3.00
Implicit GDP Deflator		2.91	3.05	1.96
Trade (Million US\$)				
Merchandise Exports	2010	4,478	5,263	5,466
Intra-OIC Merchandise Exports (% of Merchandise Exports)		11.73	11.73	12.38
Merchandise Imports		4,410	5,740	6,213
Intra-OIC Merchandise Imports (% of Merchandise Imports)		23.23	22.79	23.12
Structure of Economy (% of GDP)				
Agriculture	2009	23.34	23.27	23.34
Industry		29.72	29.74	30.07
Services		46.94	46.99	46.58
Household Final Consumption Expenditures		75.21	75.03	73.05
General Government Final Expenditure		11.26	11.61	12.04
Gross Capital Formation		18.52	19.05	21.95
Gross Domestic Savings		11.64	12.71	15.50
Exports of Goods and Services		23.52	25.50	30.57
Imports of Goods and Services		28.31	28.86	34.84
Indebtedness				
Total External Debt / GDP	2009	14.60	14.21	12.14
Interest Payments on External Debt / GDP		0.27	0.19	0.34
Total Debt Service / Exports		7.21	3.46	...

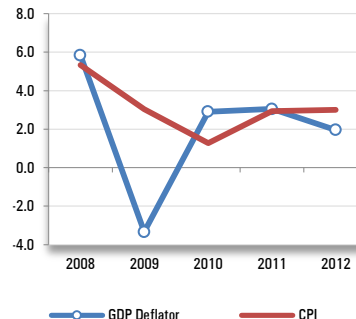
Development Diamond



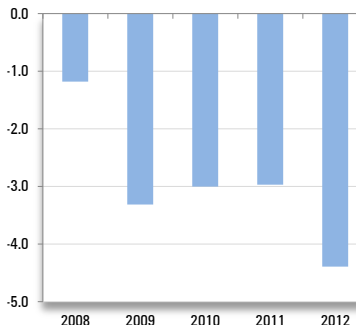
Economic Ratios (% of GDP)



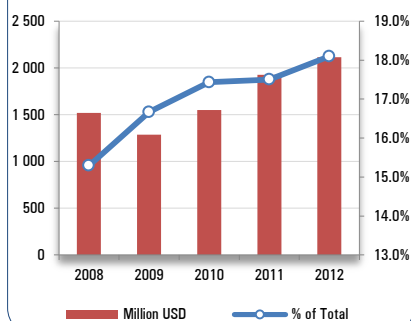
Inflation (%)



Current Account Balance to GDP (%)



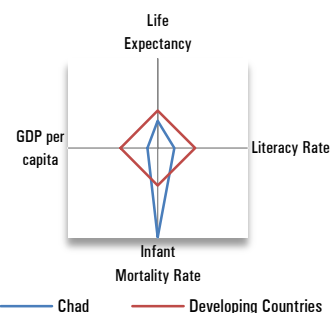
Intra-OIC Merchandise Trade



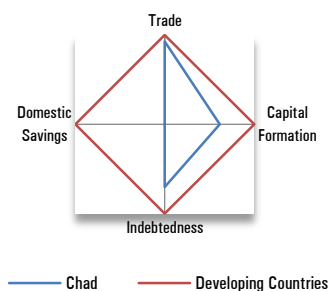
Chad

		Chad	Developing Countries	World
Population and Income				
Population Growth (%)	2012	3.00	1.29	1.15
Labour Force (% of total population)	2011	37.05	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,924	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	1,320	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	21.92	46.40	52.55
Literacy (% of population age 15+)	2011	35.39	80.22	84.08
Infant Mortality (per 1000 live births)	2011	97.10	40.70	37.60
Life Expectancy at Birth (years)	2011	49.52	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	18.82	19.32	20.66
GDP (annual % change)		12.98	0.53	5.04
GDP per capita (annual % change)		10.23	-1.92	2.48
Current Account Balance (US\$ billions)		-0.43	-0.10	-0.23
Current Account Balance / GDP		-5.04	-0.97	-2.09
Foreign Direct Investment (US\$ millions)		313	282	323
Inflation (%)				
Consumer Prices	2010	-2.12	1.89	7.68
Implicit GDP Deflator		11.94	16.18	7.27
Trade (Million US\$)				
Merchandise Exports	2010	2,656	3,553	2,992
Intra-OIC Merchandise Exports (% of Merchandise Exports)		0.32	0.68	1.29
Merchandise Imports		1,192	940	958
Intra-OIC Merchandise Imports (% of Merchandise Imports)		24.23	32.56	35.38
Structure of Economy (% of GDP)				
Agriculture	2009	23.33	21.95	17.91
Industry		43.42	48.54	53.93
Services		33.24	29.51	28.16
Household Final Consumption Expenditures		29.27	27.83	27.45
General Government Final Expenditure		27.64	23.74	20.11
Gross Capital Formation		21.69	27.70	19.11
Gross Domestic Savings		43.90	46.15	...
Exports of Goods and Services		39.46	41.42	40.70
Imports of Goods and Services		28.29	27.96	25.47
Indebtedness				
Total External Debt / GDP	2009	25.84	21.26	17.21
Interest Payments on External Debt / GDP		0.35	0.21	0.20
Total Debt Service / Exports		...	...	...

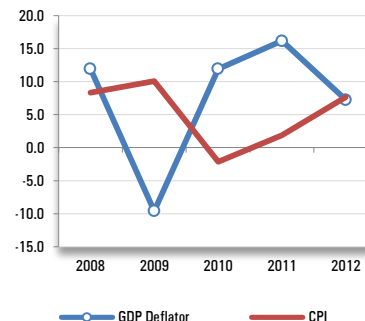
Development Diamond



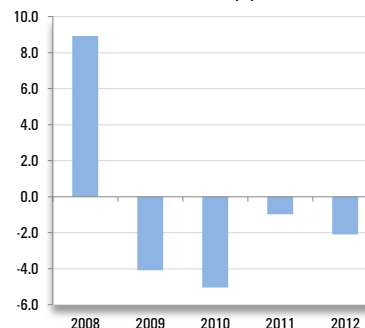
Economic Ratios (% of GDP)



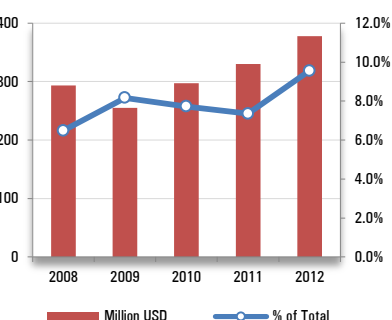
Inflation (%)



Current Account Balance to GDP (%)



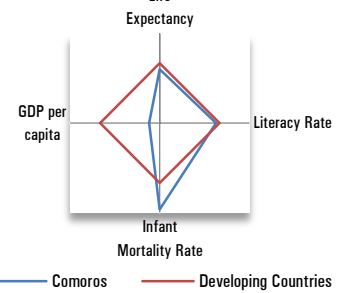
Intra-OIC Merchandise Trade



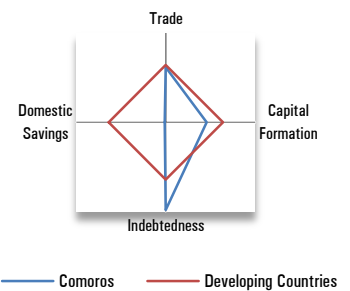
Comoros

		Comoros	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.44	1.29	1.15
Labour Force (% of total population)	2011	33.34	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,258	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	1,230	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	28.17	46.40	52.55
Literacy (% of population age 15+)	2011	75.54	80.22	84.08
Infant Mortality (per 1000 live births)	2011	58.80	40.70	37.60
Life Expectancy at Birth (years)	2011	61.04	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	0.80	0.84	0.87
GDP (annual % change)		2.05	2.23	2.45
GDP per capita (annual % change)		-0.05	0.12	0.34
Current Account Balance (US\$ billions)		-0.03	-0.06	-0.03
Current Account Balance / GDP		-5.68	-9.05	-5.39
Foreign Direct Investment (US\$ millions)		8	23	17
Inflation (%)				
Consumer Prices	2010	3.90	6.78	5.98
Implicit GDP Deflator		4.35	4.69	2.59
Trade (Million US\$)				
Merchandise Exports	2010	30	53	102
Intra-OIC Merchandise Exports (% of Merchandise Exports)		16.07	30.38	12.58
Merchandise Imports		210	230	252
Intra-OIC Merchandise Imports (% of Merchandise Imports)		32.92	40.50	35.34
Structure of Economy (% of GDP)				
Agriculture	2009	49.24	48.74	48.91
Industry		10.60	10.49	10.53
Services		40.16	40.77	40.57
Household Final Consumption Expenditures		107.32	106.72	104.91
General Government Final Expenditure		15.26	14.63	13.90
Gross Capital Formation		11.50	14.29	16.87
Gross Domestic Savings		-21.13	-21.35	-18.81
Exports of Goods and Services		14.67	15.63	15.32
Imports of Goods and Services		48.18	50.45	51.79
Indebtedness				
Total External Debt / GDP	2009	53.88	51.64	45.54
Interest Payments on External Debt / GDP		0.55	0.22	0.28
Total Debt Service / Exports		14.89	...	...

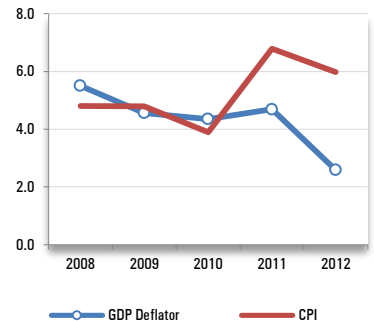
Development Diamond



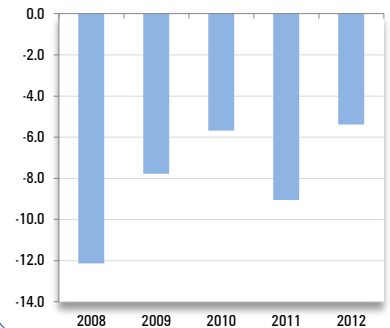
Economic Ratios (% of GDP)



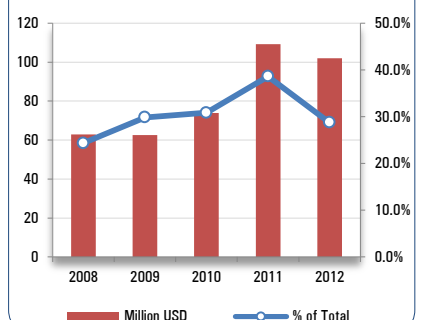
Inflation (%)



Current Account Balance to GDP (%)



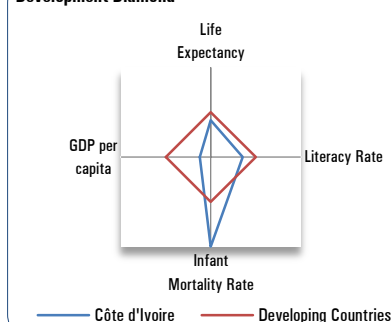
Intra-OIC Merchandise Trade



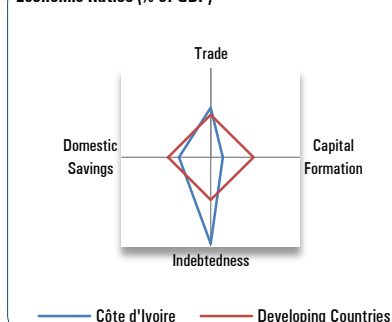
Côte d'Ivoire

		Côte d'Ivoire	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.29	1.29	1.15
Labour Force (% of total population)	2011	39.03	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,727	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	1,960	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	52.00	46.40	52.55
Literacy (% of population age 15+)	2011	56.87	80.22	84.08
Infant Mortality (per 1000 live births)	2011	81.20	40.70	37.60
Life Expectancy at Birth (years)	2011	55.42	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	37.09	36.09	40.35
GDP (annual % change)	2011	2.45	-4.73	9.84
GDP per capita (annual % change)	2011	-0.54	-7.50	6.64
Current Account Balance (US\$ billions)	2011	0.57	3.12	-0.45
Current Account Balance / GDP	2011	2.47	12.93	-1.82
Foreign Direct Investment (US\$ millions)	2011	339	286	478
Inflation (%)				
Consumer Prices	2010	1.37	4.90	1.31
Implicit GDP Deflator	2010	1.90	5.03	1.30
Trade (Million US\$)				
Merchandise Exports	2010	10,273	11,077	10,298
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2010	22.17	22.98	26.58
Merchandise Imports	2010	8,146	6,702	8,893
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2010	35.04	35.16	29.99
Structure of Economy (% of GDP)				
Agriculture	2009	28.03	28.48	28.06
Industry	2009	26.87	25.52	25.95
Services	2009	45.10	46.00	45.99
Household Final Consumption Expenditures	2009	64.67	65.51	62.76
General Government Final Expenditure	2009	14.07	14.19	12.62
Gross Capital Formation	2009	9.51	9.58	8.76
Gross Domestic Savings	2009	21.26	20.29	24.61
Exports of Goods and Services	2009	51.97	49.01	49.01
Imports of Goods and Services	2009	40.22	38.30	34.03
Indebtedness				
Total External Debt / GDP	2009	60.42	47.09	49.90
Interest Payments on External Debt / GDP	2009	1.21	0.35	0.38
Total Debt Service / Exports	2009	8.82	4.74	...

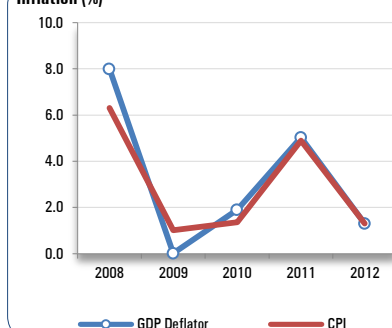
Development Diamond



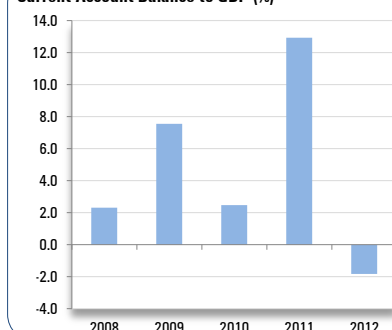
Economic Ratios (% of GDP)



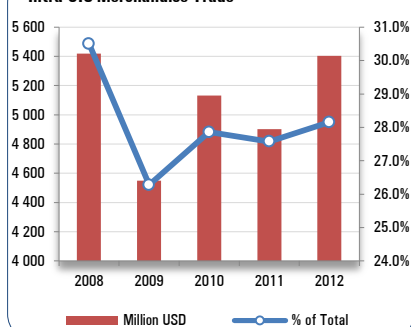
Inflation (%)



Current Account Balance to GDP (%)



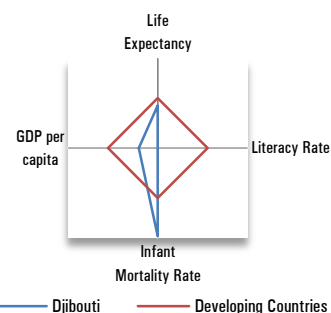
Intra-OIC Merchandise Trade



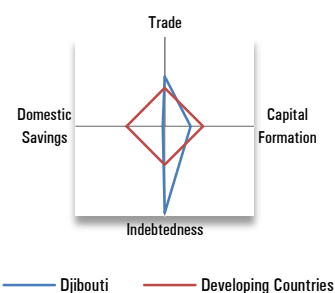
Djibouti

		Djibouti	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.52	1.29	1.15
Labour Force (% of total population)	2011	34.06	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	2,677	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	...	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	77.16	46.40	52.55
Literacy (% of population age 15+)	...	...	80.22	84.08
Infant Mortality (per 1000 live births)	2011	71.80	40.70	37.60
Life Expectancy at Birth (years)	2011	57.91	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	2.09	2.23	2.38
GDP (annual % change)		3.49	4.47	4.84
GDP per capita (annual % change)		0.67	1.62	1.99
Current Account Balance (US\$ billions)		-0.07	-0.16	-0.18
Current Account Balance / GDP		-5.85	-12.64	-13.39
Foreign Direct Investment (US\$ millions)		27	78	100
Inflation (%)				
Consumer Prices	2010	3.95	5.07	3.74
Implicit GDP Deflator		3.94	5.07	4.24
Trade (Million US\$)				
Merchandise Exports	2010	463	533	583
Intra-OIC Merchandise Exports (% of Merchandise Exports)		94.70	95.67	93.61
Merchandise Imports		2,640	3,502	4,071
Intra-OIC Merchandise Imports (% of Merchandise Imports)		39.61	39.05	39.00
Structure of Economy (% of GDP)				
Agriculture	2009	3.88	3.75	3.83
Industry		19.65	21.08	20.14
Services		76.47	75.17	76.03
Household Final Consumption Expenditures		84.06	83.36	83.79
General Government Final Expenditure		20.25	21.32	20.79
Gross Capital Formation		18.77	19.07	18.91
Gross Domestic Savings		-4.31	-4.68	-4.58
Exports of Goods and Services		35.63	38.00	36.84
Imports of Goods and Services		58.71	61.76	60.33
Indebtedness				
Total External Debt / GDP	2009	85.23	67.41	61.90
Interest Payments on External Debt / GDP		0.85	...	...
Total Debt Service / Exports		8.54	8.07	...

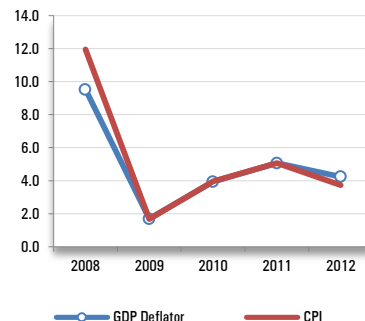
Development Diamond



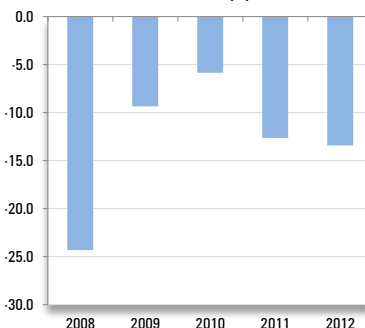
Economic Ratios (% of GDP)



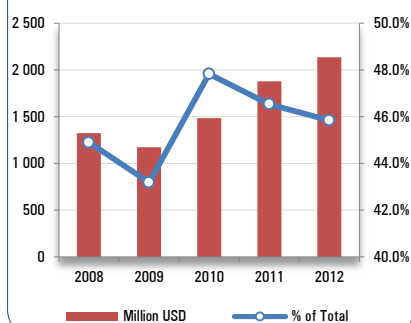
Inflation (%)



Current Account Balance to GDP (%)



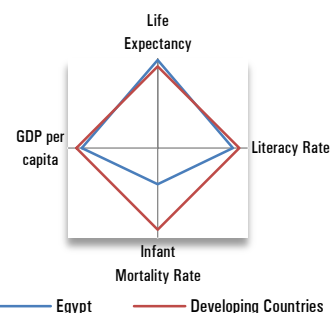
Intra-OIC Merchandise Trade



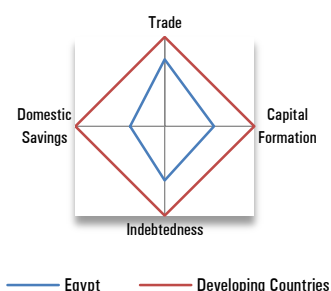
Egypt

		Egypt	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.66	1.29	1.15
Labour Force (% of total population)	2011	33.55	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	6,545	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	6,640	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	43.70	46.40	52.55
Literacy (% of population age 15+)	2012	73.87	80.22	84.08
Infant Mortality (per 1000 live births)	2011	18.00	40.70	37.60
Life Expectancy at Birth (years)	2011	73.20	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	499.27	518.97	539.95
GDP (annual % change)	2011	5.15	1.78	2.22
GDP per capita (annual % change)	2012	2.74	-0.38	-0.39
Current Account Balance (US\$ billions)	2011	-4.32	-6.09	-7.93
Current Account Balance / GDP	2012	-1.98	-2.58	-3.09
Foreign Direct Investment (US\$ millions)	2011	6,386	-483	2,798
Inflation (%)				
Consumer Prices	2010	11.70	11.10	8.60
Implicit GDP Deflator	2011	10.11	11.67	10.05
Trade (Million US\$)				
Merchandise Exports	2010	27,259	30,621	34,278
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	39.31	36.30	34.69
Merchandise Imports	2012	52,815	59,333	75,777
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	18.45	20.93	20.38
Structure of Economy (% of GDP)				
Agriculture	2009	13.64	13.99	14.52
Industry	2010	37.55	37.53	37.63
Services	2011	48.82	48.48	47.85
Household Final Consumption Expenditures	2012	76.11	74.57	75.51
General Government Final Expenditure	2010	11.35	11.16	11.30
Gross Capital Formation	2011	19.19	19.50	17.09
Gross Domestic Savings	2012	12.55	14.11	12.83
Exports of Goods and Services	2010	24.96	21.35	23.23
Imports of Goods and Services	2011	31.60	26.13	30.05
Indebtedness				
Total External Debt / GDP	2009	18.50	16.64	14.83
Interest Payments on External Debt / GDP	2010	0.47	0.40	0.39
Total Debt Service / Exports	2011	6.44	6.05	7.39

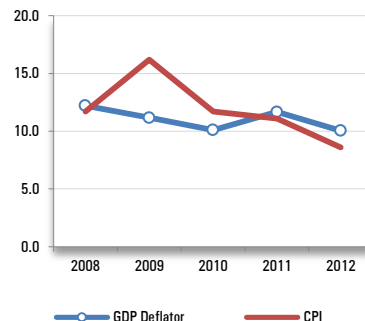
Development Diamond



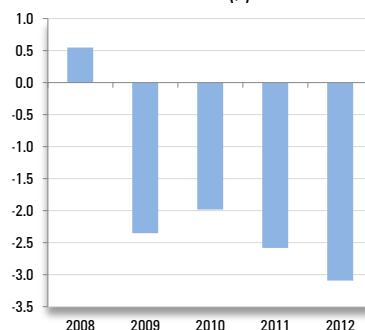
Economic Ratios (% of GDP)



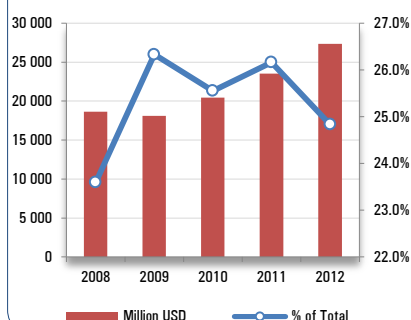
Inflation (%)



Current Account Balance to GDP (%)



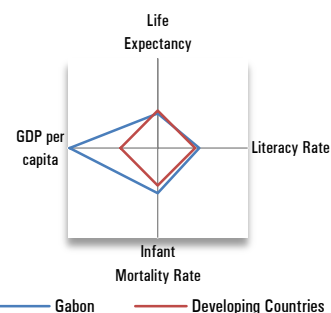
Intra-OIC Merchandise Trade



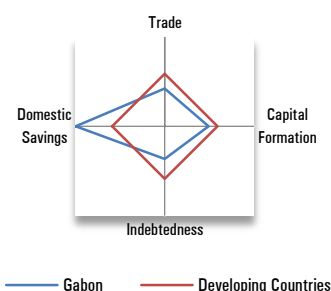
Gabon

		Gabon	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.39	1.29	1.15
Labour Force (% of total population)	2011	37.30	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	16,548	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	14,290	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	86.46	46.40	52.55
Literacy (% of population age 15+)	2011	88.99	80.22	84.08
Infant Mortality (per 1000 live births)	2011	49.30	40.70	37.60
Life Expectancy at Birth (years)	2011	62.69	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	21.57	23.58	25.49
GDP (annual % change)	2011	6.77	7.05	6.21
GDP per capita (annual % change)	2011	5.24	5.51	4.68
Current Account Balance (US\$ billions)	2011	1.29	2.68	2.32
Current Account Balance / GDP	2011	8.87	14.23	12.65
Foreign Direct Investment (US\$ millions)	2011	499	696	702
Inflation (%)				
Consumer Prices	2010	1.45	1.26	3.00
Implicit GDP Deflator	2010	18.36	15.08	1.27
Trade (Million US\$)				
Merchandise Exports	2010	6,990	10,121	10,432
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2010	11.14	9.49	2.53
Merchandise Imports	2010	2,699	3,589	3,741
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2010	11.71	10.93	11.92
Structure of Economy (% of GDP)				
Agriculture	2009	3.05	2.64	2.83
Industry	2009	65.41	71.08	68.54
Services	2009	31.53	26.28	28.63
Household Final Consumption Expenditures	2009	29.62	24.73	21.94
General Government Final Expenditure	2009	12.32	10.38	22.20
Gross Capital Formation	2009	23.49	24.45	25.80
Gross Domestic Savings	2009	58.06	64.89	55.85
Exports of Goods and Services	2009	57.42	62.31	26.41
Imports of Goods and Services	2009	22.84	21.11	24.67
Indebtedness				
Total External Debt / GDP	2009	19.57	17.57	15.32
Interest Payments on External Debt / GDP	2009	1.48	1.19	0.92
Total Debt Service / Exports	2009	...	...	...

