Dominican Republic

Overview

The Dominican Republic (DR) has enjoyed strong economic growth in recent years, averaging 5.3 percent annually between 1993 and 2018, one of the fastest rates in the Latin America and the Caribbean (LAC) region. The pace accelerated to an average of 6.3 percent per year between 2014 and 2018 -- and 7 percent in 2018, fueled by robust domestic demand. It was the fastest-growing LAC economy over that five-year period.

The sustained growth has reduced poverty and inequality, helping to expand the middle class. Using the Latin America and the Caribbean regional poverty lines, poverty was reduced from 34.4 percent to 19.9 percent while the proportion of the middle class rose from 24 percent to 37 percent between 2008 and 2016, outnumbering the poor for the first time in 2014. However, the vulnerable population is the largest income group in the country (41 percent), with risks of falling back into poverty if a shock materializes. The official national poverty rate fell from 22.8 percent in 2018 to 21.0 percent in 2019, with more than 2 million people in poverty. The Gini coefficient decreased by 2.5 points from 49.6 in 2008 to 47.1 in 2016 and is below regional inequality levels throughout the period. Lack of access to quality infrastructure is strongly correlated with poverty at the provincial level. Between 2000 and 2016, there was a notable expansion in sanitation, especially in rural areas. However, improved access to services is often not correlated with improved quality.

If the DR wants to achieve its goal of becoming a high-income country by 2030, it must improve the fiscal balance, build its human capital, promote a better business environment, enhance management of natural resources, improve resilience to disasters and climate-related risks, and increase policy-making transparency and accountability.

Building on the long-term National Development Strategy (Vision 2030), the government drafted the 2016-2020 Government Plan at the start of its second term. Presidential and congressional elections are scheduled to be held in July 2020.

The government has doubled education spending as a percentage of GDP since 2013 and implemented a series of reforms to improve learning outcomes. The government has also joined the World Bank's Human Capital Project, which provides a platform for countries to share experiences of improving human capital outcomes. These decisions — together with the choice to take part in the OECD's Programme for International Student Assessment (PISA) in 2015 and 2018 — are important steps toward tackling the barriers to human capital development. According to the Human Capital Index (HCI), a child born in the DR today will be

49 percent as productive when they grow up as they could be if they received a complete education and proper healthcare, so much progress remains to be made.

Nevertheless, the COVID-19 (novel coronavirus) outbreak is challenging the Dominican Republic's ability to maintain stable economic growth and continued poverty reduction due to the local, regional, and international impacts of the pandemic. The major slowdown in the global economy poses risks given the DR's dependence on international tourism and exports. Domestically, the crisis is impacting both formal and informal employment and heightening vulnerabilities of the already vulnerable population.

Last Updated: May 13, 2020

Strategy

The World Bank Group (WBG) strategy in the DR is based on strengthening the conditions for equitable growth; improving the delivery of services for the poor; and building resilience. Over the past decade, the WBG has been engaged in the areas of growth and competitiveness, public sector institutions, electricity, human capital, and environmental and natural resource resilience.

As of April 2020, the IBRD portfolio totals US$575 million: US$425 million for four projects and US$150 million for a Catastrophe Deferred Drawdown Option (CAT-DDO) credit line. The International Finance Corporation, the private sector arm of the WBG, has an active investment portfolio of US$514.7 million in eight projects, including the mobilization of US$212.2 million from other lenders. The Multilateral Investment Guarantee Agency (MIGA) has provided US$64.9 million in political risk insurance for a road infrastructure project.

Following a request from the Government of the Dominican Republic, on March 24, 2020 the World Bank released a US$150 million that were part of contingent credit line to support the country's efforts to implement emergency measures to contain the spread of COVID-19 and manage the impact of the pandemic. The Cat-DDO was the first of its kind in the Caribbean and supported a series of Government reforms to improve its institutional and regulatory framework for disaster resilience, including health emergencies, in compliance with international regulations mandated by the Pan American Health Organization and World Health Organization.