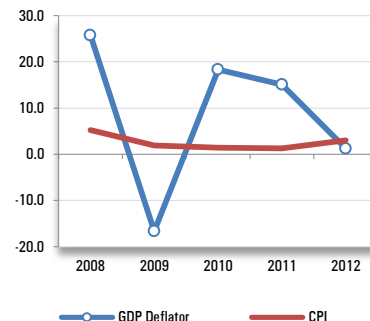
Development Diamond



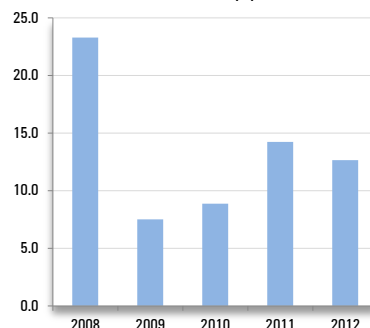
Economic Ratios (% of GDP)



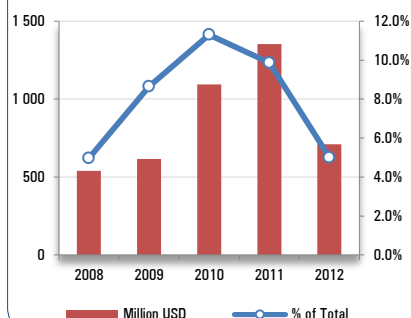
Inflation (%)



Current Account Balance to GDP (%)



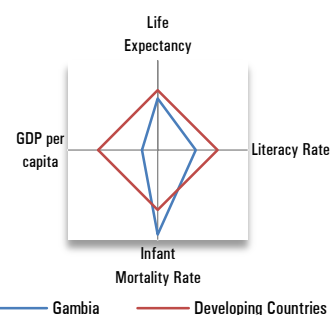
Intra-OIC Merchandise Trade



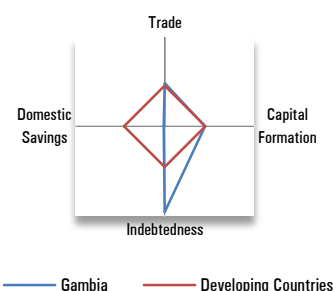
Gambia

		Gambia	Developing Countries	World
Population and Income				
Population Growth (%)	2012	3.19	1.29	1.15
Labour Force (% of total population)	2011	41.95	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,864	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	1,860	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	57.76	46.40	52.55
Literacy (% of population age 15+)	2011	51.11	80.22	84.08
Infant Mortality (per 1000 live births)	2011	57.60	40.70	37.60
Life Expectancy at Birth (years)	2011	58.48	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	3.29	3.22	3.40
GDP (annual % change)	2011	6.53	-4.30	3.95
GDP per capita (annual % change)	2011	3.65	-6.87	1.16
Current Account Balance (US\$ billions)	2010	-0.15	-0.14	-0.16
Current Account Balance / GDP	2010	-16.01	-15.28	-17.00
Foreign Direct Investment (US\$ millions)	2010	37	36	79
Inflation (%)				
Consumer Prices	2010	5.05	4.80	4.65
Implicit GDP Deflator	2010	4.30	3.72	4.88
Trade (Million US\$)				
Merchandise Exports	2010	63	132	134
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2010	8.14	7.10	5.00
Merchandise Imports	2010	836	1,143	1,043
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2010	29.18	28.98	31.33
Structure of Economy (% of GDP)				
Agriculture	2009	30.06	32.11	31.28
Industry	2009	11.69	11.29	13.79
Services	2009	58.24	56.60	54.92
Household Final Consumption Expenditures	2009	73.17	73.17	82.76
General Government Final Expenditure	2009	7.71	7.71	8.14
Gross Capital Formation	2009	31.10	30.24	30.68
Gross Domestic Savings	2009	3.26	2.80	0.91
Exports of Goods and Services	2009	25.35	23.49	28.86
Imports of Goods and Services	2009	41.70	42.11	47.16
Indebtedness				
Total External Debt / GDP	2009	56.21	53.80	51.93
Interest Payments on External Debt / GDP	2009	0.81	0.72	0.63
Total Debt Service / Exports	2009	6.53	8.09	7.47

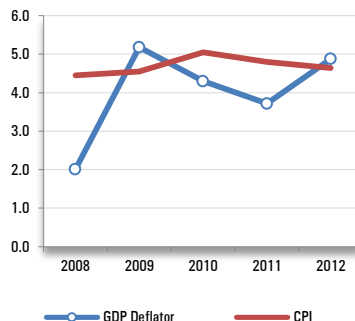
Development Diamond



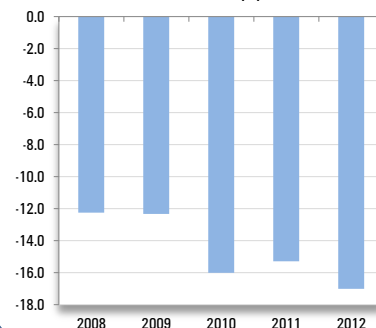
Economic Ratios (% of GDP)



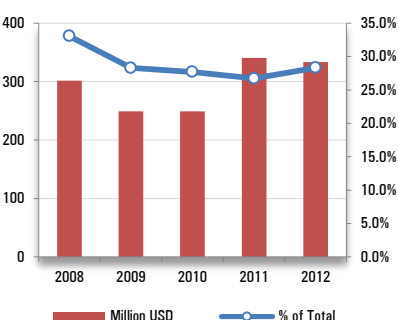
Inflation (%)



Current Account Balance to GDP (%)



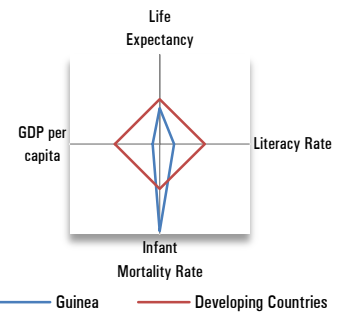
Intra-OIC Merchandise Trade



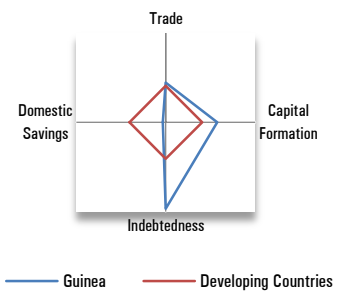
Guinea

		Guinea	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.56	1.29	1.15
Labour Force (% of total population)	2011	41.23	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,121	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	980	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	35.94	46.40	52.55
Literacy (% of population age 15+)	2010	25.31	80.22	84.08
Infant Mortality (per 1000 live births)	2011	78.90	40.70	37.60
Life Expectancy at Birth (years)	2011	54.09	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	10.84	11.50	12.17
GDP (annual % change)		1.94	3.91	3.94
GDP per capita (annual % change)		-0.55	1.37	1.41
Current Account Balance (US\$ billions)		-0.57	-1.05	-1.92
Current Account Balance / GDP		-11.48	-20.47	-34.07
Foreign Direct Investment (US\$ millions)		101	956	744
Inflation (%)				
Consumer Prices	2010	15.47	21.35	15.23
Implicit GDP Deflator		20.20	19.73	12.89
Trade (Million US\$)				
Merchandise Exports	2010	2,185	2,225	1,918
Intra-OIC Merchandise Exports (% of Merchandise Exports)		2.28	2.85	4.01
Merchandise Imports		4,090	5,317	5,909
Intra-OIC Merchandise Imports (% of Merchandise Imports)		10.35	10.91	10.67
Structure of Economy (% of GDP)				
Agriculture	2009	26.93	25.98	24.46
Industry		32.53	34.54	35.45
Services		40.53	39.48	40.09
Household Final Consumption Expenditures		61.88	55.77	51.54
General Government Final Expenditure		13.02	16.77	15.53
Gross Capital Formation		30.14	32.56	45.11
Gross Domestic Savings		7.18	2.39	-0.27
Exports of Goods and Services		26.54	28.35	30.25
Imports of Goods and Services		30.79	36.53	48.12
Indebtedness				
Total External Debt / GDP	2009	75.12	66.19	61.60
Interest Payments on External Debt / GDP		0.68	0.42	0.66
Total Debt Service / Exports		10.05	4.84	11.16

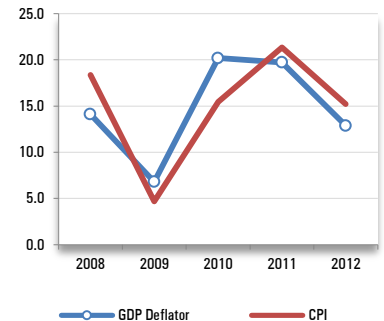
Development Diamond



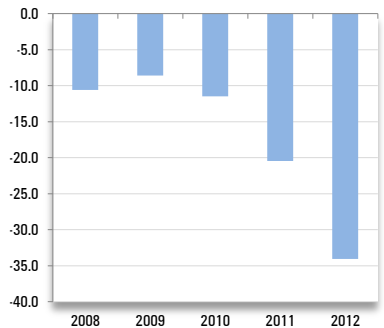
Economic Ratios (% of GDP)



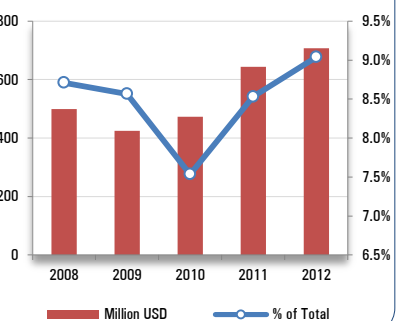
Inflation (%)



Current Account Balance to GDP (%)



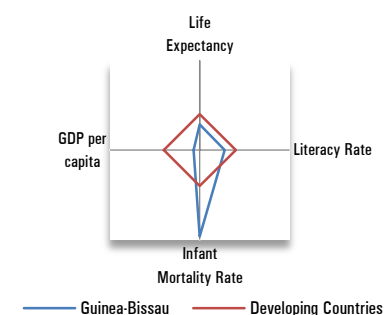
Intra-OIC Merchandise Trade



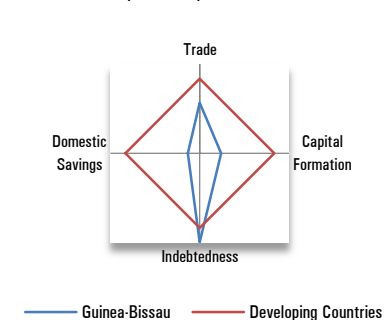
Guinea-Bissau

		Guinea-Bissau	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.39	1.29	1.15
Labour Force (% of total population)	2011	42.54	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,223	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	1,190	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	44.57	46.40	52.55
Literacy (% of population age 15+)	2011	55.28	80.22	84.08
Infant Mortality (per 1000 live births)	2011	98.00	40.70	37.60
Life Expectancy at Birth (years)	2011	48.11	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	1.79	1.93	1.93
GDP (annual % change)		3.47	5.34	-1.45
GDP per capita (annual % change)		1.35	3.17	-3.47
Current Account Balance (US\$ billions)		-0.07	-0.01	-0.05
Current Account Balance / GDP		-8.56	-1.14	-6.12
Foreign Direct Investment (US\$ millions)		33	25	16
Inflation (%)				
Consumer Prices	2010	1.07	5.06	2.22
Implicit GDP Deflator		3.47	4.42	1.86
Trade (Million US\$)				
Merchandise Exports	2010	189	349	197
Intra-OIC Merchandise Exports (% of Merchandise Exports)		31.46	18.08	36.79
Merchandise Imports		269	353	361
Intra-OIC Merchandise Imports (% of Merchandise Imports)		27.06	23.86	24.37
Structure of Economy (% of GDP)				
Agriculture	2009	43.20	45.27	45.31
Industry		13.34	13.30	13.22
Services		43.46	41.43	41.47
Household Final Consumption Expenditures		89.98	88.52	85.34
General Government Final Expenditure		14.79	9.45	9.41
Gross Capital Formation		8.51	7.27	8.91
Gross Domestic Savings		-4.77	2.03	5.25
Exports of Goods and Services		14.87	18.12	19.11
Imports of Goods and Services		28.15	29.28	29.14
Indebtedness				
Total External Debt / GDP	2009	138.14	135.21	29.31
Interest Payments on External Debt / GDP		0.47	0.42	0.06
Total Debt Service / Exports		6.36	...	...

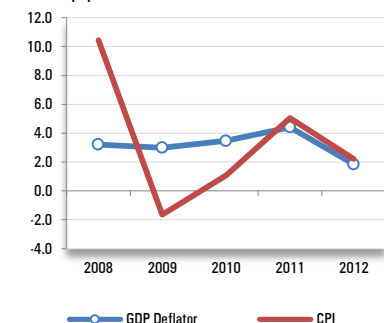
Development Diamond



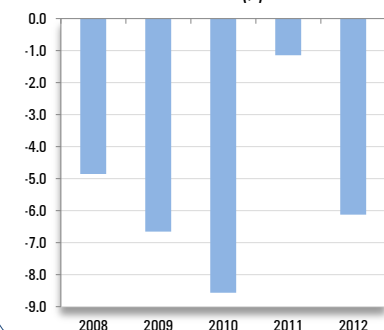
Economic Ratios (% of GDP)



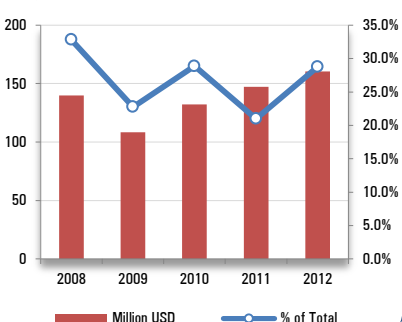
Inflation (%)



Current Account Balance to GDP (%)



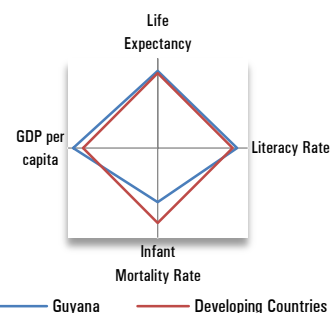
Intra-OIC Merchandise Trade



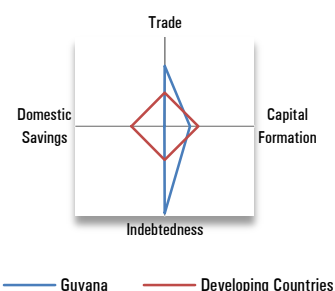
Guyana

		Guyana	Developing Countries	World
Population and Income				
Population Growth (%)	2012	0.57	1.29	1.15
Labour Force (% of total population)	2011	37.83	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	7,939	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	3,400	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	28.49	46.40	52.55
Literacy (% of population age 15+)	2009	84.99	80.22	84.08
Infant Mortality (per 1000 live births)	2011	29.40	40.70	37.60
Life Expectancy at Birth (years)	2011	69.86	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	5.43	5.85	6.16
GDP (annual % change)		4.37	5.44	3.35
GDP per capita (annual % change)		4.06	5.12	3.04
Current Account Balance (US\$ billions)		-0.22	-0.34	-0.37
Current Account Balance / GDP		-9.63	-13.36	-13.21
Foreign Direct Investment (US\$ millions)		270	215	231
Inflation (%)				
Consumer Prices	2010	3.73	4.96	2.97
Implicit GDP Deflator		6.70	8.37	5.75
Trade (Million US\$)				
Merchandise Exports	2010	1,119	1,401	1,635
Intra-OIC Merchandise Exports (% of Merchandise Exports)		0.84	0.83	0.65
Merchandise Imports		1,436	1,877	1,861
Intra-OIC Merchandise Imports (% of Merchandise Imports)		5.36	4.91	5.89
Structure of Economy (% of GDP)				
Agriculture	2009	19.85	17.60	17.93
Industry		33.10	34.47	33.83
Services		47.06	47.94	48.24
Household Final Consumption Expenditures		82.33	87.35	93.35
General Government Final Expenditure		16.17	15.11	15.93
Gross Capital Formation		26.64	25.40	21.58
Gross Domestic Savings		1.49	-2.47	-6.19
Exports of Goods and Services		45.98	50.12	55.02
Imports of Goods and Services		71.12	77.98	85.03
Indebtedness				
Total External Debt / GDP	2009	57.85	65.74	71.62
Interest Payments on External Debt / GDP		0.59	0.64	0.00
Total Debt Service / Exports		2.13	2.74	...

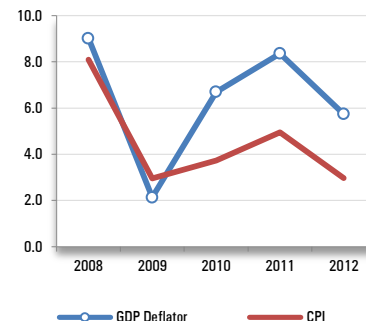
Development Diamond



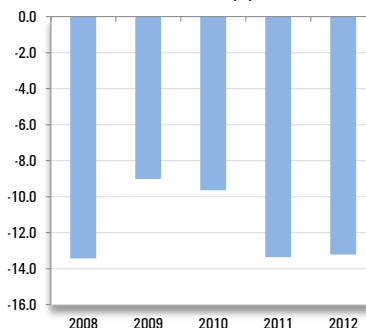
Economic Ratios (% of GDP)



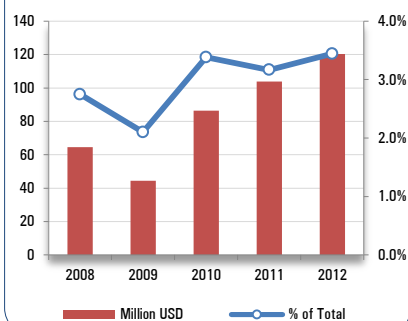
Inflation (%)



Current Account Balance to GDP (%)



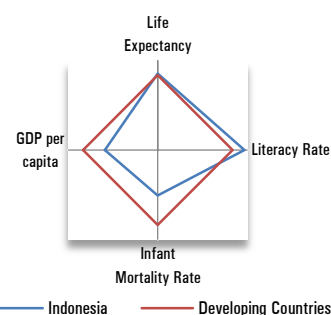
Intra-OIC Merchandise Trade



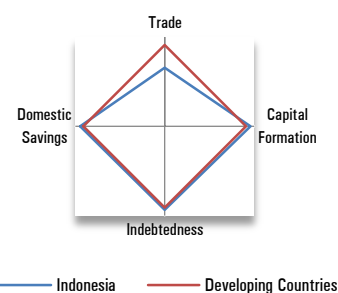
Indonesia

		Indonesia	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.25	1.29	1.15
Labour Force (% of total population)	2011	47.52	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	4,977	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	4,810	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	51.45	46.40	52.55
Literacy (% of population age 15+)	2011	92.81	80.22	84.08
Infant Mortality (per 1000 live births)	2011	24.80	40.70	37.60
Life Expectancy at Birth (years)	2011	69.32	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	1,034.65	1,125.29	1,216.74
GDP (annual % change)		6.22	6.49	6.23
GDP per capita (annual % change)		4.73	4.99	4.73
Current Account Balance (US\$ billions)		5.15	1.69	-24.18
Current Account Balance / GDP		0.73	0.20	-2.75
Foreign Direct Investment (US\$ millions)		13,771	19,241	19,853
Inflation (%)				
Consumer Prices	2010	5.13	5.36	4.26
Implicit GDP Deflator		8.26	8.12	4.53
Trade (Million US\$)				
Merchandise Exports	2010	157,791	203,501	190,033
Intra-OIC Merchandise Exports (% of Merchandise Exports)		11.67	11.24	12.16
Merchandise Imports		135,691	177,451	191,720
Intra-OIC Merchandise Imports (% of Merchandise Imports)		15.00	15.13	16.15
Structure of Economy (% of GDP)				
Agriculture	2009	15.30	15.34	14.72
Industry		47.68	47.05	47.15
Services		37.02	37.62	38.13
Household Final Consumption Expenditures		58.70	56.61	54.58
General Government Final Expenditure		9.59	9.04	8.99
Gross Capital Formation		30.99	32.57	32.77
Gross Domestic Savings		33.79	34.20	34.20
Exports of Goods and Services		24.16	24.58	26.34
Imports of Goods and Services		21.35	22.90	24.93
Indebtedness				
Total External Debt / GDP	2009	33.25	27.52	25.23
Interest Payments on External Debt / GDP		0.86	0.78	0.74
Total Debt Service / Exports		19.39	17.39	14.50

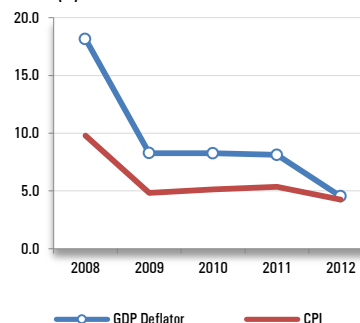
Development Diamond



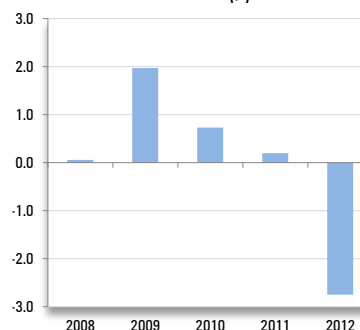
Economic Ratios (% of GDP)



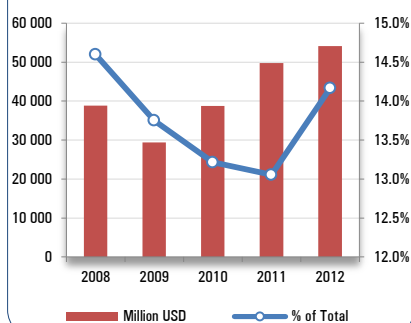
Inflation (%)



Current Account Balance to GDP (%)



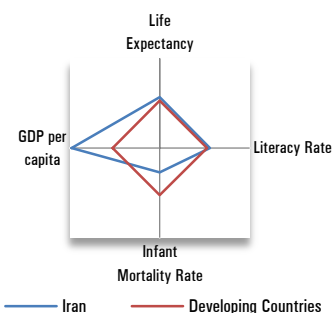
Intra-OIC Merchandise Trade



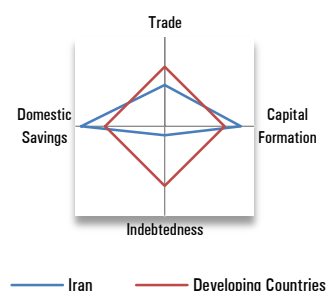
Iran

		Iran	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.32	1.29	1.15
Labour Force (% of total population)	2011	34.22	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	13,127	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2009	10,320	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	69.23	46.40	52.55
Literacy (% of population age 15+)	2008	85.02	80.22	84.08
Infant Mortality (per 1000 live births)	2011	21.10	40.70	37.60
Life Expectancy at Birth (years)	2011	73.00	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	950.73	1,000.40	999.20
GDP (annual % change)		5.90	3.03	-1.88
GDP per capita (annual % change)		4.28	1.92	-3.12
Current Account Balance (US\$ billions)		27.33	59.38	26.77
Current Account Balance / GDP		3.03	12.48	7.01
Foreign Direct Investment (US\$ millions)		3,648	4,150	4,870
Inflation (%)				
Consumer Prices	2010	12.40	21.48	30.60
Implicit GDP Deflator		...	...	...
Trade (Million US\$)				
Merchandise Exports	2010	98,939	128,733	102,496
Intra-OIC Merchandise Exports (% of Merchandise Exports)		12.81	14.68	17.61
Merchandise Imports		66,395	96,002	92,605
Intra-OIC Merchandise Imports (% of Merchandise Imports)		44.03	40.16	49.99
Structure of Economy (% of GDP)				
Agriculture	2009	9.95	9.74	9.45
Industry		38.73	41.77	41.35
Services		51.32	48.49	49.20
Household Final Consumption Expenditures		43.07	40.78	42.06
General Government Final Expenditure		12.45	11.11	11.74
Gross Capital Formation		39.83	41.22	39.64
Gross Domestic Savings		44.49	48.11	46.20
Exports of Goods and Services		25.81	27.56	27.88
Imports of Goods and Services		21.15	20.68	21.31
Indebtedness				
Total External Debt / GDP	2009	5.04	4.74	3.72
Interest Payments on External Debt / GDP		0.12	...	...
Total Debt Service / Exports		...	...	...