The WBG's advisory and analytical work has contributed to improving the government's capacity in fiscal management, competitiveness, resilience, trade, education and health. Currently analytical work is related to infrastructure governance, jobs, and a Public Expenditure Review (PER) of critical sectors.

Going forward, the WBG is increasing collaboration between WB and IFC in areas such as electricity, access to finance (SMEs and capital markets), and enabling public-private partnerships, in line with Government priorities. Also, the WBG prioritizes fiscal sustainability and social inclusion in its dialogue with the Government for a strategy in the DR.

Last Updated: May 13, 2020

WB – Results

Projects financed by the World Bank Group have yielded important results in recent years, including:

· The rehabilitation of more than 500 km of power lines has reduced electricity losses and guaranteed 24-hour service to 105,000 poor clients.

· The restoration of three dams after the Olga and Noel storms has improved flood reduction, water supply, irrigation, hydropower generation, and environmental conservation.

· The improvement of some 24 irrigation schemes has benefitted 18,779 fruit and vegetable farmers, improving local and national food security.

· The restoration of water treatment facilities in the cities of Santo Domingo (CAASD) and Santiago (CORAASAN) has provided over one million gallons of safe drinking water to 750,000 people.

· The launch of a wastewater treatment plant and a submarine outfall is benefiting 139,000 people in Puerto Plata, a major tourist destination.

· The renewal of irrigation systems across the country will service more than 37,200 hectares of land with improved telemetry systems that measure river water flows, helping to increase agricultural output for more than 18,700 farmers.

· Thirty-one poor municipalities have received training on participatory budgeting, development planning, financial management, procurement and contracting, human resources, and municipal services.

· The national public system for the procurement and distribution of medicines in public hospitals has been strengthened, helping to cut the costs of antibiotics, insulin, and other medicines.

· A competitive selection system has been introduced to raise the academic standards of new teachers and improve the quality of education. Diagnostic learning assessments of all third-grade students were completed, and the results were delivered to schools and the Ministry of Education to help them improve planning, adjust teacher training, and support decision-making.

· The government has established an advanced legal framework for disaster risk management and put in place an epidemiologic surveillance system and rapid response mechanism to speed up the detection and management of disease outbreaks.

· Criminal Justice system leaders have been trained to accelerate judicial processes through the “100 Days Challenge,” making it possible for more than 3,600 cases of robbery and gender-based violence to get solved in 100 days.

· The DR has passed an insolvency law to speed up and reduce the cost of commercial restructuring and has simplified its online business registration. The country, as well, is one of the world’s top 50 economies where trading across borders is easiest.

· A total of 221,133 entrepreneurs and MSMEs, of which 57.6 percent are women or women-led businesses, have benefited from improved access to finance.

· Over 300,000 individuals have received social protection benefits, and 59,731 families (around 191,000 individuals) have been registered in the conditional cash transfer program for the first time.

Last Updated: May 13, 2020

<u>Haiti</u>

Overview

Haiti is the poorest country in the Western Hemisphere, with a Gross Domestic Product (GDP) per capita of $756 in 2019 and a Human Development Index ranking of 169 out of 189 countries in 2019. According to the Human Capital Index, a child born today in Haiti will be only 45% as productive as an adult if he/she enjoyed full education and health. The latest official poverty estimated (2012) suggested that over 6 million Haitians lived below the poverty line of US$2.41 per day, and more than 2.5 million fell below the extreme poverty line of US$1.12 per day.

Instability has hindered Haiti’s economic and social development. GDP is estimated to have contracted by 0.9% in 2019, and the country has experienced rapid currency depreciation, (25.5% at the end of fiscal year) and rampant inflation (20% at the end of the fiscal year). The economic slump was combined with weak capability of revenue administration. Nonetheless, the fiscal deficit was contained due to severe cuts in capital investment and social programs. Energy subsidies, estimated at 6.5% of GDP in 2019, continued to be a fiscal burden limiting the fiscal space for spending in growth-enhancing sectors. The economic outlook is fraught with downside risks amid the COVID-19 pandemic and an unresolved political crisis.