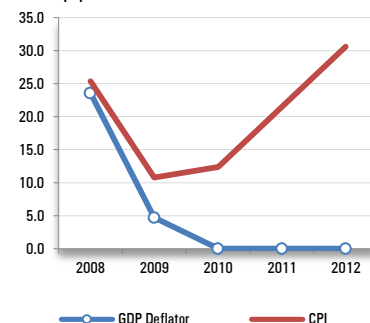
Development Diamond



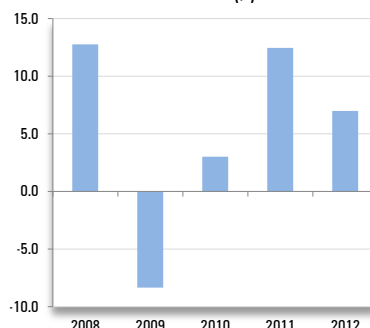
Economic Ratios (% of GDP)



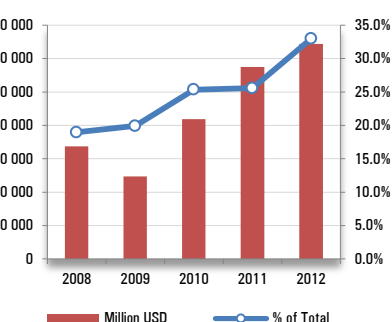
Inflation (%)



Current Account Balance to GDP (%)



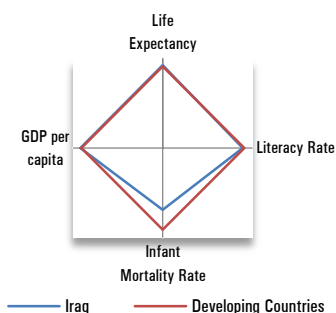
Intra-OIC Merchandise Trade



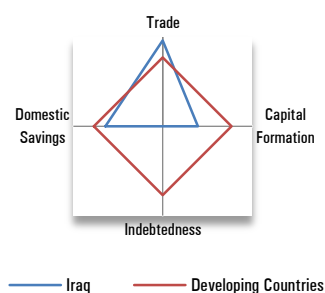
Iraq

		Iraq	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.54	1.29	1.15
Labour Force (% of total population)	2011	24.53	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	7,080	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	4,300	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	66.47	46.40	52.55
Literacy (% of population age 15+)	2011	78.48	80.22	84.08
Infant Mortality (per 1000 live births)	2011	30.90	40.70	37.60
Life Expectancy at Birth (years)	2011	68.98	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	194.96	216.20	238.61
GDP (annual % change)		5.86	8.58	8.43
GDP per capita (annual % change)		4.39	5.28	5.09
Current Account Balance (US\$ billions)		4.10	22.54	14.89
Current Account Balance / GDP		6.52	11.98	4.88
Foreign Direct Investment (US\$ millions)		1,396	2,082	2,549
Inflation (%)				
Consumer Prices	2010	2.45	5.60	6.09
Implicit GDP Deflator		14.63	22.77	7.01
Trade (Million US\$)				
Merchandise Exports	2010	46,640	70,812	83,275
Intra-OIC Merchandise Exports (% of Merchandise Exports)		6.44	3.57	3.18
Merchandise Imports		28,259	36,189	42,797
Intra-OIC Merchandise Imports (% of Merchandise Imports)		50.01	51.03	50.61
Structure of Economy (% of GDP)				
Agriculture	2009	5.22	5.25	4.76
Industry		51.93	55.60	56.58
Services		42.85	39.15	38.65
Household Final Consumption Expenditures		61.67	55.61	52.33
General Government Final Expenditure		24.86	25.04	20.26
Gross Capital Formation		13.33	11.99	15.89
Gross Domestic Savings		13.47	19.35	27.41
Exports of Goods and Services		46.51	50.00	53.08
Imports of Goods and Services		46.37	42.65	35.93
Indebtedness				
Total External Debt / GDP	2009	...	...	...
Interest Payments on External Debt / GDP		...	...	...
Total Debt Service / Exports		...	...	...

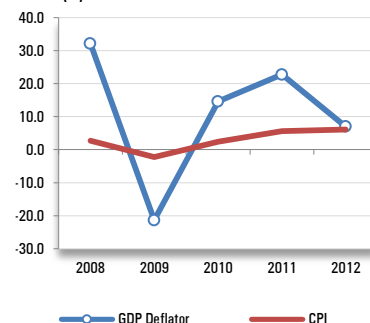
Development Diamond



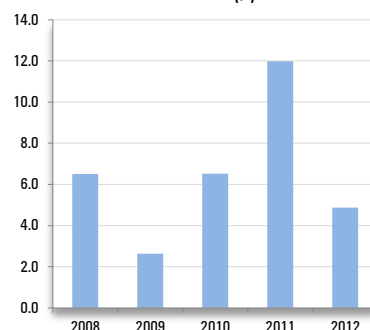
Economic Ratios (% of GDP)



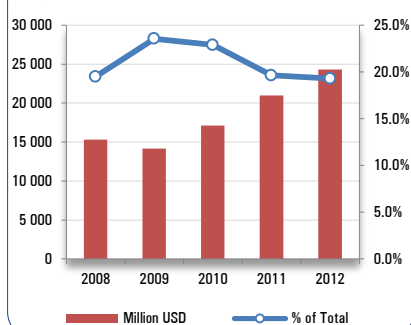
Inflation (%)



Current Account Balance to GDP (%)



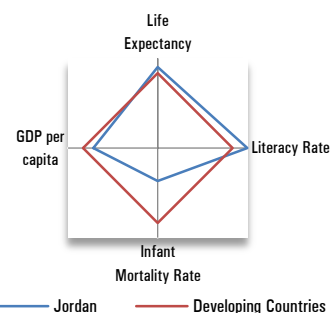
Intra-OIC Merchandise Trade



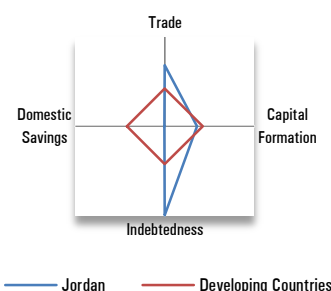
Jordan

		Jordan	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.19	1.29	1.15
Labour Force (% of total population)	2011	27.15	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	6,042	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	6,130	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	82.95	46.40	52.55
Literacy (% of population age 15+)	2011	95.90	80.22	84.08
Infant Mortality (per 1000 live births)	2011	18.00	40.70	37.60
Life Expectancy at Birth (years)	2011	73.43	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	35.26	36.94	38.65
GDP (annual % change)	2011	2.31	2.59	2.80
GDP per capita (annual % change)	2012	0.09	0.29	0.49
Current Account Balance (US\$ billions)	2010	-1.39	-3.48	-5.64
Current Account Balance / GDP	2011	-5.26	-12.03	-18.07
Foreign Direct Investment (US\$ millions)	2012	1,651	1,474	1,403
Inflation (%)				
Consumer Prices	2010	5.00	4.41	4.77
Implicit GDP Deflator	2011	8.44	6.39	5.12
Trade (Million US\$)				
Merchandise Exports	2010	5,939	6,732	6,682
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	55.78	54.50	56.68
Merchandise Imports	2012	15,564	18,930	20,666
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	40.74	41.51	41.72
Structure of Economy (% of GDP)				
Agriculture	2009	2.89	3.24	3.16
Industry	2010	29.87	29.15	29.56
Services	2011	67.24	67.61	67.28
Household Final Consumption Expenditures	2012	75.03	77.06	82.69
General Government Final Expenditure	2010	21.87	20.39	19.76
Gross Capital Formation	2011	26.30	24.90	26.02
Gross Domestic Savings	2012	3.11	2.78	-2.82
Exports of Goods and Services	2010	45.88	47.79	45.58
Imports of Goods and Services	2011	69.08	69.03	73.86
Indebtedness				
Total External Debt / GDP	2009	60.57	63.34	61.14
Interest Payments on External Debt / GDP	2010	1.15	1.05	1.23
Total Debt Service / Exports	2011	6.00	5.72	6.71

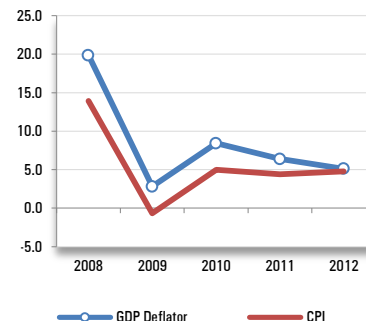
Development Diamond



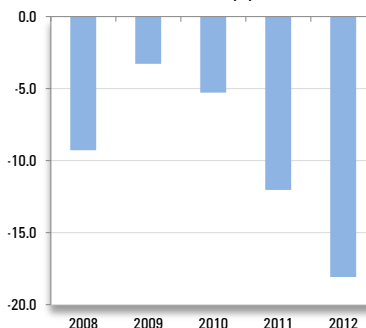
Economic Ratios (% of GDP)



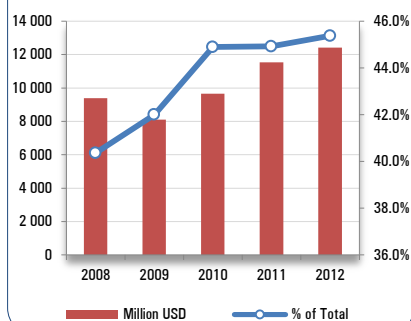
Inflation (%)



Current Account Balance to GDP (%)



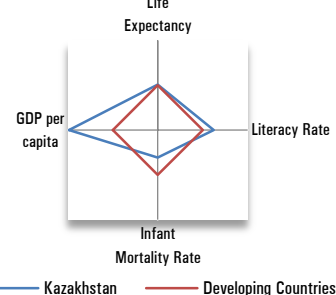
Intra-OIC Merchandise Trade



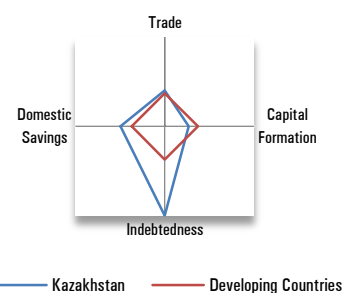
Kazakhstan

		Kazakhstan	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.43	1.29	1.15
Labour Force (% of total population)	2011	53.58	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	13,893	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	11,950	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	53.54	46.40	52.55
Literacy (% of population age 15+)	2009	99.73	80.22	84.08
Infant Mortality (per 1000 live births)	2011	25.00	40.70	37.60
Life Expectancy at Birth (years)	2011	68.89	67.88	69.92
Basic Indicators				
Key Economic Indicators		2010	2011	2012
GDP (PPP, cur. \$ billion)		197.45	216.78	231.79
GDP (annual % change)		7.25	7.50	5.04
GDP per capita (annual % change)		5.52	5.39	2.98
Current Account Balance (US\$ billions)		1.76	13.60	8.97
Current Account Balance / GDP		1.19	7.43	4.57
Foreign Direct Investment (US\$ millions)		11,551	13,903	14,022
Inflation (%)		2010	2011	2012
Consumer Prices		7.13	8.33	5.12
Implicit GDP Deflator		19.54	17.57	3.88
Trade (Million US\$)		2010	2011	2012
Merchandise Exports		57,239	80,191	63,465
Intra-OIC Merchandise Exports (% of Merchandise Exports)		9.01	8.29	10.24
Merchandise Imports		24,015	21,419	45,507
Intra-OIC Merchandise Imports (% of Merchandise Imports)		7.12	10.72	6.15
Structure of Economy (% of GDP)		2009	2010	2011
Agriculture		6.24	4.66	5.41
Industry		38.99	41.95	40.32
Services		54.78	53.39	54.27
Household Final Consumption Expenditures		47.35	45.38	43.16
General Government Final Expenditure		11.66	10.81	10.76
Gross Capital Formation		29.41	25.37	22.38
Gross Domestic Savings		37.64	40.12	43.91
Exports of Goods and Services		42.04	43.96	49.48
Imports of Goods and Services		33.82	29.21	27.75
Indebtedness		2009	2010	2011
Total External Debt / GDP		97.15	80.51	66.17
Interest Payments on External Debt / GDP		5.52	3.73	3.90
Total Debt Service / Exports		50.74	58.34	34.62

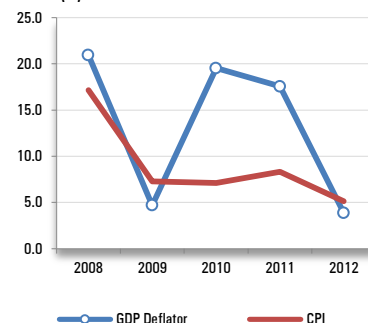
Development Diamond



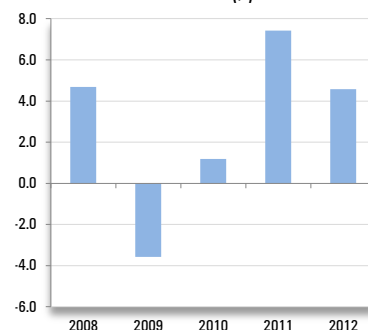
Economic Ratios (% of GDP)



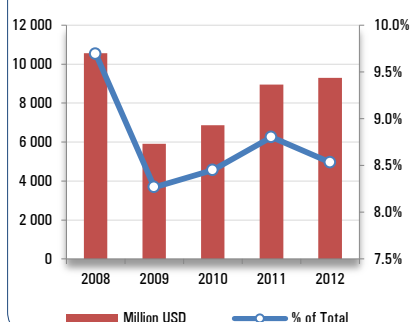
Inflation (%)



Current Account Balance to GDP (%)



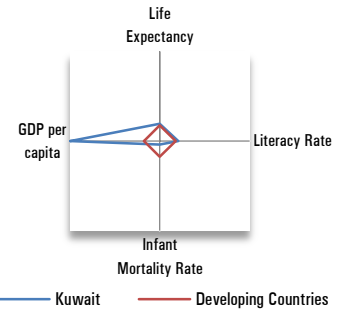
Intra-OIC Merchandise Trade



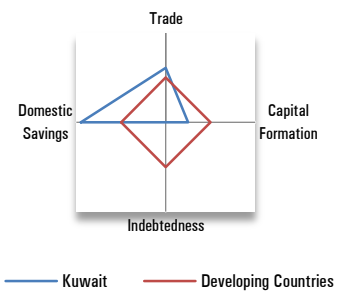
Kuwait

		Kuwait	Developing Countries	World
Population and Income				
Population Growth (%)	2012	3.95	1.29	1.15
Labour Force (% of total population)	2011	50.73	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	39,889	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2010	49,230	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	98.27	46.40	52.55
Literacy (% of population age 15+)	2008	93.91	80.22	84.08
Infant Mortality (per 1000 live births)	2011	9.30	40.70	37.60
Life Expectancy at Birth (years)	2011	74.73	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	130.00	141.14	150.96
GDP (annual % change)		-2.37	6.30	5.08
GDP per capita (annual % change)		-5.02	3.42	2.23
Current Account Balance (US\$ billions)		38.29	70.80	78.08
Current Account Balance / GDP		31.93	43.98	45.03
Foreign Direct Investment (US\$ millions)		456	855	1,851
Inflation (%)				
Consumer Prices	2010	4.01	4.75	2.93
Implicit GDP Deflator		13.06	26.41	...
Trade (Million US\$)				
Merchandise Exports	2010	61,679	86,885	103,650
Intra-OIC Merchandise Exports (% of Merchandise Exports)		14.36	13.59	12.95
Merchandise Imports		22,816	24,173	25,039
Intra-OIC Merchandise Imports (% of Merchandise Imports)		22.41	26.45	25.61
Structure of Economy (% of GDP)				
Agriculture	2009	0.25	0.16	0.19
Industry		55.08	57.47	67.43
Services		44.67	42.37	32.38
Household Final Consumption Expenditures		33.50	30.44	22.80
General Government Final Expenditure		18.48	16.69	15.13
Gross Capital Formation		17.97	19.09	15.58
Gross Domestic Savings		48.05	52.88	62.62
Exports of Goods and Services		59.47	60.07	65.92
Imports of Goods and Services		29.40	26.29	21.06
Indebtedness				
Total External Debt / GDP	2009	...	...	...
Interest Payments on External Debt / GDP		...	...	...
Total Debt Service / Exports		...	...	...

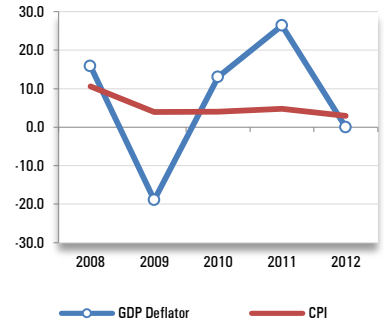
Development Diamond



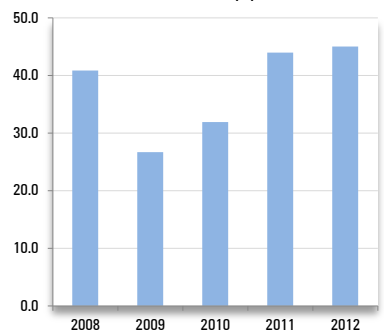
Economic Ratios (% of GDP)



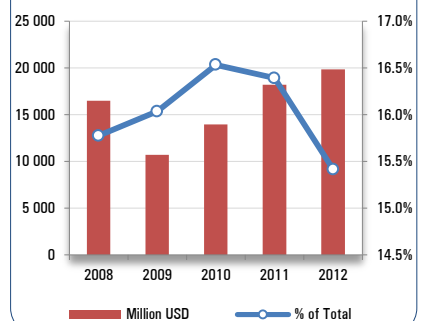
Inflation (%)



Current Account Balance to GDP (%)



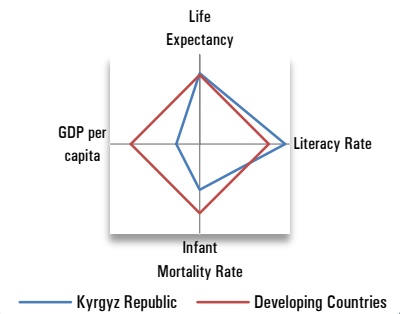
Intra-OIC Merchandise Trade



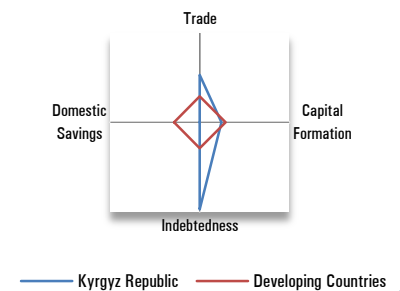
Kyrgyz Republic

		Kyrgyz Republic	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.22	1.29	1.15
Labour Force (% of total population)	2011	46.63	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	2,376	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	2,260	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	35.48	46.40	52.55
Literacy (% of population age 15+)	2009	99.24	80.22	84.08
Infant Mortality (per 1000 live births)	2011	27.00	40.70	37.60
Life Expectancy at Birth (years)	2011	69.60	67.88	69.92
Basic Indicators				
Key Economic Indicators		2010	2011	2012
GDP (PPP, cur. \$ billion)		12.16	13.16	13.28
GDP (annual % change)		-0.47	6.00	-0.90
GDP per capita (annual % change)		-1.55	4.95	-1.88
Current Account Balance (US\$ billions)		-0.31	-0.37	-0.82
Current Account Balance / GDP		-6.38	-5.99	-12.70
Foreign Direct Investment (US\$ millions)		438	694	372
Inflation (%)		2010	2011	2012
Consumer Prices		7.76	16.59	2.77
Implicit GDP Deflator		10.03	22.48	7.39
Trade (Million US\$)		2010	2011	2012
Merchandise Exports		1,047	1,135	1,152
Intra-OIC Merchandise Exports (% of Merchandise Exports)		55.11	63.36	70.44
Merchandise Imports		7,234	9,078	9,986
Intra-OIC Merchandise Imports (% of Merchandise Imports)		12.03	11.30	12.29
Structure of Economy (% of GDP)		2009	2010	2011
Agriculture		20.33	18.76	19.69
Industry		25.61	28.17	27.92
Services		54.06	53.08	52.38
Household Final Consumption Expenditures		78.28	84.60	84.07
General Government Final Expenditure		18.43	18.13	18.46
Gross Capital Formation		27.27	27.40	25.34
Gross Domestic Savings		3.29	-2.72	-2.90
Exports of Goods and Services		54.70	51.55	54.54
Imports of Goods and Services		78.68	81.68	81.64
Indebtedness		2009	2010	2011
Total External Debt / GDP		87.82	85.82	88.51
Interest Payments on External Debt / GDP		...	...	...
Total Debt Service / Exports		10.43	21.92	11.79

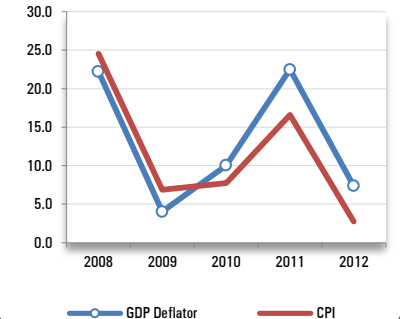
Development Diamond



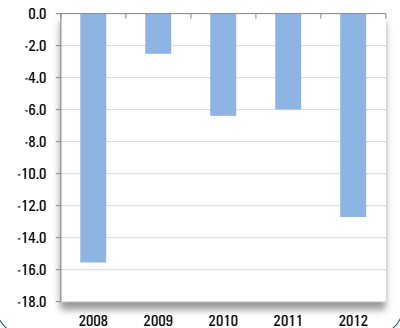
Economic Ratios (% of GDP)



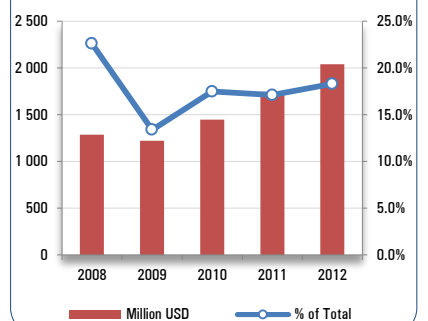
Inflation (%)



Current Account Balance to GDP (%)



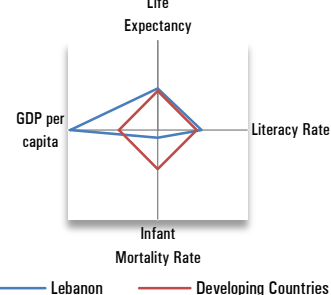
Intra-OIC Merchandise Trade



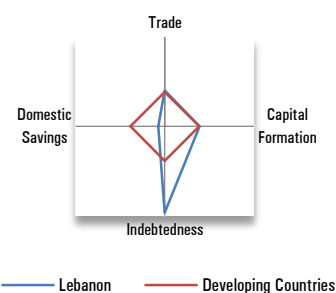
Lebanon

		Lebanon	Developing Countries	World
Population and Income				
Population Growth (%)	2012	0.96	1.29	1.15
Labour Force (% of total population)	2011	35.42	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	15,757	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	14,400	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	87.36	46.40	52.55
Literacy (% of population age 15+)	2007	89.61	80.22	84.08
Infant Mortality (per 1000 live births)	2011	8.00	40.70	37.60
Life Expectancy at Birth (years)	2011	72.59	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	58.99	61.15	63.18
GDP (annual % change)		7.00	1.50	1.50
GDP per capita (annual % change)		5.63	0.20	0.20
Current Account Balance (US\$ billions)		-3.57	-4.89	-6.64
Current Account Balance / GDP		-9.61	-12.53	-16.05
Foreign Direct Investment (US\$ millions)		4,280	3,485	3,787
Inflation (%)				
Consumer Prices	2010	4.48	4.99	6.57
Implicit GDP Deflator		0.13	4.85	5.63
Trade (Million US\$)				
Merchandise Exports	2010	3,858	4,201	4,213
Intra-OIC Merchandise Exports (% of Merchandise Exports)		57.12	49.97	49.95
Merchandise Imports		17,964	20,050	21,621
Intra-OIC Merchandise Imports (% of Merchandise Imports)		20.90	23.50	23.28
Structure of Economy (% of GDP)				
Agriculture	2009	5.09	4.74	5.21
Industry		19.40	19.73	19.16
Services		75.51	75.53	75.63
Household Final Consumption Expenditures		78.90	79.82	87.95
General Government Final Expenditure		14.16	14.29	12.65
Gross Capital Formation		34.68	33.92	31.38
Gross Domestic Savings		6.93	5.89	6.37
Exports of Goods and Services		20.62	22.17	23.74
Imports of Goods and Services		48.37	50.21	50.43
Indebtedness				
Total External Debt / GDP	2009	71.58	66.24	61.77
Interest Payments on External Debt / GDP		4.37	3.90	3.85
Total Debt Service / Exports		19.93	18.66	19.93

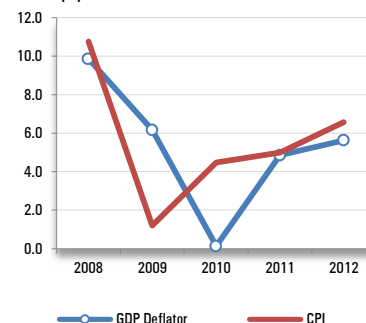
Development Diamond



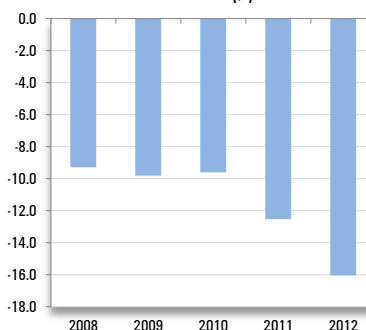
Economic Ratios (% of GDP)



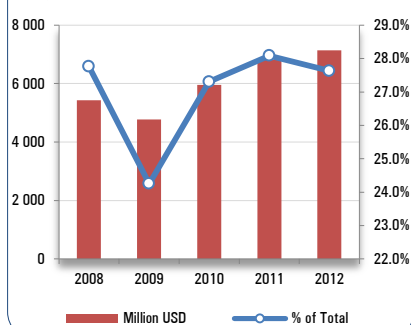
Inflation (%)



Current Account Balance to GDP (%)



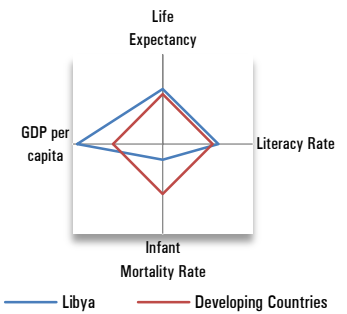
Intra-OIC Merchandise Trade



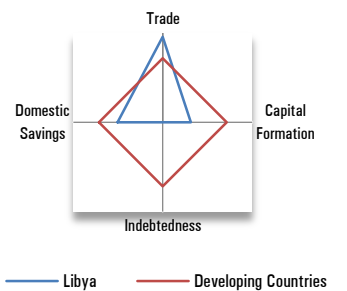
Libya

		Libya	Developing Countries	World
Population and Income				
Population Growth (%)	2012	0.84	1.29	1.15
Labour Force (% of total population)	2011	37.69	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	12,066	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2009	17,560	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	77.91	46.40	52.55
Literacy (% of population age 15+)	2011	89.54	80.22	84.08
Infant Mortality (per 1000 live births)	2011	12.80	40.70	37.60
Life Expectancy at Birth (years)	2011	74.95	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	95.95	37.17	77.36
GDP (annual % change)	2011	5.02	-62.08	104.48
GDP per capita (annual % change)	2011	3.13	-61.58	100.79
Current Account Balance (US\$ billions)	2010	14.58	3.17	29.37
Current Account Balance / GDP	2010	19.49	9.14	35.86
Foreign Direct Investment (US\$ millions)	2010	1,909	...	...
Inflation (%)				
Consumer Prices	2010	2.46	15.90	6.07
Implicit GDP Deflator	2010	...	...	...
Trade (Million US\$)				
Merchandise Exports	2010	42,189	17,449	51,399
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2010	5.46	10.31	6.16
Merchandise Imports	2010	21,899	8,597	19,146
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2010	25.38	40.83	29.14
Structure of Economy (% of GDP)				
Agriculture	2009	2.74	2.46	1.93
Industry	2009	70.80	73.84	50.21
Services	2009	26.46	23.70	47.86
Household Final Consumption Expenditures	2009	36.61	36.09	34.20
General Government Final Expenditure	2009	12.64	12.52	42.50
Gross Capital Formation	2009	9.71	9.62	13.65
Gross Domestic Savings	2009	50.75	51.39	23.30
Exports of Goods and Services	2009	68.07	68.65	52.57
Imports of Goods and Services	2009	27.02	26.88	42.91
Indebtedness				
Total External Debt / GDP	2009	...	...	...
Interest Payments on External Debt / GDP	2009	...	...	...
Total Debt Service / Exports	2009	...	...	...

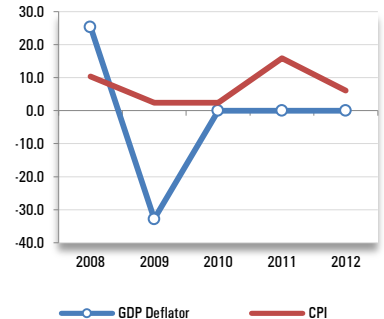
Development Diamond



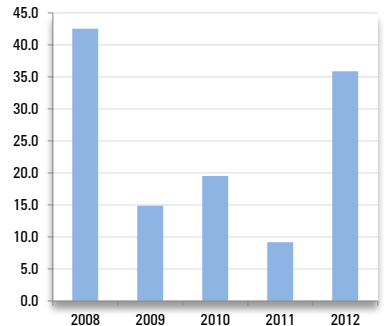
Economic Ratios (% of GDP)



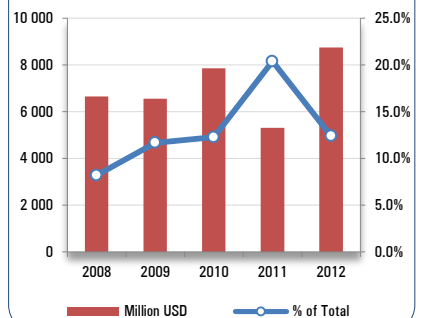
Inflation (%)



Current Account Balance to GDP (%)



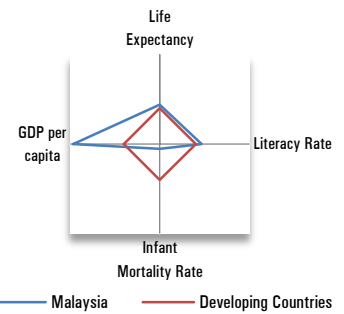
Intra-OIC Merchandise Trade



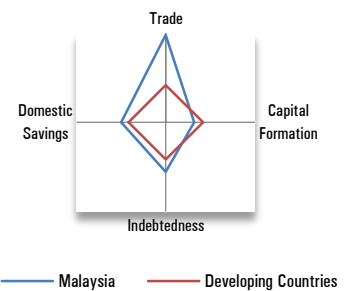
Malaysia

		Malaysia	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.66	1.29	1.15
Labour Force (% of total population)	2011	43.99	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	16,922	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	16,530	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	73.36	46.40	52.55
Literacy (% of population age 15+)	2010	93.12	80.22	84.08
Infant Mortality (per 1000 live births)	2011	5.60	40.70	37.60
Life Expectancy at Birth (years)	2011	74.26	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	432.05	463.69	498.48
GDP (annual % change)	2011	7.15	5.08	5.61
GDP per capita (annual % change)	2011	5.26	3.72	3.85
Current Account Balance (US\$ billions)	2010	27.35	31.74	19.42
Current Account Balance / GDP	2010	11.08	11.02	6.40
Foreign Direct Investment (US\$ millions)	2010	9,060	12,198	10,074
Inflation (%)				
Consumer Prices	2010	1.72	3.17	1.66
Implicit GDP Deflator	2010	4.08	5.46	0.75
Trade (Million US\$)				
Merchandise Exports	2010	198,752	228,294	227,625
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2010	10.44	10.86	11.02
Merchandise Imports	2010	164,746	187,649	196,831
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2010	10.37	12.13	11.35
Structure of Economy (% of GDP)				
Agriculture	2009	9.31	10.49	11.99
Industry	2009	41.37	41.49	40.68
Services	2009	49.32	48.01	47.33
Household Final Consumption Expenditures	2009	48.84	47.50	47.50
General Government Final Expenditure	2009	13.05	12.19	13.02
Gross Capital Formation	2009	17.84	23.15	23.58
Gross Domestic Savings	2009	38.11	40.31	39.48
Exports of Goods and Services	2009	91.42	93.75	91.56
Imports of Goods and Services	2009	71.14	76.59	75.66
Indebtedness				
Total External Debt / GDP	2009	34.50	34.49	32.81
Interest Payments on External Debt / GDP	2009	1.24	0.88	0.70
Total Debt Service / Exports	2009	6.14	5.48	3.88

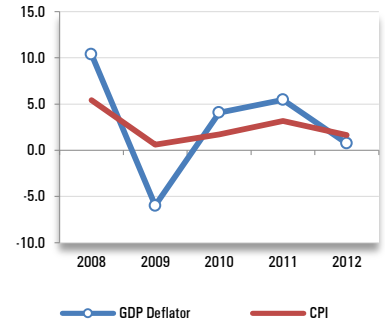
Development Diamond



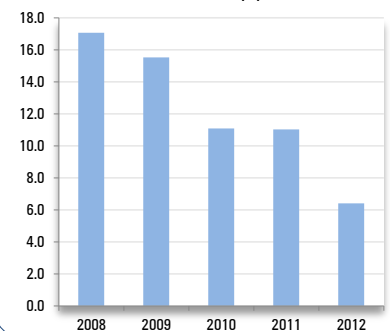
Economic Ratios (% of GDP)



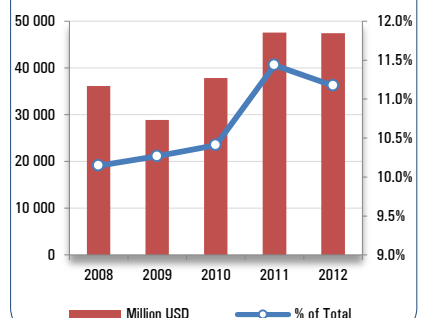
Inflation (%)



Current Account Balance to GDP (%)



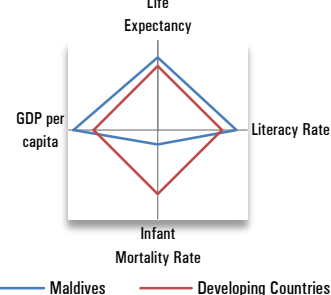
Intra-OIC Merchandise Trade



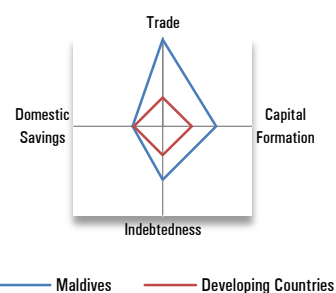
Maldives

		Maldives	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.93	1.29	1.15
Labour Force (% of total population)	2011	46.77	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	9,235	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	7,690	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	42.23	46.40	52.55
Literacy (% of population age 15+)	2006	98.40	80.22	84.08
Infant Mortality (per 1000 live births)	2011	9.20	40.70	37.60
Life Expectancy at Birth (years)	2011	76.88	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	2.65	2.90	3.06
GDP (annual % change)		7.06	7.05	3.50
GDP per capita (annual % change)		5.29	5.28	1.79
Current Account Balance (US\$ billions)		-0.20	-0.44	-0.58
Current Account Balance / GDP		-9.23	-21.40	-26.46
Foreign Direct Investment (US\$ millions)		216	256	284
Inflation (%)				
Consumer Prices	2010	6.15	11.26	10.89
Implicit GDP Deflator		0.44	7.54	5.00
Trade (Million US\$)				
Merchandise Exports	2010	135	196	214
Intra-OIC Merchandise Exports (% of Merchandise Exports)		4.37	1.46	1.05
Merchandise Imports		1,202	1,487	1,430
Intra-OIC Merchandise Imports (% of Merchandise Imports)		31.70	31.34	34.89
Structure of Economy (% of GDP)				
Agriculture	2009	4.00	3.77	3.50
Industry		14.69	15.23	15.65
Services		81.31	81.00	80.85
Household Final Consumption Expenditures		24.63	26.21	25.64
General Government Final Expenditure		39.98	38.87	39.74
Gross Capital Formation		57.46	56.70	57.51
Gross Domestic Savings		35.39	34.92	34.62
Exports of Goods and Services		86.28	94.06	109.18
Imports of Goods and Services		74.57	79.34	105.26
Indebtedness				
Total External Debt / GDP	2009	49.43	47.21	45.64
Interest Payments on External Debt / GDP		1.23	1.06	1.03
Total Debt Service / Exports		11.19	8.86	...

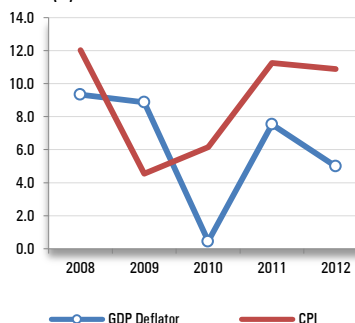
Development Diamond



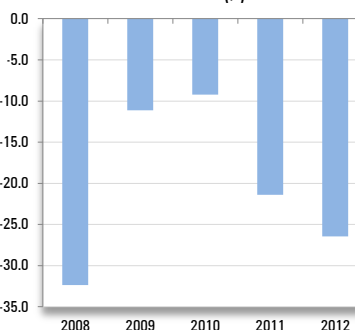
Economic Ratios (% of GDP)



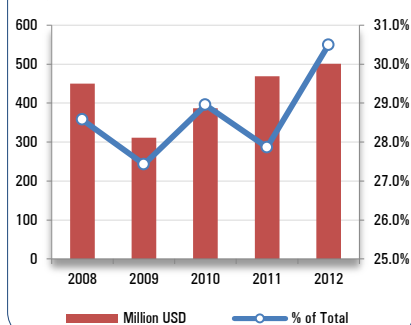
Inflation (%)



Current Account Balance to GDP (%)



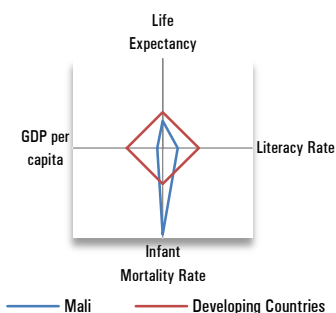
Intra-OIC Merchandise Trade



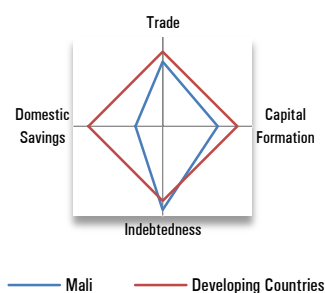
Mali

		Mali	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.99	1.29	1.15
Labour Force (% of total population)	2011	28.16	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,100	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	1,160	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	35.57	46.40	52.55
Literacy (% of population age 15+)	2011	33.44	80.22	84.08
Infant Mortality (per 1000 live births)	2011	98.20	40.70	37.60
Life Expectancy at Birth (years)	2011	51.37	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	17.04	17.88	17.98
GDP (annual % change)		5.82	2.73	-1.19
GDP per capita (annual % change)		2.65	-0.38	-4.18
Current Account Balance (US\$ billions)		-1.19	-0.65	-0.35
Current Account Balance / GDP		-12.61	-6.05	-3.42
Foreign Direct Investment (US\$ millions)		406	556	310
Inflation (%)				
Consumer Prices	2010	1.29	3.05	5.32
Implicit GDP Deflator		4.18	4.89	5.92
Trade (Million US\$)				
Merchandise Exports	2010	297	435	560
Intra-OIC Merchandise Exports (% of Merchandise Exports)		20.42	30.39	25.76
Merchandise Imports		3,472	3,918	3,825
Intra-OIC Merchandise Imports (% of Merchandise Imports)		27.56	23.17	22.91
Structure of Economy (% of GDP)				
Agriculture	2009	38.86	40.50	38.97
Industry		20.96	20.12	22.14
Services		40.18	39.38	38.89
Household Final Consumption Expenditures		62.20	60.81	61.80
General Government Final Expenditure		17.34	16.93	17.14
Gross Capital Formation		21.24	24.51	22.87
Gross Domestic Savings		13.62	7.27	12.09
Exports of Goods and Services		23.74	25.99	25.53
Imports of Goods and Services		31.37	39.88	36.24
Indebtedness				
Total External Debt / GDP	2009	24.66	26.15	27.50
Interest Payments on External Debt / GDP		0.27	0.25	0.27
Total Debt Service / Exports		3.10	2.45	...

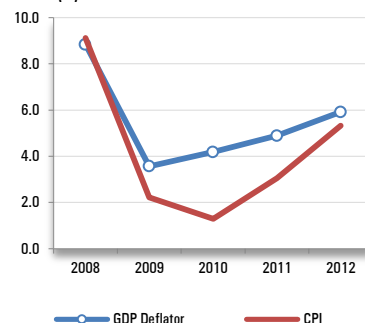
Development Diamond



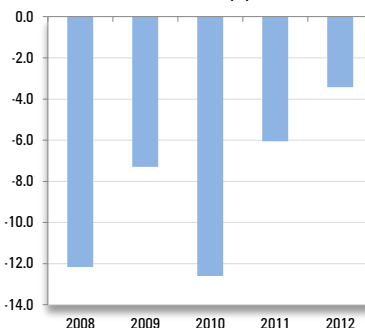
Economic Ratios (% of GDP)



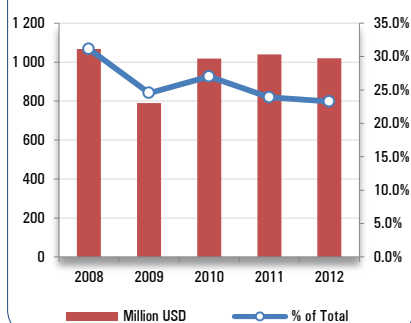
Inflation (%)



Current Account Balance to GDP (%)



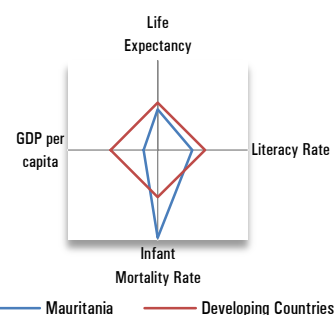
Intra-OIC Merchandise Trade



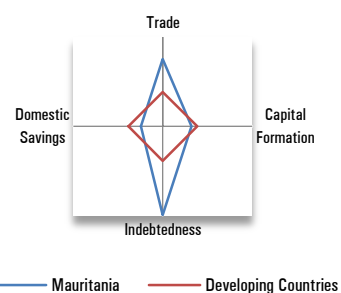
Mauritania

		Mauritania	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.49	1.29	1.15
Labour Force (% of total population)	2011	32.07	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	2,122	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	2,520	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	41.79	46.40	52.55
Literacy (% of population age 15+)	2011	58.61	80.22	84.08
Infant Mortality (per 1000 live births)	2011	75.60	40.70	37.60
Life Expectancy at Birth (years)	2011	58.55	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	6.70	7.11	7.70
GDP (annual % change)	2011	5.08	3.88	6.36
GDP per capita (annual % change)	2012	2.56	1.44	3.87
Current Account Balance (US\$ billions)	2011	-0.32	-0.31	-1.08
Current Account Balance / GDP	2012	-8.66	-7.31	-25.81
Foreign Direct Investment (US\$ millions)	2012	131	589	1,204
Inflation (%)				
Consumer Prices	2010	6.26	5.69	4.90
Implicit GDP Deflator	2011	21.37	14.09	-3.61
Trade (Million US\$)				
Merchandise Exports	2010	2,156	3,045	2,779
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	12.60	10.50	12.87
Merchandise Imports	2012	2,541	3,491	3,903
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	15.63	15.12	14.91
Structure of Economy (% of GDP)				
Agriculture	2009	23.21	23.92	23.66
Industry	2010	36.79	37.23	38.46
Services	2011	40.00	38.86	37.88
Household Final Consumption Expenditures	2012	74.44	70.35	69.11
General Government Final Expenditure	2012	25.50	25.25	15.14
Gross Capital Formation	2012	20.59	18.26	25.87
Gross Domestic Savings	2012	15.62	13.88	20.82
Exports of Goods and Services	2012	45.00	56.29	64.69
Imports of Goods and Services	2012	59.99	69.30	74.76
Indebtedness				
Total External Debt / GDP	2009	70.84	69.63	63.39
Interest Payments on External Debt / GDP	2010	0.80	0.93	1.02
Total Debt Service / Exports	2011	4.74	4.74	3.58

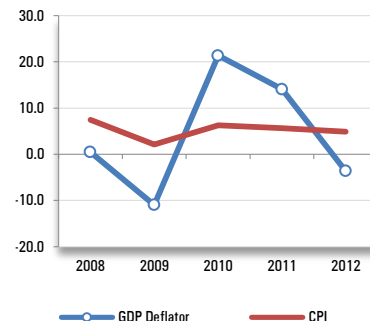
Development Diamond



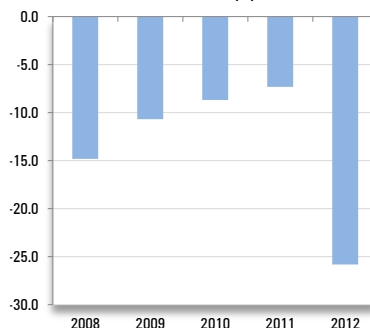
Economic Ratios (% of GDP)



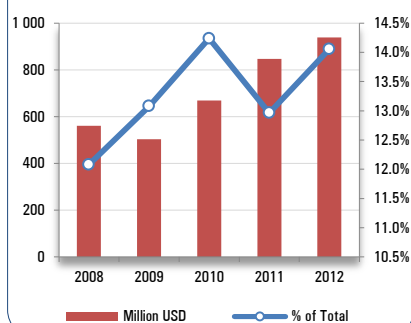
Inflation (%)



Current Account Balance to GDP (%)