Haiti remains highly vulnerable to natural hazards, mainly hurricanes, floods and earthquakes. More than 96% of the population is exposed to these natural hazards. Hurricane Matthew that hit the country in 2016, caused losses and damages estimated at 32% of 2015 GDP. However, the country has been successful in containing the cholera outbreak, with zero laboratory confirmed cases since January 2019.

Last Updated: May 01, 2020

WB – Strategy

The World Bank Group Country Partnership Framework (CPF) for Haiti was discussed by the Board of Directors in September 2015 and updated in 2018 through the Performance and Learning Review. It is designed to support the country's efforts to provide economic opportunities for all its people and to combat poverty. The CPF seeks to strengthen institutions, build government capacity, and enhance the management of public finances. It is based on three priority pillars and one cross-cutting pillar on governance:

· Promote inclusive growth by creating greater economic opportunities, particularly outside of Port-au-Prince, by strengthening access to energy, developing renewable energy, facilitating access to financing, and promoting the competitiveness and productivity of the private sector.

· Strengthen human capital and access to services, by improving primary education and maternal and child healthcare, while extending access to water and sanitation in the communities most affected by cholera and implementing preventative healthcare and treatment measures.

· Improve capacity to adapt to climate shocks, by strengthening emergency preparedness and the country's capacity to respond to disasters; while protecting a greater number of Haitians through investments in risk reduction mechanisms to combat flooding as well as in other climate-resilient infrastructure projects, including drainage systems, reinforced bridges and all-weather roads.

· Strengthen governance to improve State effectiveness, by investing in mechanisms to promote transparency and accountability, including within the framework of public financial management; strengthen institutions and government capacity to generate key data and adopt policies based on reliable data; and enhance government capacity to finance the provision of basic services.

WORLD BANK GROUP PROGRAM

The World Bank's portfolio in Haiti has 24 active projects, with a total commitment amount of over US$919 million as of April 20, 2020. This is complemented by nearly US$129 million from trust funds that support the implementation of these projects.

Haiti has received a $20 million grant from the COVID-19 Fast Track Facility to help address the health emergency of the global outbreak of COVID-19. Through this new fast track project, the World Bank is helping the Haitian authorities to limit the transmission of COVID-19 through detection, public health communications, infection control in health facilities, and improving quality of care.

In addition to the emergency health financing, support is being provided to other critical sectors by reprogramming existing resources. Emergency finances were reallocated under an agriculture project to support food security by safeguarding production for upcoming cropping cycles. Work is being done under the ongoing education project to ensure continuity of the school feeding project, despite school closures, and find new methods of remote learning. The water and sanitation project is ramping up hand washing and hygiene awareness, particularly in sensitive areas like the border crossing, health centers, and market places. Going forward, the World Bank is also looking at additional initiatives to support the country's efforts for economic recovery, resilience, and protecting the vulnerable population.

Overall, the urban, resilience and land sector represents the largest segment of the World Bank portfolio in Haiti, with over 29% of the total financing. For other key areas, around 18% of the investments have been allocated to the health sector, 11% to the transport sector, 10% to the agriculture & food sector, 9% to the energy & extractives sector, and 8% to the education and water sector. The remaining resources are earmarked for the Finance, Governance, macroeconomic, trade & investment, and social protection & jobs sectors.

The International Development Association (IDA), the World Bank's fund for the poorest countries, allocated US$260 million for Haiti for the period 2018-2020. This was supplemented by additional resources from IDA reallocation, crisis response window and the regional window. To date, a total of US$330 million has been committed, and the remaining resources have been programmed for delivery in fiscal year 2020.

In addition to IDA activities, the International Finance Corporation (IFC) supports the private sector in Haiti. Since 2010, IFC has invested US$185 million, of which US$59 million has been mobilized from other partners. IFC supports private sector projects in Haiti in the areas of energy, beverages, garment manufacturing, financial markets, and the hotel industry.