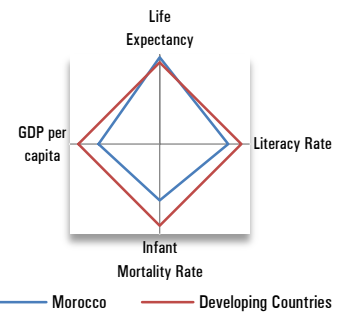
Intra-OIC Merchandise Trade



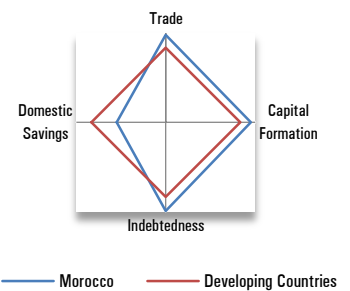
Morocco

		Morocco	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.43	1.29	1.15
Labour Force (% of total population)	2011	35.68	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	5,265	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	5,040	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	57.41	46.40	52.55
Literacy (% of population age 15+)	2011	67.08	80.22	84.08
Infant Mortality (per 1000 live births)	2011	28.20	40.70	37.60
Life Expectancy at Birth (years)	2011	72.13	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	152.33	163.34	171.23
GDP (annual % change)		3.64	4.99	2.99
GDP per capita (annual % change)		2.55	3.89	1.93
Current Account Balance (US\$ billions)		-3.75	-8.05	-9.36
Current Account Balance / GDP		-4.13	-8.12	-9.60
Foreign Direct Investment (US\$ millions)		1,574	2,568	2,836
Inflation (%)				
Consumer Prices	2010	0.99	0.91	1.30
Implicit GDP Deflator		0.65	0.06	1.24
Trade (Million US\$)				
Merchandise Exports	2010	16,610	20,790	19,507
Intra-OIC Merchandise Exports (% of Merchandise Exports)		11.61	11.16	13.55
Merchandise Imports		35,139	43,626	42,890
Intra-OIC Merchandise Imports (% of Merchandise Imports)		17.51	19.38	18.55
Structure of Economy (% of GDP)				
Agriculture	2009	15.57	14.66	14.70
Industry		27.16	28.27	28.07
Services		57.26	57.07	57.23
Household Final Consumption Expenditures		57.13	57.27	59.36
General Government Final Expenditure		18.21	17.52	17.59
Gross Capital Formation		35.64	35.12	35.49
Gross Domestic Savings		24.66	25.21	21.69
Exports of Goods and Services		28.70	33.01	34.94
Imports of Goods and Services		39.69	42.93	48.49
Indebtedness				
Total External Debt / GDP	2009	27.09	28.97	29.28
Interest Payments on External Debt / GDP		0.79	0.99	0.81
Total Debt Service / Exports		13.69	11.84	9.91

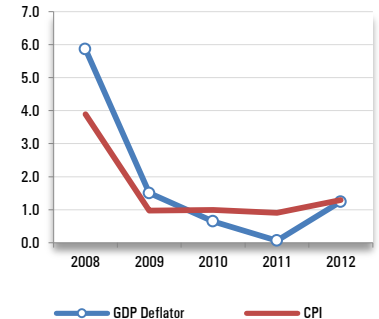
Development Diamond



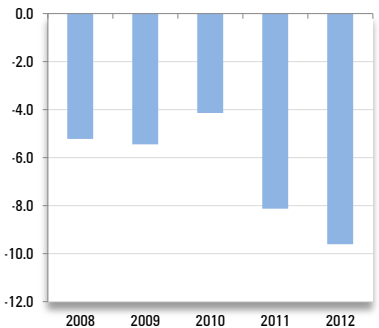
Economic Ratios (% of GDP)



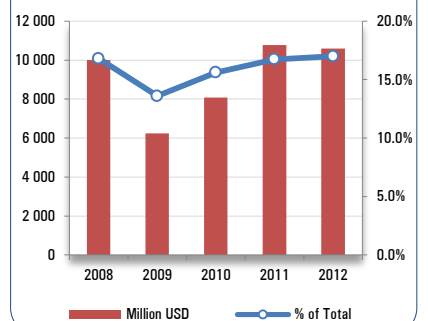
Inflation (%)



Current Account Balance to GDP (%)



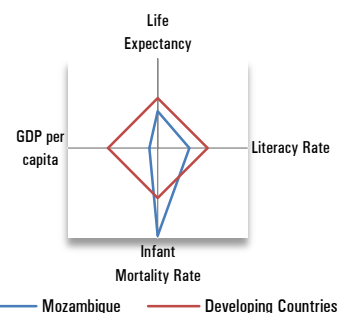
Intra-OIC Merchandise Trade



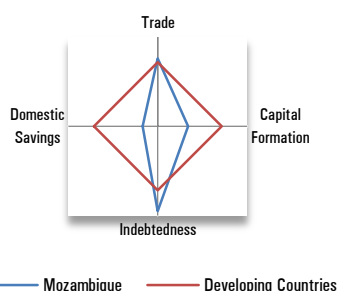
Mozambique

		Mozambique	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.50	1.29	1.15
Labour Force (% of total population)	2011	46.21	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,169	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	1,020	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	31.47	46.40	52.55
Literacy (% of population age 15+)	2009	50.58	80.22	84.08
Infant Mortality (per 1000 live births)	2011	71.60	40.70	37.60
Life Expectancy at Birth (years)	2011	50.15	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	21.89	24.00	26.26
GDP (annual % change)	2011	7.09	7.32	7.50
GDP per capita (annual % change)	2011	4.98	5.22	5.39
Current Account Balance (US\$ billions)	2011	-1.66	-3.24	-3.81
Current Account Balance / GDP	2011	-17.42	-25.78	-26.12
Foreign Direct Investment (US\$ millions)	2011	1,018	2,663	5,218
Inflation (%)				
Consumer Prices	2010	12.70	10.35	2.09
Implicit GDP Deflator	2010	10.48	8.08	5.49
Trade (Million US\$)				
Merchandise Exports	2010	2,243	3,558	4,081
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2010	2.33	3.67	4.93
Merchandise Imports	2010	3,564	7,685	8,496
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2010	5.13	5.96	5.37
Structure of Economy (% of GDP)				
Agriculture	2009	28.81	30.23	29.19
Industry	2009	22.97	21.94	22.93
Services	2009	48.22	47.82	47.89
Household Final Consumption Expenditures	2009	80.53	82.67	85.88
General Government Final Expenditure	2009	12.91	13.11	13.75
Gross Capital Formation	2009	14.95	13.37	14.72
Gross Domestic Savings	2009	-3.57	3.27	7.87
Exports of Goods and Services	2009	24.79	26.10	29.43
Imports of Goods and Services	2009	43.31	44.68	46.24
Indebtedness				
Total External Debt / GDP	2009	42.78	40.26	32.59
Interest Payments on External Debt / GDP	2009	0.28	0.53	0.22
Total Debt Service / Exports	2009	1.38	2.78	1.58

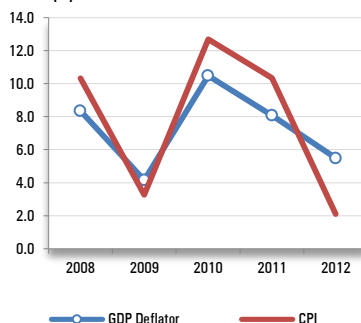
Development Diamond



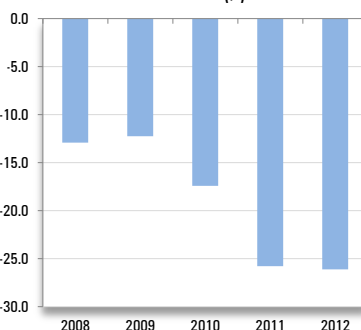
Economic Ratios (% of GDP)



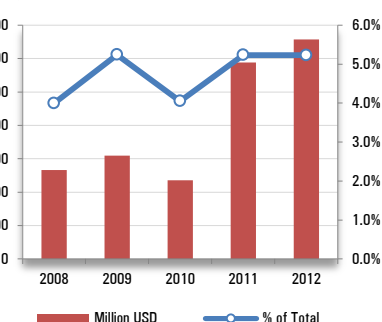
Inflation (%)



Current Account Balance to GDP (%)



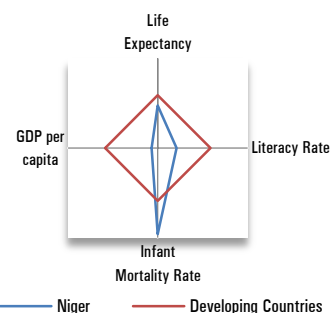
Intra-OIC Merchandise Trade



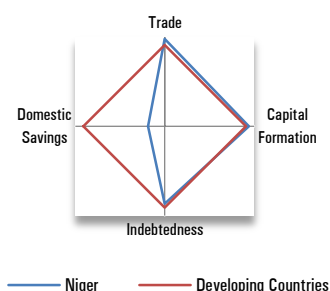
Niger

		Niger	Developing Countries	World
Population and Income				
Population Growth (%)	2012	3.84	1.29	1.15
Labour Force (% of total population)	2011	32.35	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	815	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	650	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	18.12	46.40	52.55
Literacy (% of population age 15+)	2005	28.67	80.22	84.08
Infant Mortality (per 1000 live births)	2011	66.40	40.70	37.60
Life Expectancy at Birth (years)	2011	54.69	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	11.11	11.60	13.13
GDP (annual % change)		10.66	2.15	11.24
GDP per capita (annual % change)		7.34	-0.92	7.89
Current Account Balance (US\$ billions)		-1.14	-1.57	-1.16
Current Account Balance / GDP		-19.86	-24.69	-17.66
Foreign Direct Investment (US\$ millions)		940	1,066	793
Inflation (%)				
Consumer Prices	2010	0.94	2.94	0.47
Implicit GDP Deflator		17.35	3.58	6.21
Trade (Million US\$)				
Merchandise Exports	2010	213	543	446
Intra-OIC Merchandise Exports (% of Merchandise Exports)		69.14	31.18	43.81
Merchandise Imports		1,587	1,623	1,584
Intra-OIC Merchandise Imports (% of Merchandise Imports)		26.36	30.54	35.34
Structure of Economy (% of GDP)				
Agriculture	2009	41.65	45.09	42.68
Industry		16.07	15.51	16.09
Services		42.27	39.40	41.23
Household Final Consumption Expenditures		73.72	70.63	73.16
General Government Final Expenditure		16.40	14.75	16.70
Gross Capital Formation		33.17	35.88	32.12
Gross Domestic Savings		5.73	9.68	6.80
Exports of Goods and Services		20.87	21.36	23.27
Imports of Goods and Services		48.13	50.31	53.28
Indebtedness				
Total External Debt / GDP	2009	22.32	23.44	23.41
Interest Payments on External Debt / GDP		0.19	0.18	0.21
Total Debt Service / Exports		3.81	...	...

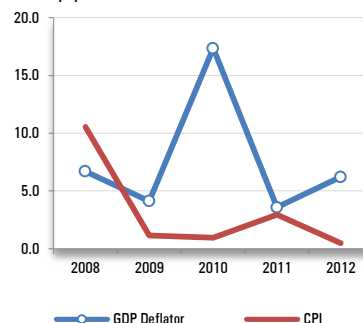
Development Diamond



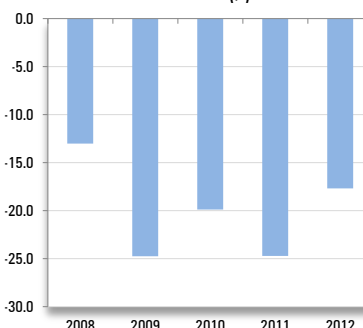
Economic Ratios (% of GDP)



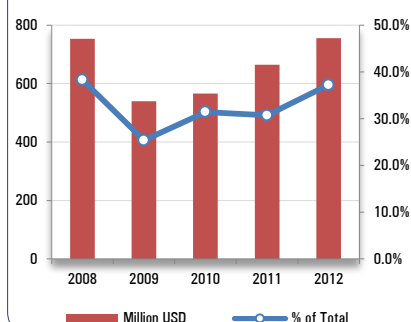
Inflation (%)



Current Account Balance to GDP (%)



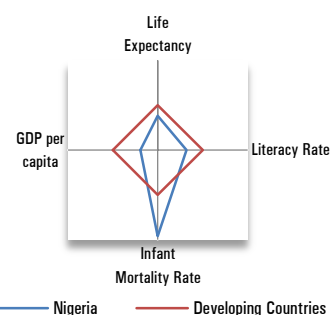
Intra-OIC Merchandise Trade



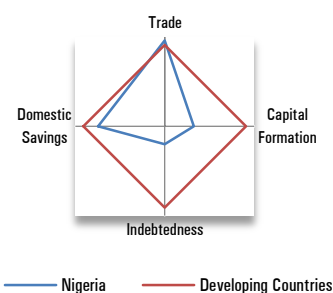
Nigeria

		Nigeria	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.79	1.29	1.15
Labour Force (% of total population)	2011	31.07	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	2,720	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	2,420	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	50.23	46.40	52.55
Literacy (% of population age 15+)	2008	51.08	80.22	84.08
Infant Mortality (per 1000 live births)	2011	78.00	40.70	37.60
Life Expectancy at Birth (years)	2011	51.86	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	377.62	414.03	448.13
GDP (annual % change)	2011	7.98	7.36	6.33
GDP per capita (annual % change)	2012	5.09	4.48	3.49
Current Account Balance (US\$ billions)	2010	13.42	8.76	17.74
Current Account Balance / GDP	2011	5.87	3.59	6.60
Foreign Direct Investment (US\$ millions)	2012	6,099	8,915	7,029
Inflation (%)				
Consumer Prices	2010	13.72	10.84	12.22
Implicit GDP Deflator	2011	26.78	2.34	2.37
Trade (Million US\$)				
Merchandise Exports	2010	77,845	106,518	105,655
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	6.87	5.45	6.62
Merchandise Imports	2012	47,665	59,081	56,164
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	6.95	7.65	8.05
Structure of Economy (% of GDP)				
Agriculture	2009	35.42	33.09	33.31
Industry	2010	32.91	37.85	36.88
Services	2011	31.67	29.06	29.81
Household Final Consumption Expenditures	2012	75.21	66.23	60.47
General Government Final Expenditure	2010	12.96	12.05	12.46
Gross Capital Formation	2011	12.09	11.64	11.10
Gross Domestic Savings	2012	11.83	21.72	27.07
Exports of Goods and Services	2010	34.99	35.20	39.62
Imports of Goods and Services	2011	29.67	29.89	35.62
Indebtedness				
Total External Debt / GDP	2009	6.15	4.54	5.37
Interest Payments on External Debt / GDP	2010	0.10	0.06	0.07
Total Debt Service / Exports	2011	0.85	0.44	0.43

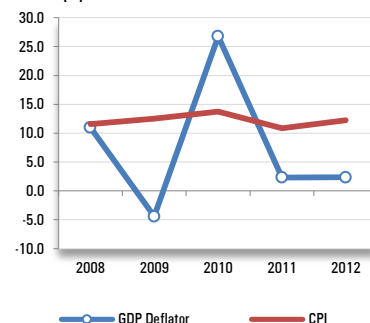
Development Diamond



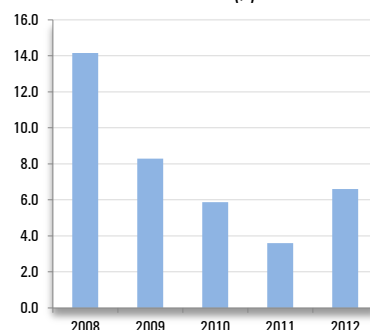
Economic Ratios (% of GDP)



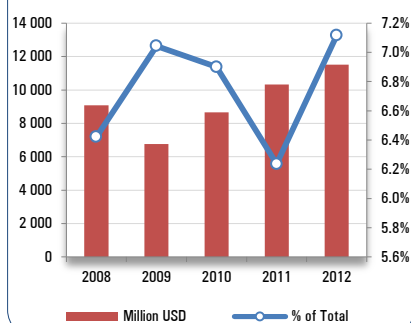
Inflation (%)



Current Account Balance to GDP (%)



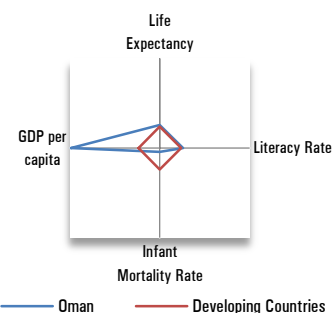
Intra-OIC Merchandise Trade



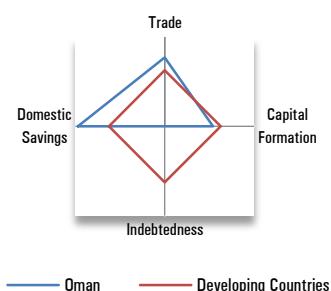
Oman

		Oman	Developing Countries	World
Population and Income				
Population Growth (%)	2012	9.13	1.29	1.15
Labour Force (% of total population)	2011	45.55	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	29,166	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2010	25,580	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	73.69	46.40	52.55
Literacy (% of population age 15+)	2010	86.94	80.22	84.08
Infant Mortality (per 1000 live births)	2011	7.30	40.70	37.60
Life Expectancy at Birth (years)	2011	73.34	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	78.94	84.24	90.06
GDP (annual % change)	2011	5.59	4.49	5.02
GDP per capita (annual % change)	2012	20.85	-12.06	1.80
Current Account Balance (US\$ billions)	2010	5.10	12.38	11.95
Current Account Balance / GDP	2011	8.67	17.69	15.63
Foreign Direct Investment (US\$ millions)	2012	1,243	739	1,514
Inflation (%)				
Consumer Prices	2010	3.26	4.03	2.94
Implicit GDP Deflator	2011	18.69	17.62	0.00
Trade (Million US\$)				
Merchandise Exports	2010	32,717	44,979	48,263
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	18.74	19.00	17.31
Merchandise Imports	2012	21,541	25,822	31,286
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	37.64	40.69	35.20
Structure of Economy (% of GDP)				
Agriculture	2009	1.40	1.22	1.04
Industry	2010	57.78	62.40	66.05
Services	2011	40.82	36.39	32.91
Household Final Consumption Expenditures	2012	40.37	33.86	32.69
General Government Final Expenditure	2010	19.98	17.85	16.14
Gross Capital Formation	2011	24.09	24.93	26.84
Gross Domestic Savings	2012	39.64	48.29	51.17
Exports of Goods and Services	2010	52.64	56.33	56.45
Imports of Goods and Services	2011	41.49	32.76	31.30
Indebtedness				
Total External Debt / GDP	2009	...	...	...
Interest Payments on External Debt / GDP	2010	...	...	...
Total Debt Service / Exports	2011	...	...	...

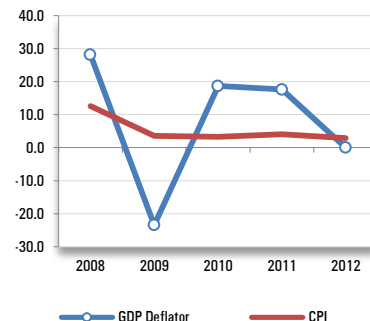
Development Diamond



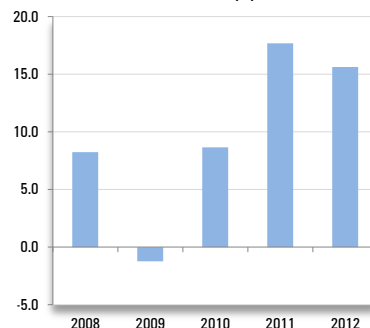
Economic Ratios (% of GDP)



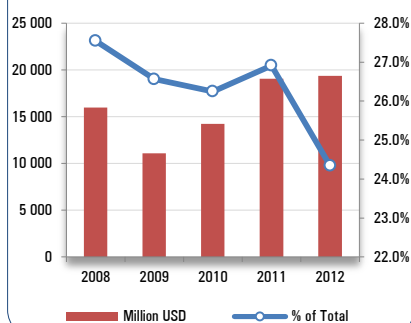
Inflation (%)



Current Account Balance to GDP (%)



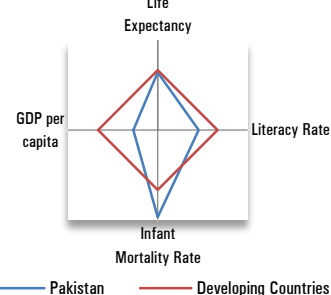
Intra-OIC Merchandise Trade



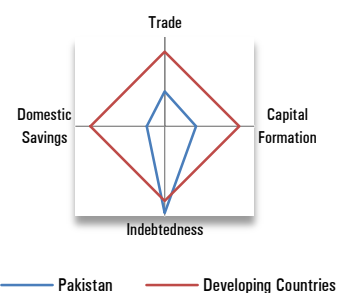
Pakistan

		Pakistan	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.69	1.29	1.15
Labour Force (% of total population)	2011	34.77	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	2,881	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	3,030	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	36.55	46.40	52.55
Literacy (% of population age 15+)	2009	54.89	80.22	84.08
Infant Mortality (per 1000 live births)	2011	59.20	40.70	37.60
Life Expectancy at Birth (years)	2011	65.45	67.88	69.92
Basic Indicators				
Key Economic Indicators		2010	2011	2012
GDP (PPP, cur. \$ billion)		464.08	488.37	515.38
GDP (annual % change)		3.07	3.04	3.68
GDP per capita (annual % change)		0.94	0.93	1.59
Current Account Balance (US\$ billions)		-3.95	0.21	-4.63
Current Account Balance / GDP		-2.23	0.10	-2.00
Foreign Direct Investment (US\$ millions)		2,022	1,327	847
Inflation (%)		2010	2011	2012
Consumer Prices		10.10	13.66	11.01
Implicit GDP Deflator		12.36	18.32	9.93
Trade (Million US\$)		2010	2011	2012
Merchandise Exports		21,465	25,697	26,227
Intra-OIC Merchandise Exports (% of Merchandise Exports)		33.80	33.76	35.37
Merchandise Imports		43,706	51,015	51,624
Intra-OIC Merchandise Imports (% of Merchandise Imports)		40.73	43.40	44.70
Structure of Economy (% of GDP)		2009	2010	2011
Agriculture		21.56	21.18	21.63
Industry		24.73	25.43	24.95
Services		53.71	53.38	53.42
Household Final Consumption Expenditures		81.25	82.34	84.07
General Government Final Expenditure		8.09	7.96	7.93
Gross Capital Formation		18.22	15.56	13.07
Gross Domestic Savings		10.66	9.70	8.00
Exports of Goods and Services		12.86	13.57	14.16
Imports of Goods and Services		20.41	19.44	19.23
Indebtedness		2009	2010	2011
Total External Debt / GDP		34.81	33.14	28.56
Interest Payments on External Debt / GDP		0.60	0.56	0.46
Total Debt Service / Exports		15.18	15.00	9.20

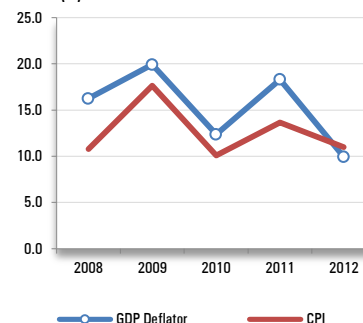
Development Diamond



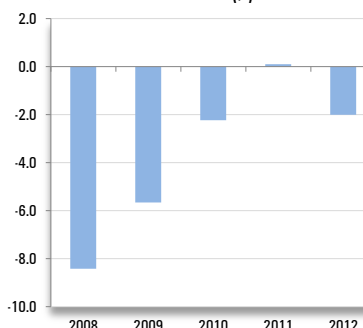
Economic Ratios (% of GDP)



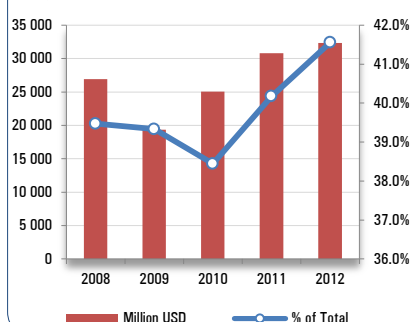
Inflation (%)



Current Account Balance to GDP (%)



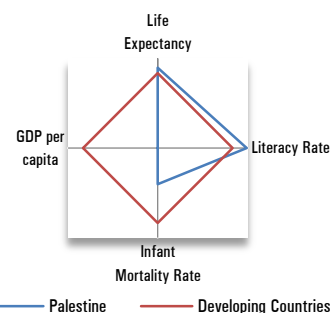
Intra-OIC Merchandise Trade



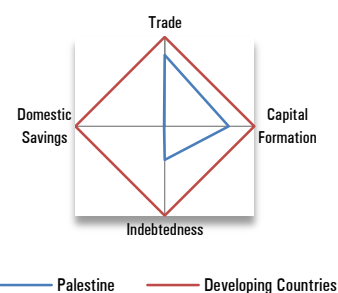
Palestine

		Palestine	Developing Countries	World
Population and Income				
Population Growth (%)	2012	3.01	1.29	1.15
Labour Force (% of total population)	2011	23.98	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	...	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	...	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	74.57	46.40	52.55
Literacy (% of population age 15+)	2011	95.27	80.22	84.08
Infant Mortality (per 1000 live births)	2011	19.70	40.70	37.60
Life Expectancy at Birth (years)	2011	72.83	67.88	69.92
Basic Indicators				
Key Economic Indicators				
		2010	2011	2012
GDP (PPP, cur. \$ billion)		...	...	...
GDP (annual % change)		...	...	...
GDP per capita (annual % change)		...	...	...
Current Account Balance (US\$ billions)		...	...	...
Current Account Balance / GDP		...	...	...
Foreign Direct Investment (US\$ millions)		4,670	-87	327
Inflation (%)				
		2010	2011	2012
Consumer Prices		3.75	...	...
Implicit GDP Deflator		...	...	...
Trade (Million US\$)				
		2010	2011	2012
Merchandise Exports		...	...	...
Intra-OIC Merchandise Exports (% of Merchandise Exports)		...	...	...
Merchandise Imports		...	...	...
Intra-OIC Merchandise Imports (% of Merchandise Imports)		...	...	...
Structure of Economy (% of GDP)				
		2009	2010	2011
Agriculture		6.42	6.02	5.97
Industry		19.62	19.81	20.13
Services		73.96	74.17	73.90
Household Final Consumption Expenditures		107.30	98.73	94.78
General Government Final Expenditure		26.13	24.48	24.50
Gross Capital Formation		18.35	18.50	16.94
Gross Domestic Savings		-33.43	-23.21	-19.28
Exports of Goods and Services		0.93	0.90	0.59
Imports of Goods and Services		65.25	55.53	47.81
Indebtedness				
		2009	2010	2011
Total External Debt / GDP		...	...	...
Interest Payments on External Debt / GDP		...	...	...
Total Debt Service / Exports		...	...	...

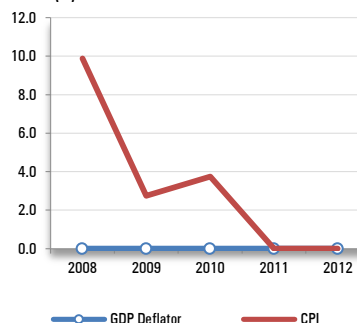
Development Diamond



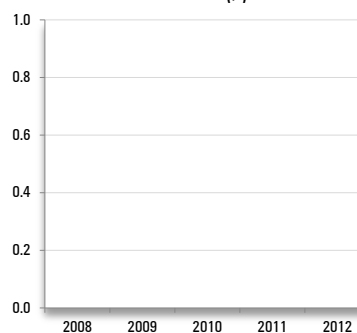
Economic Ratios (% of GDP)



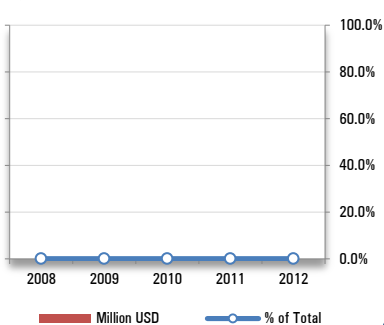
Inflation (%)



Current Account Balance to GDP (%)



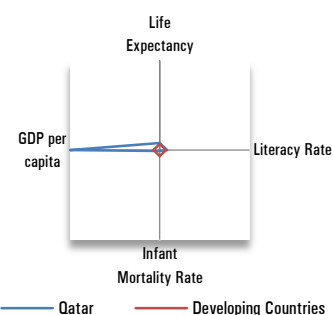
Intra-OIC Merchandise Trade



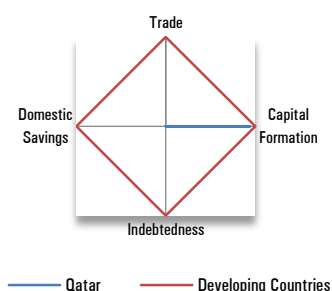
Qatar

		Qatar	Developing Countries	World
Population and Income				
Population Growth (%)	2012	7.05	1.29	1.15
Labour Force (% of total population)	2011	74.86	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	102,211	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2011	84,670	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	98.89	46.40	52.55
Literacy (% of population age 15+)	2010	96.28	80.22	84.08
Infant Mortality (per 1000 live births)	2011	6.40	40.70	37.60
Life Expectancy at Birth (years)	2011	78.25	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	150.13	173.24	187.94
GDP (annual % change)	2011	16.73	12.98	6.58
GDP per capita (annual % change)	2012	12.53	8.64	2.48
Current Account Balance (US\$ billions)	2010	34.10	52.62	54.16
Current Account Balance / GDP	2011	26.78	30.36	29.53
Foreign Direct Investment (US\$ millions)	2012	29,233	16,308	12,182
Inflation (%)				
Consumer Prices	2010	-2.43	1.92	1.86
Implicit GDP Deflator	2011	11.91	14.35	...
Trade (Million US\$)				
Merchandise Exports	2010	67,465	107,339	122,349
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	3.48	4.20	4.60
Merchandise Imports	2012	22,537	24,341	27,795
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	28.46	33.17	30.76
Structure of Economy (% of GDP)				
Agriculture	2009	0.12	0.11	0.09
Industry	2010	60.70	66.99	70.97
Services	2011	39.18	32.89	28.94
Household Final Consumption Expenditures		19.28	15.89	17.57
General Government Final Expenditure		14.38	12.09	9.73
Gross Capital Formation		44.22	34.24	29.18
Gross Domestic Savings		54.86	...	...
Exports of Goods and Services		47.10	...	...
Imports of Goods and Services		31.45	...	...
Indebtedness				
Total External Debt / GDP	2009	...	...	...
Interest Payments on External Debt / GDP	2010	...	...	...
Total Debt Service / Exports	2011	...	...	...

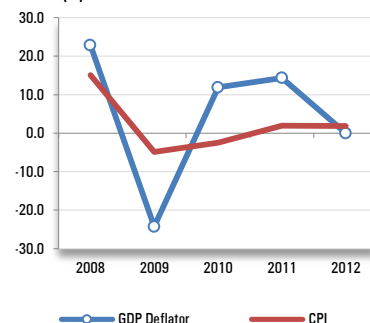
Development Diamond



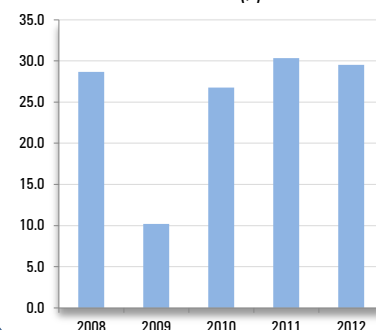
Economic Ratios (% of GDP)



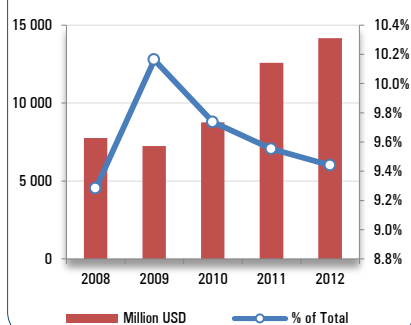
Inflation (%)



Current Account Balance to GDP (%)



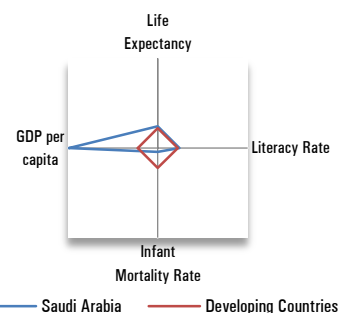
Intra-OIC Merchandise Trade



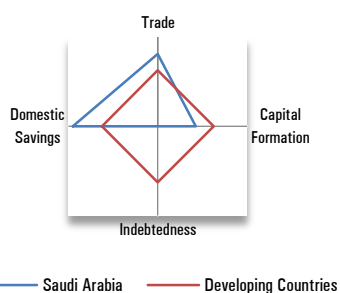
Saudi Arabia

		Saudi Arabia	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.88	1.29	1.15
Labour Force (% of total population)	2011	34.84	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	31,275	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2011	25,010	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	82.50	46.40	52.55
Literacy (% of population age 15+)	2011	87.16	80.22	84.08
Infant Mortality (per 1000 live births)	2011	7.90	40.70	37.60
Life Expectancy at Birth (years)	2011	74.06	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	752.85	834.10	906.81
GDP (annual % change)	2011	7.43	8.48	6.81
GDP per capita (annual % change)	2012	3.91	5.39	4.51
Current Account Balance (US\$ billions)	2010	66.75	158.49	177.23
Current Account Balance / GDP	2011	12.67	23.67	24.37
Foreign Direct Investment (US\$ millions)	2012	266	338	338
Inflation (%)				
Consumer Prices	2010	3.80	3.75	2.86
Implicit GDP Deflator	2011	14.36	19.84	...
Trade (Million US\$)				
Merchandise Exports	2010	232,104	330,649	364,440
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	15.43	13.64	12.70
Merchandise Imports	2012	103,692	127,627	150,717
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	14.30	14.41	13.82
Structure of Economy (% of GDP)				
Agriculture	2009	2.92	2.45	1.97
Industry	2010	58.74	62.19	67.95
Services	2011	38.35	35.36	30.08
Household Final Consumption Expenditures	2012	38.56	35.05	29.37
General Government Final Expenditure	2010	25.27	23.12	19.72
Gross Capital Formation	2011	25.55	22.61	21.07
Gross Domestic Savings	2012	36.17	42.32	50.09
Exports of Goods and Services	2010	53.64	58.09	61.61
Imports of Goods and Services	2011	43.02	38.64	30.64
Indebtedness				
Total External Debt / GDP	2009	...	...	...
Interest Payments on External Debt / GDP	2010	...	...	...
Total Debt Service / Exports	2011	...	...	...

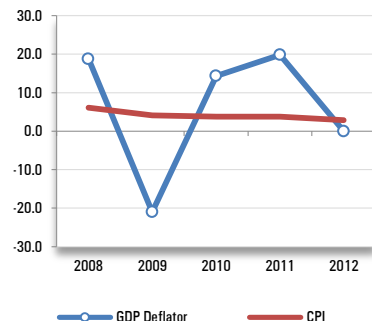
Development Diamond



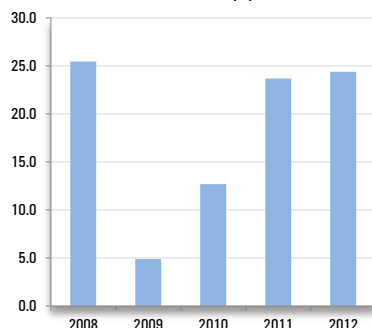
Economic Ratios (% of GDP)



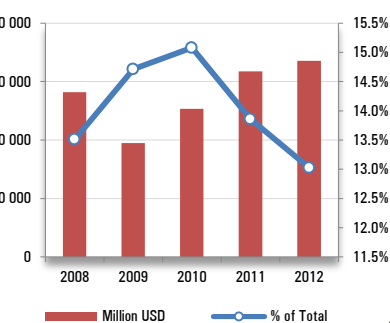
Inflation (%)



Current Account Balance to GDP (%)



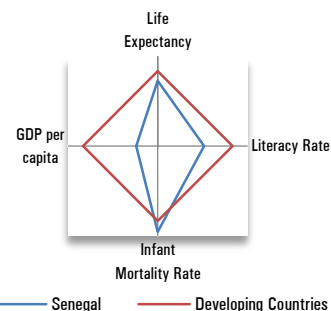
Intra-OIC Merchandise Trade



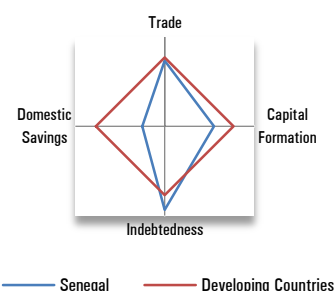
Senegal

		Senegal	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.92	1.29	1.15
Labour Force (% of total population)	2011	43.44	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	2,027	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	1,920	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	42.87	46.40	52.55
Literacy (% of population age 15+)	2009	49.70	80.22	84.08
Infant Mortality (per 1000 live births)	2011	46.70	40.70	37.60
Life Expectancy at Birth (years)	2011	59.27	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	24.06	25.22	26.57
GDP (annual % change)		4.28	2.62	3.54
GDP per capita (annual % change)		1.54	-0.07	0.81
Current Account Balance (US\$ billions)		-0.57	-1.15	-1.35
Current Account Balance / GDP		-4.41	-7.93	-9.76
Foreign Direct Investment (US\$ millions)		238	715	740
Inflation (%)				
Consumer Prices	2010	1.23	3.41	1.10
Implicit GDP Deflator		1.41	4.33	2.26
Trade (Million US\$)				
Merchandise Exports	2010	1,949	2,373	2,341
Intra-OIC Merchandise Exports (% of Merchandise Exports)		52.51	45.97	42.11
Merchandise Imports		4,372	5,325	5,806
Intra-OIC Merchandise Imports (% of Merchandise Imports)		20.48	23.68	24.58
Structure of Economy (% of GDP)				
Agriculture	2009	17.10	17.40	16.81
Industry		23.42	23.69	23.35
Services		59.48	58.91	59.84
Household Final Consumption Expenditures		80.61	78.48	78.91
General Government Final Expenditure		14.17	14.56	16.30
Gross Capital Formation		22.11	22.64	22.23
Gross Domestic Savings		9.26	10.77	10.78
Exports of Goods and Services		24.41	24.79	24.24
Imports of Goods and Services		43.05	43.02	43.76
Indebtedness				
Total External Debt / GDP	2009	29.30	30.43	29.90
Interest Payments on External Debt / GDP		0.42	0.59	0.87
Total Debt Service / Exports		6.11	...	...

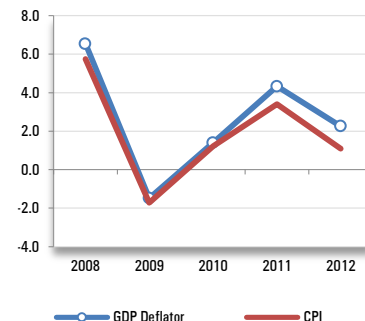
Development Diamond



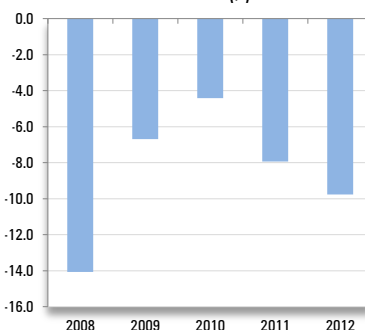
Economic Ratios (% of GDP)



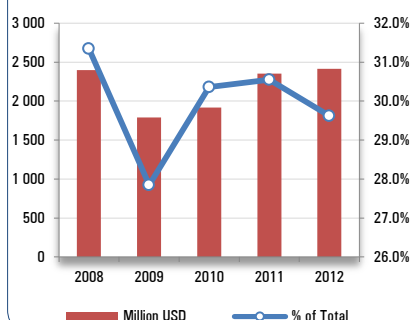
Inflation (%)



Current Account Balance to GDP (%)



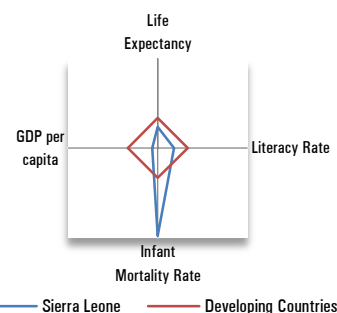
Intra-OIC Merchandise Trade



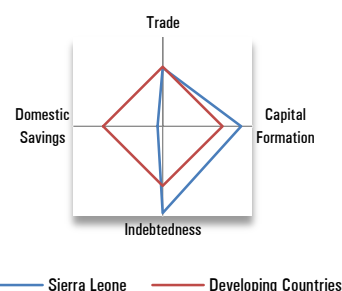
Sierra Leone

		Sierra Leone	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.91	1.29	1.15
Labour Force (% of total population)	2011	39.29	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,344	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	1,360	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	39.64	46.40	52.55
Literacy (% of population age 15+)	2011	43.28	80.22	84.08
Infant Mortality (per 1000 live births)	2011	119.20	40.70	37.60
Life Expectancy at Birth (years)	2011	47.78	67.88	69.92
Basic Indicators				
Key Economic Indicators		2010	2011	2012
GDP (PPP, cur. \$ billion)		6.27	6.79	8.28
GDP (annual % change)		5.30	6.01	19.77
GDP per capita (annual % change)		2.63	3.32	16.74
Current Account Balance (US\$ billions)		-0.49	-1.53	-0.79
Current Account Balance / GDP		-19.35	-52.89	-20.83
Foreign Direct Investment (US\$ millions)		112	102	107
Inflation (%)		2010	2011	2012
Consumer Prices		17.78	18.46	13.81
Implicit GDP Deflator		16.93	17.65	11.97
Trade (Million US\$)		2010	2011	2012
Merchandise Exports		289	358	912
Intra-OIC Merchandise Exports (% of Merchandise Exports)		7.53	10.64	6.80
Merchandise Imports		991	1,579	1,683
Intra-OIC Merchandise Imports (% of Merchandise Imports)		21.77	17.95	17.41
Structure of Economy (% of GDP)		2009	2010	2011
Agriculture		58.17	56.17	56.66
Industry		6.94	8.12	8.29
Services		34.89	35.71	35.05
Household Final Consumption Expenditures		94.03	82.94	86.85
General Government Final Expenditure		10.66	10.58	10.23
Gross Capital Formation		9.94	24.48	40.80
Gross Domestic Savings		-4.57	6.38	2.94
Exports of Goods and Services		13.50	16.81	16.29
Imports of Goods and Services		27.93	34.51	53.63
Indebtedness		2009	2010	2011
Total External Debt / GDP		34.91	36.16	35.69
Interest Payments on External Debt / GDP		0.25	0.24	0.30
Total Debt Service / Exports		2.10	2.73	3.77

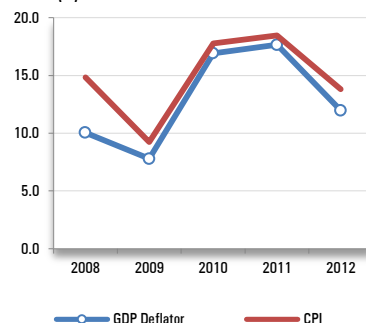
Development Diamond



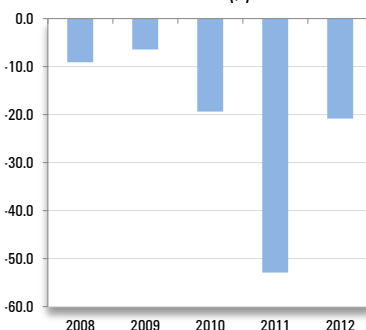
Economic Ratios (% of GDP)



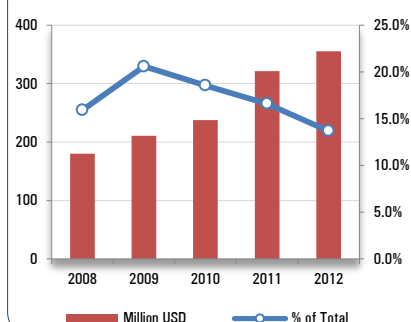
Inflation (%)



Current Account Balance to GDP (%)



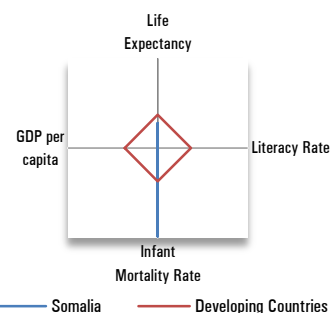
Intra-OIC Merchandise Trade



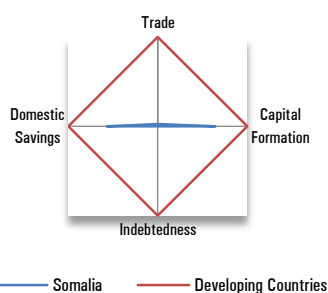
Somalia

		Somalia	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.86	1.29	1.15
Labour Force (% of total population)	2011	29.85	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	...	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	...	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	38.23	46.40	52.55
Literacy (% of population age 15+)	...	...	80.22	84.08
Infant Mortality (per 1000 live births)	2011	108.30	40.70	37.60
Life Expectancy at Birth (years)	2011	51.19	67.88	69.92
Basic Indicators				
Key Economic Indicators				
		2010	2011	2012
GDP (PPP, cur. \$ billion)		...	...	...
GDP (annual % change)		...	...	...
GDP per capita (annual % change)		...	...	...
Current Account Balance (US\$ billions)		...	...	...
Current Account Balance / GDP		...	...	...
Foreign Direct Investment (US\$ millions)		180	214	244
Inflation (%)				
		2010	2011	2012
Consumer Prices		...	...	...
Implicit GDP Deflator		...	...	...
Trade (Million US\$)				
		2010	2011	2012
Merchandise Exports		518	594	684
Intra-OIC Merchandise Exports (% of Merchandise Exports)		96.76	97.10	96.46
Merchandise Imports		1,263	1,633	1,820
Intra-OIC Merchandise Imports (% of Merchandise Imports)		57.45	56.77	57.99
Structure of Economy (% of GDP)				
		2009	2010	2011
Agriculture		60.19	60.18	60.18
Industry		7.36	7.36	7.36
Services		32.45	32.46	32.47
Household Final Consumption Expenditures		72.61	72.69	72.62
General Government Final Expenditure		8.72	8.74	8.72
Gross Capital Formation		20.04	19.94	20.03
Gross Domestic Savings		18.67	18.57	18.66
Exports of Goods and Services		0.01	0.01	0.01
Imports of Goods and Services		1.68	1.68	1.68
Indebtedness				
		2009	2010	2011
Total External Debt / GDP		...	...	...
Interest Payments on External Debt / GDP		...	...	...
Total Debt Service / Exports		...	...	...