The IFC program aims to create jobs, facilitate access to basic infrastructure and financial services, and create revenue streams by making catalytic investments. It also contributes to the development of a sustainable and inclusive economy through technical assistance and advisory programs designed to make the business environment more attractive for investors and for micro, small, and medium enterprises.

Last Updated: May 01, 2020

<u>WB – Results</u>

Education

· Increased availability of education materials for over 55,000 children in 171 public schools in the Grand Sud region of Haiti for school year 2019-2020 through distribution of textbooks and school kits;

· Improved nutrition through Provision of hot meals and snacks to over 55,000 students in public basic schools in Sud, Grand'Anse, Sud-Est, and Nippes in 2019-2020;

· Grants to 60 community public schools in the Sud, Grand'Anse, Sud-Est, and Nippes departments;

· Results-based grants for the enrollment of 20,000 students in 125 non-public schools in the departments of Sud, Grand'Anse, Sud-Est, in 2018-2019;

· Financial and technical support to 171 public schools in Sud, Grande-Anse, Sud-Est, and Nippes to cover school improvement plans and their functioning costs in 2019-2020.

Health

· Cholera transmission significantly interrupted, with no new laboratory-confirmed cases since January 2019;

· Expansion of vaccination coverage, resulting in 640,000 children immunized, and financing of all routine vaccines across the country for the years 2016 and 2017;

· Increased prenatal care, with at least four visits for 40% of the women living in the Nord-Est, Centre, Nord-Ouest, and Sud departments;

· Improvement of infrastructure in health facilities, and water and sanitation in more than 130 sites;

Water and Sanitation

· Increased access to drinking water for more than 60,000 people through the construction, rehabilitation, and extension of drinking water supply systems;

· Rehabilitation of sanitation facilities in more than 50 schools in the South and La Gonave Island, and construction of 4 sanitation blocks for the public markets in the Centre Region;

· Technical assistance and capacity building to the National Drinking Water and Sanitation Directorate (DINEPA) and the OREPA Sud, Centre, and Nord, especially for unified accounting and monitoring;

· Support DINEPA to strengthen the ability to plan, program, and budget for the water and sanitation sector;

· Awareness raising on handwashing and hygiene to fight against the coronavirus pandemic.

Energy

· Expanded access to electricity for about 233,833 people;

· Expanded access to electricity with Solar PV systems to about 474 schools, mostly in rural areas;

· Rehabilitation of 4 distribution networks and installation of consumer meters to improve reliability of electricity service in Port-au-Prince;

· Installation of over 1,977 solar street lamps in priority urban and rural areas;

· Support to the National Energy Regulation Authority, ANARSE, to improve oversight of the energy sector;

Agriculture

· More than 130 Agricultural Cooperatives increased sales by 162% , supported by matching grants and connection to value chains;

· Distribution of individual subsidies to around 20,000 farmers on more than 10,000 ha;

·   Registration of around 150,000 farmers in the National Farmers Registry of the Ministry of Agriculture/MARNDR;

·   Identification and registration of more than 300,000 cattle;

·   Irrigation or drainage services provided or improved for more than 2,000 ha.

Disaster Risk Management

·   140 Municipal Civil Protection Committees trained and helped with evacuation and lifesaving after Hurricane Matthew in 2016;

·   Vulnerability of the transport sector reduced through reconstruction and risk reduction investments;

·   Development of hazard and risk assessments and Disaster Risk Management Action Plans in the Education and Health Sectors;

·   Increased resources to assess disaster risks, for example high-resolution maps for flooding risk assessments and assessments of community vulnerabilities;

·   Investments in large scale flood risk reduction and incorporating disaster risk analysis in infrastructure planning in Cap-Haiten and surrounding municipalities

·   Support to the creation and strengthening of the National Hydrometeorological Unit to provide improved hydro-meteorological and climate information and services customized to the needs of the civil protection.