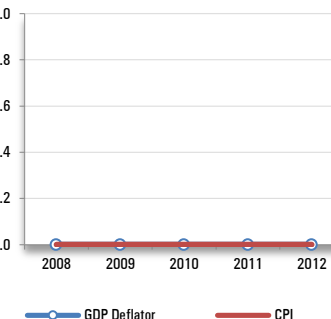
Development Diamond



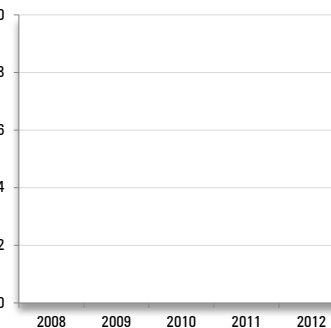
Economic Ratios (% of GDP)



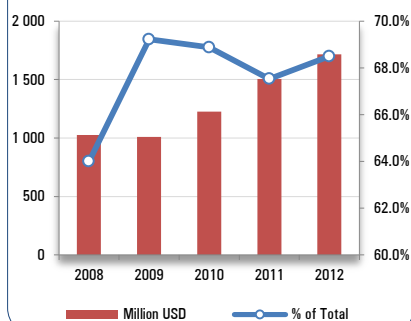
Inflation (%)



Current Account Balance to GDP (%)



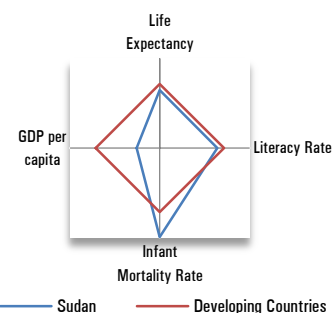
Intra-OIC Merchandise Trade



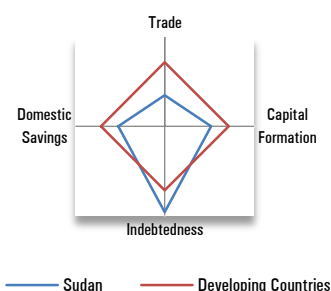
Sudan

		Sudan	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.08	1.29	1.15
Labour Force (% of total population)	2011	31.27	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	2,545	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	2,030	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	33.39	46.40	52.55
Literacy (% of population age 15+)	2011	71.94	80.22	84.08
Infant Mortality (per 1000 live births)	2011	56.60	40.70	37.60
Life Expectancy at Birth (years)	2011	61.45	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	87.45	87.63	85.27
GDP (annual % change)	2011	2.53	-1.88	-4.40
GDP per capita (annual % change)	2012	-0.07	20.57	-6.82
Current Account Balance (US\$ billions)	2011	-1.36	-0.29	-6.72
Current Account Balance / GDP	2012	-2.07	-0.43	-11.21
Foreign Direct Investment (US\$ millions)	2012	2,064	2,692	2,466
Inflation (%)				
Consumer Prices	2010	12.99	18.09	35.55
Implicit GDP Deflator	2011	19.17	18.21	36.75
Trade (Million US\$)				
Merchandise Exports	2010	11,404	9,689	3,365
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	15.68	19.90	79.09
Merchandise Imports	2012	10,002	9,227	9,492
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	34.36	35.70	34.69
Structure of Economy (% of GDP)				
Agriculture	2009	32.83	34.55	34.61
Industry	2010	25.13	22.93	25.51
Services	2011	42.03	42.51	39.89
Household Final Consumption Expenditures	2012	83.27	78.05	78.94
General Government Final Expenditure	2012	6.80	4.86	4.81
Gross Capital Formation	2012	21.55	23.66	22.48
Gross Domestic Savings	2012	20.53	25.70	23.99
Exports of Goods and Services	2012	16.12	20.00	18.47
Imports of Goods and Services	2012	20.19	17.46	16.34
Indebtedness				
Total External Debt / GDP	2009	40.13	34.32	33.05
Interest Payments on External Debt / GDP	2010	0.23	0.15	...
Total Debt Service / Exports	2011	5.61	4.17	0.00

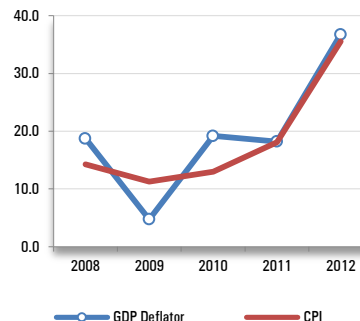
Development Diamond



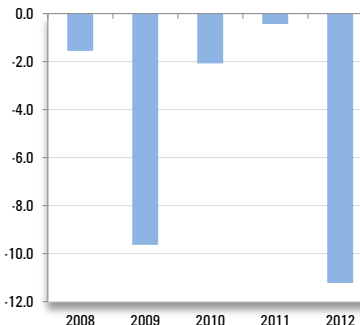
Economic Ratios (% of GDP)



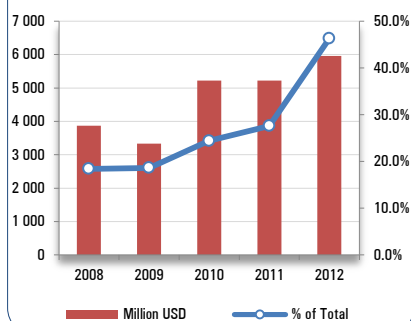
Inflation (%)



Current Account Balance to GDP (%)



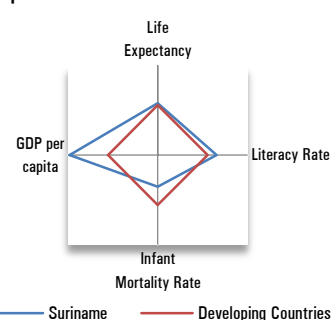
Intra-OIC Merchandise Trade



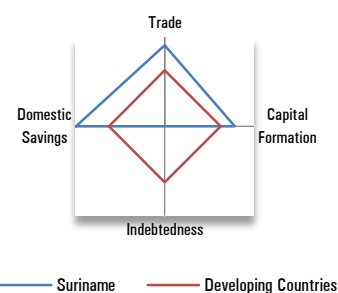
Suriname

		Suriname	Developing Countries	World
Population and Income				
Population Growth (%)	2012	0.90	1.29	1.15
Labour Force (% of total population)	2011	39.10	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	12,398	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	8,500	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	70.12	46.40	52.55
Literacy (% of population age 15+)	2010	94.68	80.22	84.08
Infant Mortality (per 1000 live births)	2011	26.00	40.70	37.60
Life Expectancy at Birth (years)	2011	70.58	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	5.95	6.36	6.76
GDP (annual % change)	2011	4.12	4.71	4.47
GDP per capita (annual % change)	2012	2.74	3.32	3.09
Current Account Balance (US\$ billions)	2011	0.28	0.25	0.30
Current Account Balance / GDP	2012	6.42	5.83	6.42
Foreign Direct Investment (US\$ millions)	2012	-248	70	70
Inflation (%)				
Consumer Prices	2010	6.89	17.72	4.99
Implicit GDP Deflator	2011	8.22	12.09	6.39
Trade (Million US\$)				
Merchandise Exports	2010	759	1,316	1,112
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	21.15	14.36	19.43
Merchandise Imports	2012	509	1,823	2,130
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	26.59	10.30	9.61
Structure of Economy (% of GDP)				
Agriculture	2009	11.12	10.66	10.45
Industry	2010	37.17	37.63	39.28
Services	2011	51.71	51.70	50.27
Household Final Consumption Expenditures	2012	36.57	36.07	35.27
General Government Final Expenditure	2012	13.12	13.38	12.47
Gross Capital Formation	2012	49.97	36.35	38.82
Gross Domestic Savings	2012	50.31	50.55	52.26
Exports of Goods and Services	2012	43.94	52.76	60.09
Imports of Goods and Services	2012	43.61	38.57	43.04
Indebtedness				
Total External Debt / GDP	2009	...	...	...
Interest Payments on External Debt / GDP	2010	...	...	...
Total Debt Service / Exports	2011	...	...	...

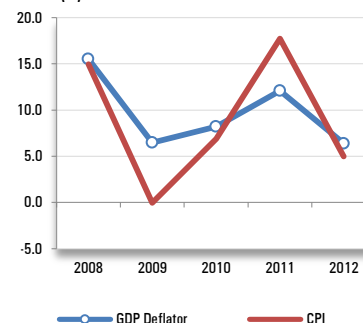
Development Diamond



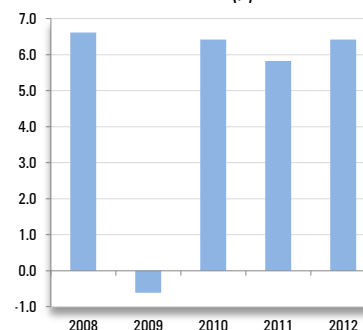
Economic Ratios (% of GDP)



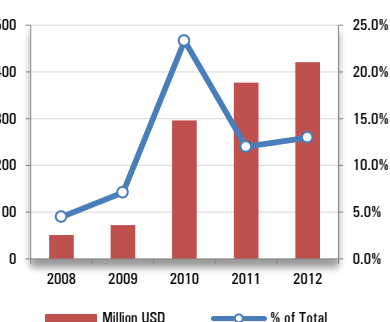
Inflation (%)



Current Account Balance to GDP (%)



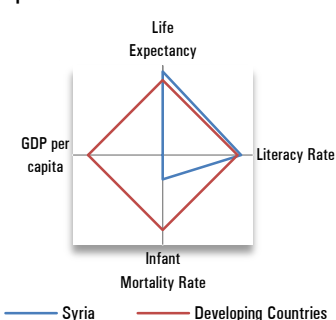
Intra-OIC Merchandise Trade



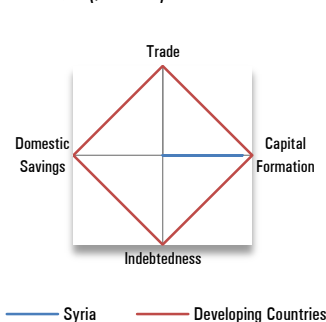
Syria

		Syria	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.97	1.29	1.15
Labour Force (% of total population)	2011	27.42	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	n/a	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	5,200	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	56.46	46.40	52.55
Literacy (% of population age 15+)	2011	84.06	80.22	84.08
Infant Mortality (per 1000 live births)	2011	13.20	40.70	37.60
Life Expectancy at Birth (years)	2011	75.84	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	107.83	n/a	n/a
GDP (annual % change)	2011	3.44	n/a	n/a
GDP per capita (annual % change)	2011	1.99	n/a	n/a
Current Account Balance (US\$ billions)	2010	-1.72	...	...
Current Account Balance / GDP	2010	-2.87	...	...
Foreign Direct Investment (US\$ millions)	2010	1,469	...	...
Inflation (%)				
Consumer Prices	2010	4.40	...	...
Implicit GDP Deflator	2010	6.26	...	...
Trade (Million US\$)				
Merchandise Exports	2010	14,152	15,631	11,087
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2010	62.40	66.57	94.30
Merchandise Imports	2010	25,457	26,253	18,612
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2010	44.19	49.01	63.91
Structure of Economy (% of GDP)				
Agriculture	2010	22.80	19.74	20.43
Industry	2010	27.30	30.67	30.73
Services	2010	49.91	49.59	48.84
Household Final Consumption Expenditures	2010	59.85	60.59	59.74
General Government Final Expenditure	2010	11.97	12.40	14.40
Gross Capital Formation	2010	30.00	26.69	27.65
Gross Domestic Savings	2010	28.14	18.39	...
Exports of Goods and Services	2010	29.08	35.33	...
Imports of Goods and Services	2010	31.15	35.76	...
Indebtedness				
Total External Debt / GDP	2010	10.52	8.90	...
Interest Payments on External Debt / GDP	2010	0.24	0.21	...
Total Debt Service / Exports	2010	3.90	3.14	...

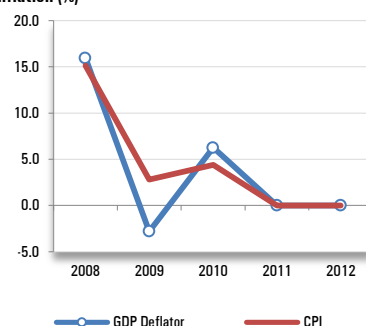
Development Diamond



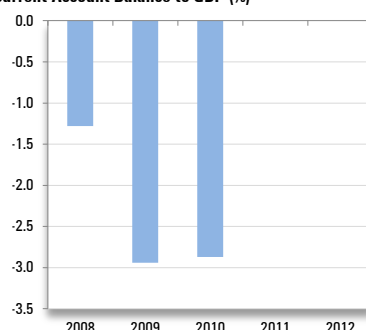
Economic Ratios (% of GDP)



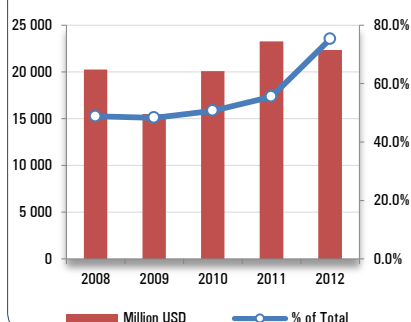
Inflation (%)



Current Account Balance to GDP (%)



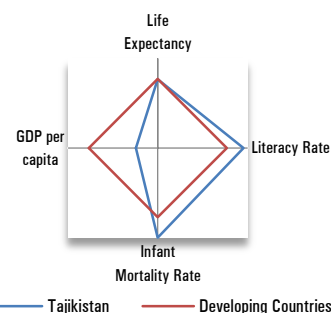
Intra-OIC Merchandise Trade



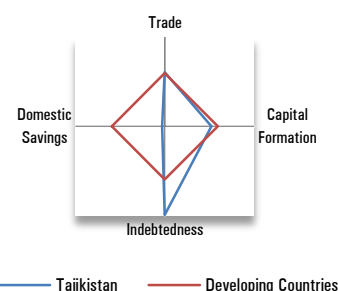
Tajikistan

		Tajikistan	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.45	1.29	1.15
Labour Force (% of total population)	2011	42.32	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	2,229	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	2,220	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	26.61	46.40	52.55
Literacy (% of population age 15+)	2011	99.71	80.22	84.08
Infant Mortality (per 1000 live births)	2011	52.80	40.70	37.60
Life Expectancy at Birth (years)	2011	67.54	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	14.79	16.22	17.75
GDP (annual % change)	2011	6.50	7.40	7.50
GDP per capita (annual % change)	2011	5.29	4.86	5.29
Current Account Balance (US\$ billions)	2010	-0.07	-0.31	-0.15
Current Account Balance / GDP	2011	-1.22	-4.67	-1.92
Foreign Direct Investment (US\$ millions)	2011	16	11	290
Inflation (%)				
Consumer Prices	2010	6.46	12.42	5.80
Implicit GDP Deflator	2011	12.48	13.33	11.58
Trade (Million US\$)				
Merchandise Exports	2010	1,195	997	1,030
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	45.91	54.21	58.99
Merchandise Imports	2010	2,655	4,772	4,541
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2011	29.53	23.42	28.95
Structure of Economy (% of GDP)				
Agriculture	2009	20.59	21.85	21.64
Industry	2010	27.20	27.86	27.62
Services	2011	52.21	50.29	50.75
Household Final Consumption Expenditures	2011	86.34	84.70	91.77
General Government Final Expenditure	2010	12.46	11.33	13.14
Gross Capital Formation	2010	24.85	23.85	25.02
Gross Domestic Savings	2011	-17.64	-12.10	-16.98
Exports of Goods and Services	2011	15.14	17.59	17.39
Imports of Goods and Services	2010	54.44	52.50	56.47
Indebtedness				
Total External Debt / GDP	2009	53.56	54.63	50.95
Interest Payments on External Debt / GDP	2010	0.86	0.99	1.03
Total Debt Service / Exports	2011	38.04	44.93	...

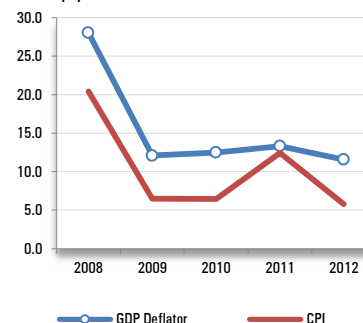
Development Diamond



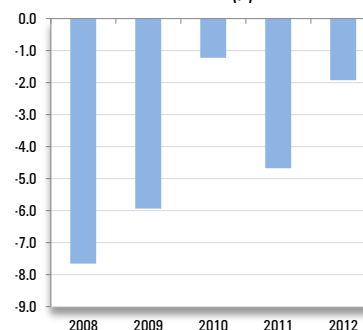
Economic Ratios (% of GDP)



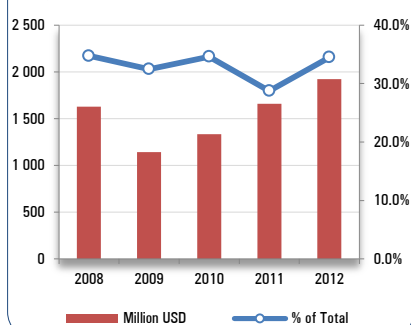
Inflation (%)



Current Account Balance to GDP (%)



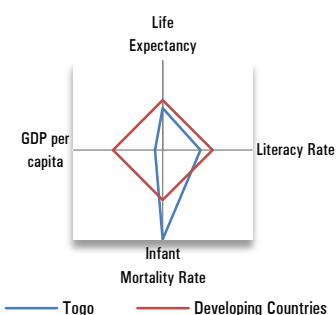
Intra-OIC Merchandise Trade



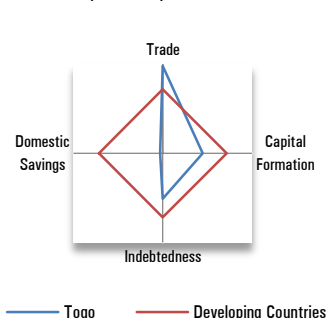
Togo

		Togo	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.60	1.29	1.15
Labour Force (% of total population)	2011	46.88	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,096	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	920	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	38.51	46.40	52.55
Literacy (% of population age 15+)	2011	60.41	80.22	84.08
Infant Mortality (per 1000 live births)	2011	72.90	40.70	37.60
Life Expectancy at Birth (years)	2011	57.03	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	6.04	6.46	6.91
GDP (annual % change)		4.00	4.87	5.03
GDP per capita (annual % change)		1.74	2.59	2.74
Current Account Balance (US\$ billions)		-0.21	-0.26	-0.29
Current Account Balance / GDP		-6.67	-6.99	-7.87
Foreign Direct Investment (US\$ millions)		86	171	166
Inflation (%)				
Consumer Prices	2010	3.21	3.56	2.58
Implicit GDP Deflator		1.18	5.61	5.99
Trade (Million US\$)				
Merchandise Exports	2010	639	1,170	1,321
Intra-OIC Merchandise Exports (% of Merchandise Exports)		60.56	47.65	48.80
Merchandise Imports		996	3,671	9,038
Intra-OIC Merchandise Imports (% of Merchandise Imports)		15.92	10.90	10.38
Structure of Economy (% of GDP)				
Agriculture	2009	47.65	46.08	46.92
Industry		17.79	18.18	18.39
Services		34.55	35.74	34.69
Household Final Consumption Expenditures		82.77	85.81	84.80
General Government Final Expenditure		14.16	12.08	11.83
Gross Capital Formation		18.66	18.88	19.42
Gross Domestic Savings		2.38	1.79	1.39
Exports of Goods and Services		36.74	40.16	40.19
Imports of Goods and Services		52.35	57.31	57.40
Indebtedness				
Total External Debt / GDP	2009	54.92	39.14	17.45
Interest Payments on External Debt / GDP		0.46	0.27	0.14
Total Debt Service / Exports		4.41	...	...

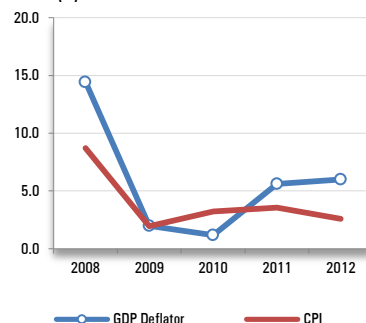
Development Diamond



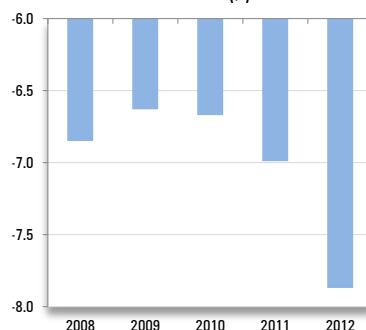
Economic Ratios (% of GDP)



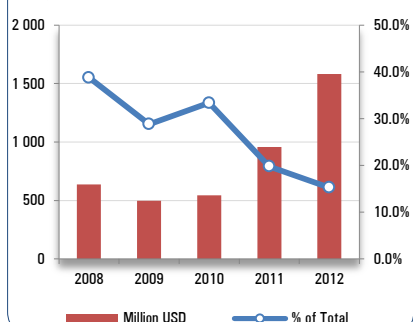
Inflation (%)



Current Account Balance to GDP (%)



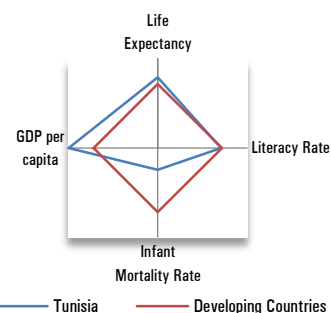
Intra-OIC Merchandise Trade



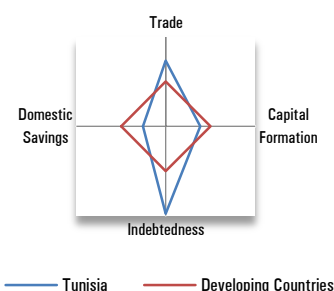
Tunisia

		Tunisia	Developing Countries	World
Population and Income				
Population Growth (%)	2012	0.97	1.29	1.15
Labour Force (% of total population)	2011	36.50	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	9,775	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	9,360	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	66.53	46.40	52.55
Literacy (% of population age 15+)	2010	79.13	80.22	84.08
Infant Mortality (per 1000 live births)	2011	13.90	40.70	37.60
Life Expectancy at Birth (years)	2011	74.75	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	99.75	99.90	105.35
GDP (annual % change)	2011	3.12	-1.94	3.60
GDP per capita (annual % change)	2011	2.06	-3.10	2.60
Current Account Balance (US\$ billions)	2011	-2.11	-3.40	-3.67
Current Account Balance / GDP	2011	-4.75	-7.35	-8.05
Foreign Direct Investment (US\$ millions)	2011	1,513	1,148	1,918
Inflation (%)				
Consumer Prices	2010	4.44	3.53	5.58
Implicit GDP Deflator	2010	4.74	5.01	5.31
Trade (Million US\$)				
Merchandise Exports	2010	15,278	16,600	15,999
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2010	15.74	16.64	18.48
Merchandise Imports	2010	23,567	26,204	25,263
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2010	13.07	13.67	15.60
Structure of Economy (% of GDP)				
Agriculture	2009	8.93	7.88	8.38
Industry	2009	30.90	31.70	31.96
Services	2009	60.17	60.42	59.66
Household Final Consumption Expenditures	2009	61.88	62.70	65.22
General Government Final Expenditure	2009	16.53	16.58	18.05
Gross Capital Formation	2009	24.52	26.14	23.87
Gross Domestic Savings	2009	22.01	21.22	16.84
Exports of Goods and Services	2009	45.67	50.11	48.85
Imports of Goods and Services	2009	48.37	54.87	55.85
Indebtedness				
Total External Debt / GDP	2009	50.77	49.68	48.10
Interest Payments on External Debt / GDP	2009	1.84	1.71	1.63
Total Debt Service / Exports	2009	10.46	10.46	10.73

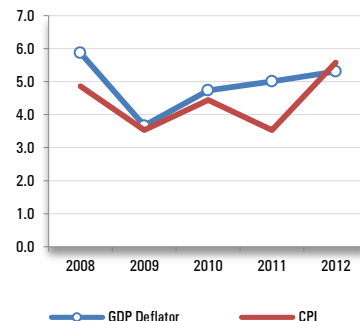
Development Diamond



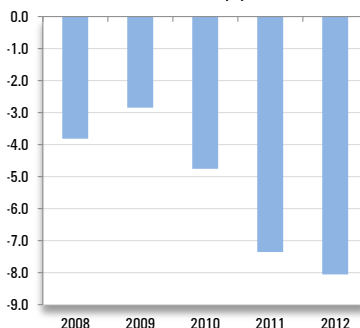
Economic Ratios (% of GDP)



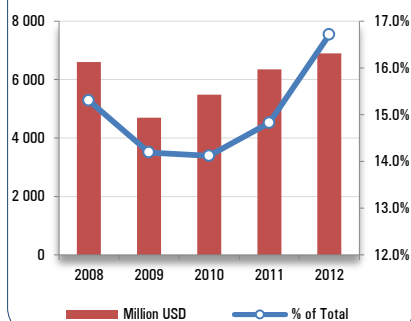
Inflation (%)



Current Account Balance to GDP (%)