Transport

·   Better access to the capital for 500,000 Haitians living in the southeast of the country;

·   Rehabilitation of 8 kilometers of road connecting the historic city centers of Cap-Haïtien and Labadie;

·   Construction of the Ladigue bridge after Hurricane Matthew, reconnecting over 2 million Haitians in the departments of Nippes, Sud, and Grand'Anse;

·   Stabilization of the Marigot-Jacmel and Port-Salut-Les Anglais road network;

·   Reconstruction of the Chalon, Dolin, Fauché, La Thème and Boucan Carré bridges, and rehabilitation and protection of 120 small bridges, culverts, and road sections;

·   Protection and repair of more than 25 major engineering structures.

Regional Development

·   Development of Historic National Park (PNH), which includes creation and operation of interim PNH authority, launching a social assessment, start of technical studies for the rehabilitation of the Sans Souci Palace and the Sans Souci Chapel, and a call for proposals for the technical studies for rehabilitation of the Henri Citadel and the Ramiers site;

·   Stabilization of the Boucle Center Artibonite (BCA) road network's strategic routes through rehabilitation and protection works that allow 10,000 more people to have access to all-weather access to agricultural production areas and markets.

Urban Development

·   Strengthened service provision in six municipalities in the Cap-Haitien metropolitan area;

·   Improved public spaces and urban infrastructure in seven municipalities in the North;

·   Improved municipal buildings in Quartier Morin and Milot;

·   Increased capacity to manage tourism in the North through support to the Destination Management Organization of the North of Haiti.

Last Updated: May 01, 2020

IMF Report

Country Engagement Strategy
1. The results of past Fund-supported arrangements with Haiti have been disappointing. An ECF arrangement approved in 2015 lapsed because of failure to complete the first review and an SMP ended in August 2018 with incomplete progress. Despite other extensive international assistance and financial aid following the 2010 earthquake, foreign interventions have so far failed to deliver change. Moreover, the proliferation of development and humanitarian projects and partners has contributed to fragmentation of programs, uncoordinated and inefficient delivery of goods and services, and importantly, a loss of policy ownership.
2. Haiti's fragility warrants a careful and tailored approach. In addition to typical sources of fragility related to political instability and conflict, poverty, inequality, weak capacity and infrastructure, Haiti has other important sources of fragility: (i) high susceptibility to natural disasters; (ii) weak institutions and little national ownership of policies; (iii) weak business

regulations and judiciary which have contributed to a concentration of economic power and encouraged rentseeking activities among public officials; and (iv) insufficient means to maintain security and order.

3. Several recurring factors underlie the cycle of failed reform efforts. Based on a broad and objective stocktaking, including from the 2015 Ex-Post Assessment, the following issues undermined past efforts and must be addressed to break the cycle: (i) reform programs did not match in terms of scope and design Haiti's fragility and limited capacity to carry out the multiple and not always wellcoordinated projects initiated by by international partners; (ii) Haitian ownership of the relief and reform agenda was lacking; (iii) investment in, and empowerment of, all Haitians was inadequate (ISE 2014); and (iv) accountability and transparency in the use of public funds was weak or absent.

4. Concept. This engagement strategy (CES) aims to raise awareness and build consensus and commitment among internal stakeholders in Haiti for a set of basic economic principles that underpin the imperative of economic stability and policy continuity. Given the lack of effective institutional and political commitment for sustained reforms, the goal would be to develop an alternative 'commitment device' that effectively leverages communications by exploiting the strong Haitian culture of active civil society.

Driven by popular frustration with high levels of corruption and inequality, Haiti has been experiencing a protracted political crisis and prolonged civil unrest. The crisis has taken a toll on the economy and an already vulnerable population: output contracted by an estimated 1.2 percent and the currency depreciated by 25 percent against the U.S. dollar during fiscal year 2019 while inflation exceeded 20 percent (y/y) in September. With activity weak, the external current account deficit is estimated to have shrunk to 2.0 percent of GDP while foreign capital inflows have dried up. The fiscal deficit worsened to 3.8 percent of GDP and domestic arrears rose.