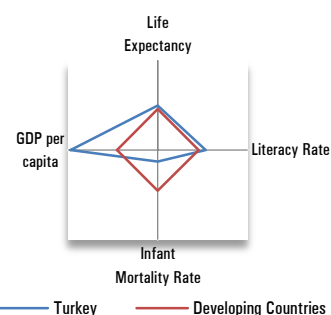
Intra-OIC Merchandise Trade



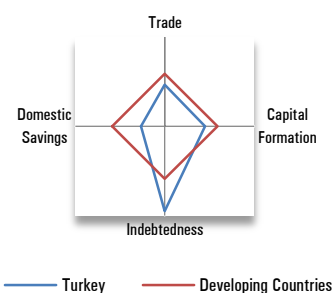
Turkey

		Turkey	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.28	1.29	1.15
Labour Force (% of total population)	2011	36.46	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	15,001	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	18,190	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	72.33	46.40	52.55
Literacy (% of population age 15+)	2011	94.11	80.22	84.08
Infant Mortality (per 1000 live births)	2011	11.50	40.70	37.60
Life Expectancy at Birth (years)	2011	73.94	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	970.50	1,075.47	1,123.38
GDP (annual % change)		9.16	8.50	2.62
GDP per capita (annual % change)		7.73	7.11	1.34
Current Account Balance (US\$ billions)		-45.45	-75.09	-46.94
Current Account Balance / GDP		-6.22	-9.70	-5.91
Foreign Direct Investment (US\$ millions)		9,036	16,047	12,419
Inflation (%)				
Consumer Prices	2010	8.57	6.47	8.91
Implicit GDP Deflator		5.68	8.58	6.79
Trade (Million US\$)				
Merchandise Exports	2010	113,966	135,052	152,573
Intra-OIC Merchandise Exports (% of Merchandise Exports)		28.49	27.64	36.20
Merchandise Imports		185,545	240,844	236,553
Intra-OIC Merchandise Imports (% of Merchandise Imports)		15.06	13.04	13.40
Structure of Economy (% of GDP)				
Agriculture	2009	9.11	9.46	9.01
Industry		25.29	26.42	27.45
Services		65.60	64.13	63.54
Household Final Consumption Expenditures		71.47	71.69	71.15
General Government Final Expenditure		14.70	14.34	13.92
Gross Capital Formation		14.94	19.52	23.82
Gross Domestic Savings		13.83	13.97	14.93
Exports of Goods and Services		23.32	21.21	23.75
Imports of Goods and Services		24.42	26.76	32.64
Indebtedness				
Total External Debt / GDP	2009	45.23	41.01	39.63
Interest Payments on External Debt / GDP		2.04	1.60	1.96
Total Debt Service / Exports		42.12	36.93	30.24

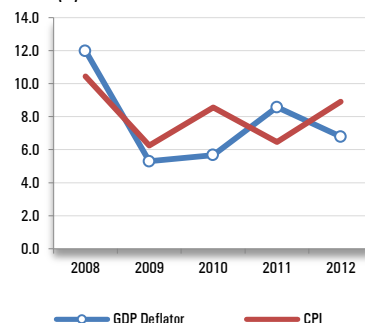
Development Diamond



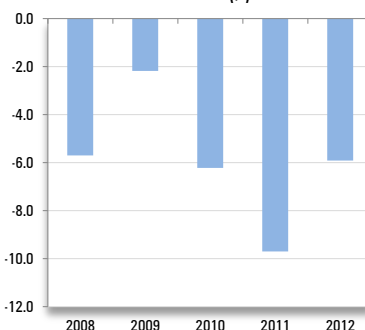
Economic Ratios (% of GDP)



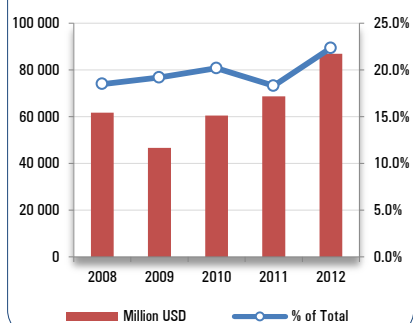
Inflation (%)



Current Account Balance to GDP (%)



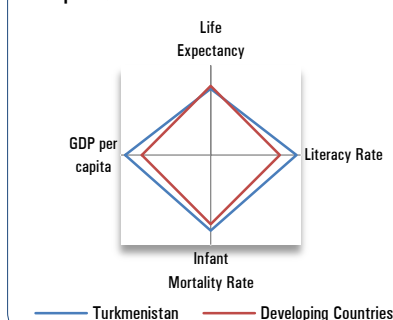
Intra-OIC Merchandise Trade



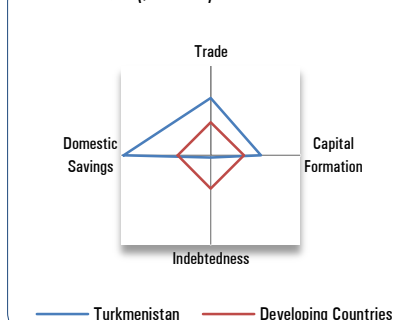
Turkmenistan

		Turkmenistan	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.29	1.29	1.15
Labour Force (% of total population)	2011	43.24	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	8,718	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	9,640	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	49.07	46.40	52.55
Literacy (% of population age 15+)	2011	99.61	80.22	84.08
Infant Mortality (per 1000 live births)	2011	44.60	40.70	37.60
Life Expectancy at Birth (years)	2011	65.00	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	37.01	43.34	48.95
GDP (annual % change)		9.16	14.65	10.97
GDP per capita (annual % change)		7.44	12.85	9.22
Current Account Balance (US\$ billions)		-2.35	0.57	0.58
Current Account Balance / GDP		-10.60	2.03	1.72
Foreign Direct Investment (US\$ millions)		3,631	3,399	3,159
Inflation (%)				
Consumer Prices	2010	4.45	5.28	4.87
Implicit GDP Deflator		2.31	8.33	8.03
Trade (Million US\$)				
Merchandise Exports	2010	3,227	7,586	11,051
Intra-OIC Merchandise Exports (% of Merchandise Exports)		38.21	19.17	13.09
Merchandise Imports		5,643	7,684	9,283
Intra-OIC Merchandise Imports (% of Merchandise Imports)		44.83	39.32	32.97
Structure of Economy (% of GDP)				
Agriculture	2009	12.00	12.00	12.00
Industry		54.00	54.00	54.00
Services		34.00	34.00	34.00
Household Final Consumption Expenditures		52.31	33.21	43.63
General Government Final Expenditure		10.61	11.06	9.66
Gross Capital Formation		50.50	58.60	46.93
Gross Domestic Savings		75.96	83.72	86.57
Exports of Goods and Services		74.60	76.32	77.81
Imports of Goods and Services		45.24	44.47	45.35
Indebtedness				
Total External Debt / GDP	2009	3.27	2.34	1.59
Interest Payments on External Debt / GDP		0.11	0.07	0.05
Total Debt Service / Exports		...	...	...

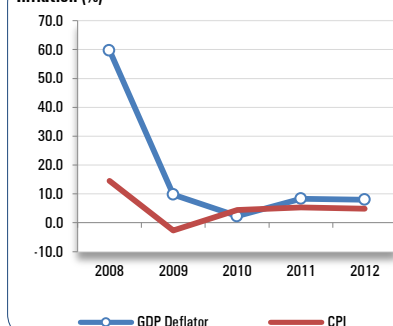
Development Diamond



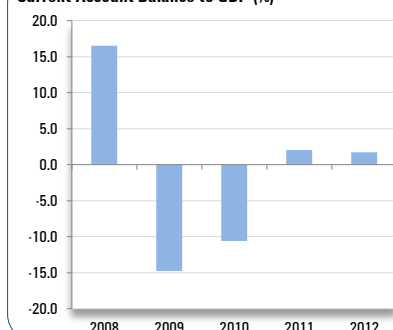
Economic Ratios (% of GDP)



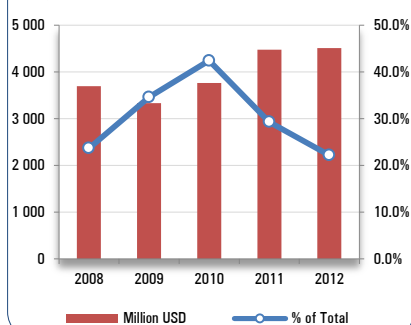
Inflation (%)



Current Account Balance to GDP (%)



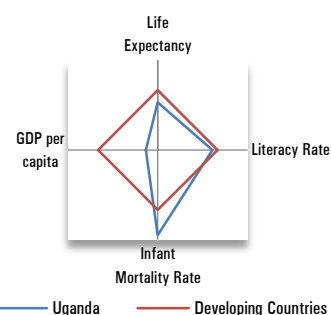
Intra-OIC Merchandise Trade



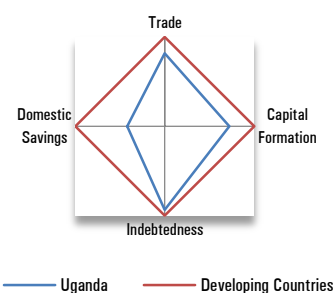
Uganda

		Uganda	Developing Countries	World
Population and Income				
Population Growth (%)	2012	3.35	1.29	1.15
Labour Force (% of total population)	2011	39.85	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	1,415	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	1,140	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	16.00	46.40	52.55
Literacy (% of population age 15+)	2010	73.21	80.22	84.08
Infant Mortality (per 1000 live births)	2011	57.90	40.70	37.60
Life Expectancy at Birth (years)	2011	54.07	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	44.34	48.31	50.44
GDP (annual % change)	2011	5.57	6.68	2.57
GDP per capita (annual % change)	2012	2.23	3.33	-0.71
Current Account Balance (US\$ billions)	2011	-1.74	-2.03	-2.29
Current Account Balance / GDP	2012	-10.22	-11.49	-10.88
Foreign Direct Investment (US\$ millions)	2011	544	894	1,721
Inflation (%)				
Consumer Prices	2010	3.97	18.68	14.13
Implicit GDP Deflator	2011	9.55	5.01	23.18
Trade (Million US\$)				
Merchandise Exports	2010	1,524	1,761	1,835
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2011	15.01	16.30	18.55
Merchandise Imports	2011	3,326	4,286	4,407
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2012	23.49	23.79	25.08
Structure of Economy (% of GDP)				
Agriculture	2009	25.13	22.37	23.53
Industry	2010	25.36	25.22	25.40
Services	2011	49.51	52.41	51.08
Household Final Consumption Expenditures	2012	78.09	82.88	83.27
General Government Final Expenditure	2011	9.79	9.61	9.22
Gross Capital Formation	2010	22.02	22.34	22.37
Gross Domestic Savings	2011	12.71	13.33	13.79
Exports of Goods and Services	2012	23.75	23.76	23.65
Imports of Goods and Services	2011	35.16	33.92	34.48
Indebtedness				
Total External Debt / GDP	2009	17.32	18.96	22.93
Interest Payments on External Debt / GDP	2010	0.15	0.15	0.20
Total Debt Service / Exports	2011	2.14	1.83	1.70

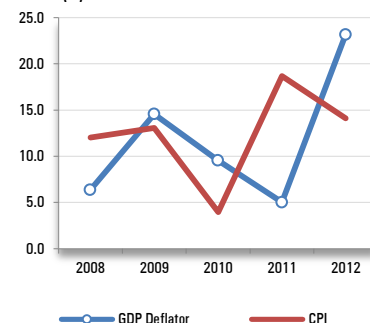
Development Diamond



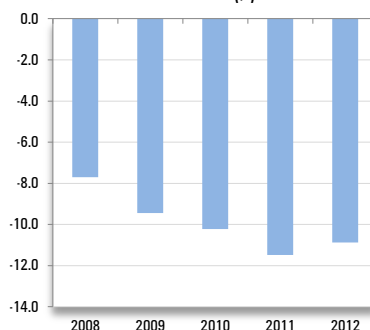
Economic Ratios (% of GDP)



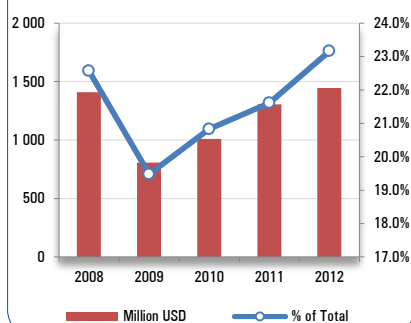
Inflation (%)



Current Account Balance to GDP (%)



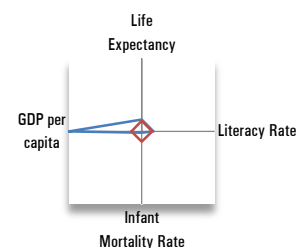
Intra-OIC Merchandise Trade



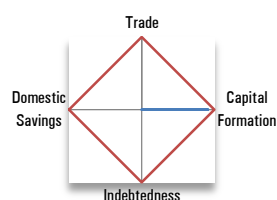
United Arab Emirates

		United Arab Emirates	Developing Countries	World
Population and Income				
Population Growth (%)	2012	3.10	1.29	1.15
Labour Force (% of total population)	2011	68.03	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	49,012	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2011	42,380	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	84.62	46.40	52.55
Literacy (% of population age 15+)	2005	90.03	80.22	84.08
Infant Mortality (per 1000 live births)	2011	5.60	40.70	37.60
Life Expectancy at Birth (years)	2011	76.74	67.88	69.92
Basic Indicators				
Key Economic Indicators		2010	2011	2012
GDP (PPP, cur. \$ billion)		238.77	256.52	271.32
GDP (annual % change)		1.30	5.19	3.91
GDP per capita (annual % change)		-1.65	2.13	0.88
Current Account Balance (US\$ billions)		9.14	33.31	29.40
Current Account Balance / GDP		3.22	9.74	8.19
Foreign Direct Investment (US\$ millions)		5,500	7,679	9,602
Inflation (%)		2010	2011	2012
Consumer Prices		0.88	0.88	0.67
Implicit GDP Deflator		8.55	15.38	...
Trade (Million US\$)		2010	2011	2012
Merchandise Exports		176,086	241,307	257,178
Intra-OIC Merchandise Exports (% of Merchandise Exports)		26.57	25.15	25.52
Merchandise Imports		172,933	215,521	235,607
Intra-OIC Merchandise Imports (% of Merchandise Imports)		15.51	14.81	16.23
Structure of Economy (% of GDP)		2009	2010	2011
Agriculture		0.96	0.91	0.81
Industry		48.19	51.37	56.74
Services		50.85	47.72	42.45
Household Final Consumption Expenditures		58.13	55.21	51.53
General Government Final Expenditure		9.36	8.65	7.53
Gross Capital Formation		26.81	29.59	28.33
Gross Domestic Savings		29.35	34.45	...
Exports of Goods and Services		74.71	77.94	...
Imports of Goods and Services		69.23	68.76	...
Indebtedness		2009	2010	2011
Total External Debt / GDP		...	...	...
Interest Payments on External Debt / GDP		...	...	...
Total Debt Service / Exports		...	...	...

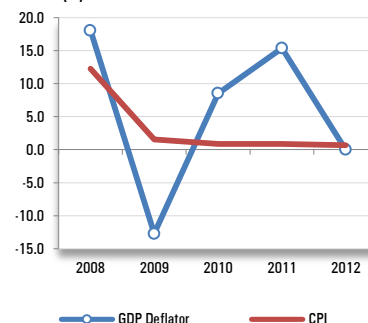
Development Diamond



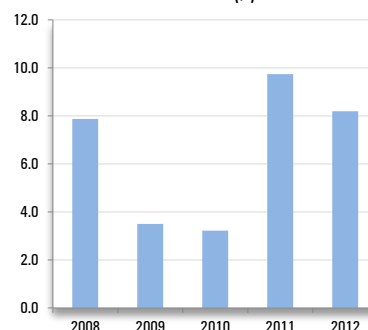
Economic Ratios (% of GDP)



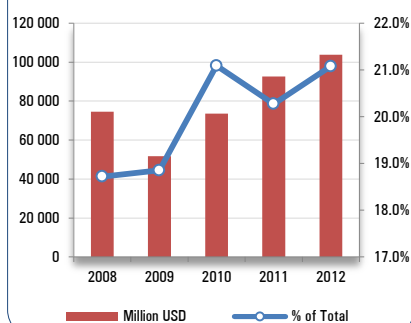
Inflation (%)



Current Account Balance to GDP (%)



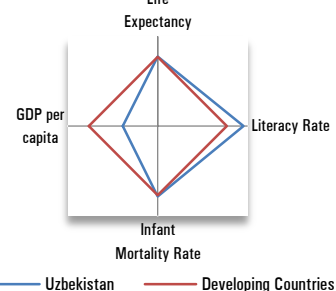
Intra-OIC Merchandise Trade



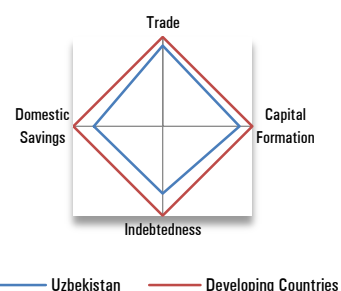
Uzbekistan

		Uzbekistan	Developing Countries	World
Population and Income				
Population Growth (%)	2012	1.47	1.29	1.15
Labour Force (% of total population)	2011	43.13	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	3,555	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2012	3,750	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	36.29	46.40	52.55
Literacy (% of population age 15+)	2011	99.43	80.22	84.08
Infant Mortality (per 1000 live births)	2011	41.50	40.70	37.60
Life Expectancy at Birth (years)	2011	68.27	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	86.10	95.24	104.69
GDP (annual % change)		8.50	8.30	8.00
GDP per capita (annual % change)		6.60	6.07	6.72
Current Account Balance (US\$ billions)		2.40	2.61	1.37
Current Account Balance / GDP		6.15	5.76	2.68
Foreign Direct Investment (US\$ millions)		1,628	1,467	1,094
Inflation (%)				
Consumer Prices	2010	9.38	12.82	12.06
Implicit GDP Deflator		18.48	16.11	14.82
Trade (Million US\$)				
Merchandise Exports	2010	5,548	5,586	5,374
Intra-OIC Merchandise Exports (% of Merchandise Exports)		39.99	45.52	48.61
Merchandise Imports		9,257	10,753	11,905
Intra-OIC Merchandise Imports (% of Merchandise Imports)		21.18	20.67	21.62
Structure of Economy (% of GDP)				
Agriculture	2009	19.50	19.53	20.13
Industry		33.19	35.40	33.10
Services		47.30	45.07	46.77
Household Final Consumption Expenditures		56.16	51.85	51.79
General Government Final Expenditure		17.80	17.58	17.97
Gross Capital Formation		26.10	26.46	26.67
Gross Domestic Savings		26.04	28.10	25.36
Exports of Goods and Services		35.59	31.94	33.09
Imports of Goods and Services		35.65	28.77	31.26
Indebtedness				
Total External Debt / GDP	2009	21.14	19.87	18.49
Interest Payments on External Debt / GDP		0.37	0.31	0.35
Total Debt Service / Exports		...	...	...

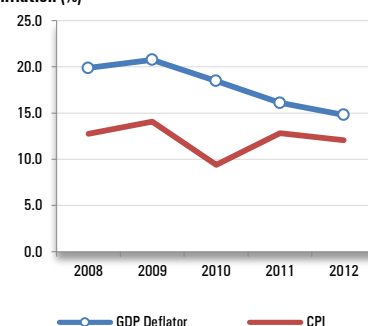
Development Diamond



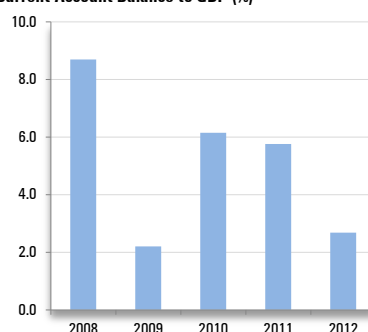
Economic Ratios (% of GDP)



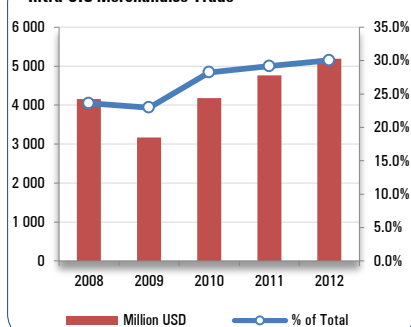
Inflation (%)



Current Account Balance to GDP (%)



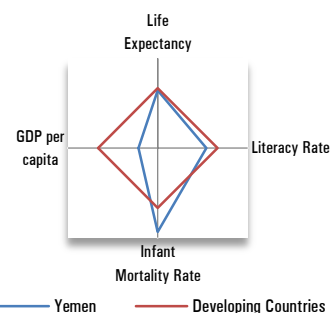
Intra-OIC Merchandise Trade



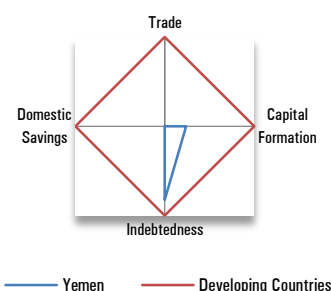
Yemen

		Yemen	Developing Countries	World
Population and Income				
Population Growth (%)	2012	2.33	1.29	1.15
Labour Force (% of total population)	2011	28.47	46.30	46.89
GDP per capita (PPP, cur. \$)	2012	2,283	7,020	11,977
GNI per capita (PPP, cur.int. \$)	2011	2,310	6,376	12,129
Social Development Indicators				
Urban Population (% of total population)	2012	32.91	46.40	52.55
Literacy (% of population age 15+)	2011	65.26	80.22	84.08
Infant Mortality (per 1000 live births)	2011	57.00	40.70	37.60
Life Expectancy at Birth (years)	2011	65.45	67.88	69.92
Basic Indicators				
Key Economic Indicators				
GDP (PPP, cur. \$ billion)	2010	63.40	57.97	59.08
GDP (annual % change)	2011	7.70	-10.48	0.14
GDP per capita (annual % change)	2011	4.57	-13.09	-2.78
Current Account Balance (US\$ billions)	2011	-1.15	-1.36	-0.14
Current Account Balance / GDP	2011	-3.72	-4.04	-0.38
Foreign Direct Investment (US\$ millions)	2011	189	-518	349
Inflation (%)				
Consumer Prices	2010	11.18	19.54	10.98
Implicit GDP Deflator	2010	24.16	18.27	5.99
Trade (Million US\$)				
Merchandise Exports	2010	8,240	9,671	8,755
Intra-OIC Merchandise Exports (% of Merchandise Exports)	2010	15.47	14.16	15.48
Merchandise Imports	2010	10,484	10,312	13,736
Intra-OIC Merchandise Imports (% of Merchandise Imports)	2010	39.96	47.37	39.59
Structure of Economy (% of GDP)				
Agriculture	2009	11.62	12.14	11.27
Industry	2009	34.27	34.43	37.28
Services	2009	54.11	53.43	51.45
Household Final Consumption Expenditures	2009	75.05	76.86	77.81
General Government Final Expenditure	2009	14.49	13.20	13.90
Gross Capital Formation	2009	20.67	15.77	7.39
Gross Domestic Savings	2009	1.97	7.60	...
Exports of Goods and Services	2009	28.22	30.48	...
Imports of Goods and Services	2009	39.79	34.59	...
Indebtedness				
Total External Debt / GDP	2009	27.39	20.96	20.23
Interest Payments on External Debt / GDP	2009	0.33	0.27	0.24
Total Debt Service / Exports	2009	3.66	2.80	2.75

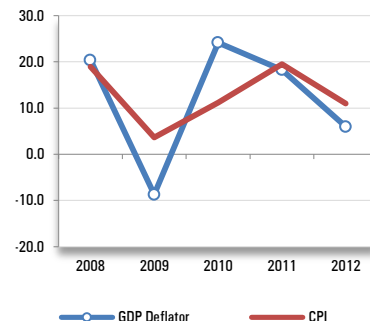
Development Diamond



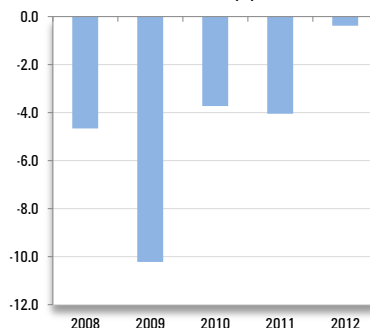
Economic Ratios (% of GDP)



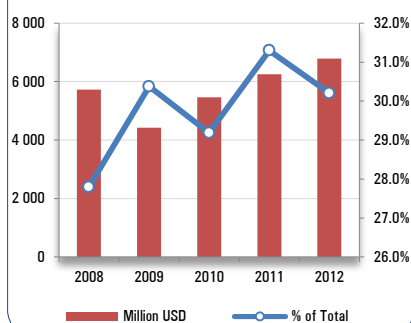
Inflation (%)



Current Account Balance to GDP (%)



Intra-OIC Merchandise Trade





STATISTICAL, ECONOMIC AND SOCIAL RESEARCH
AND TRAINING CENTRE FOR ISLAMIC COUNTRIES

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