• **Outlook and risks:** The baseline scenario assumes some stabilization in the political situation by early-2020 but no major political or economic reforms. This would allow growth to recover only gradually and in the absence of sustained implementation of good policies and structural reforms, potential growth would remain low at about 1.4 percent over the medium term. Downside risks, both domestic and external, remain elevated. A prolongation of political instability, extreme natural disaster, drop in remittances, and/or a contraction in exports because of trade tensions would worsen the outlook, particularly given the absence of buffers and fragile social conditions. On the other hand, political resolution and an appointed government able to implement fundamental reforms could attract international support and lead to higher investment and potential growth.

Productivity growth and capital accumulation are low, and barriers to entry high. A low level of human capital, limited electricity supply, weak regulations, and an under-developed financial system have hindered private investment. Annual GDP growth averaged 1.4 percent from FY2015 through FY2018, near the rate of population growth and slightly below the average of 1.5 percent from 1996-2017.1 Private sector resources and capital are highly concentrated among a relatively small but powerful group—much acquired during the Duvalier era through monopoly rights and exclusive import licenses.2

5. **There are growth opportunities to be explored.** Economic growth could come from several sectors, including construction, agriculture, environmental remediation, tourism, mining, telecom, light manufacturing, alternative energy, and services. Community-based social structures are strong, and the Haitian diaspora presents a potential source of skills, resources and positive influence. To develop this potential, however, some degree of political stability and policy continuity are needed.

Annex II. Risk Assessment Matrix1

Source of Risk and Direction	Likelihood	Horizon	Expected Impact on the Economy	Policy Response
		Domestic Risks		
Absence of Reforms /Weak Macroeconomic Polices	High	Short- and Medium term	Can lead to lower revenues, slowdown in aid disbursements and lower FDI flows.	Focus on a few priorities. Proceed carefully to avoid reversals. Strengthen administrative capacity through technical assistance. Implement an effective communication strategy to build popular support. Implement mitigating measures to offset any effects on the most vulnerable.
Political Instability	High	Short- and Medium-term	Could impede the implementation of structural reforms, constrain growth, and weaken the business environment. Could delay the approval of key legislation and limit progress in the reform agenda.	Build a national political consensus on a sustainable growth reform agenda. Engage with all stakeholders to strengthen the business climate and enhance poverty reduction efforts.
Fuel Shortages	High	Short-term	Would negatively affect growth and social stability.	Resolve any arrears with fuel providers. In the medium-term, design a strategy to reduce the fiscal cost of fuel subsidies.
Extreme Natural Disasters (e.g., hurricanes, earthquakes and droughts)	High	Short- Medium- and Long-term	Can result in loss of human life and destruction of infrastructure. Can disrupt agriculture production and increase food inflation. Could also result in low growth prospects and delays in poverty reduction.	Develop a comprehensive disaster financing framework, including disaster-linked social protections and the buildup of financial buffers. Build physical infrastructure to cope with disasters.

Source of Risk and Direction	Likelihood	Horizon	Expected Impact on the Economy	Policy Response
		External Risks		
Rising Protectionism	**High**	Short- and Medium term	Escalating and unpredictable trade actions imperil the global trade system and international cooperation. In an adverse scenario, this could result in early cancellation of HOPE/HELP trade preferences, for example.	Improve business conditions for manufacturers currently benefiting from the HOPE/HELP preferences. Implement structural reforms to increase competitiveness.
Weaker-than-Expected Global Economic Growth	**Medium**	Short- and Medium-term	Low growth in the U.S. has significant spillovers which can undermine Haiti's medium-term growth and slowdown any reform process. Can result in lower remittances and exports.	Build buffers and increase flexibility in macroeconomic policies to help absorb shocks. Adopt structural reforms to increase competitiveness. Promote investments in tourism and agriculture.
Tighter Global Financial Conditions	**High**	Short- and Medium-term	An abrupt deterioration in market sentiment could result in sharp increases in interest rates and associated tightening of financial conditions. Higher debt service could add pressures to leveraged firms and increase refinancing risks.	Strengthen bank capital buffers to cover macro-financial risks. Ensure debt issuance is not indexed to global interest rates when possible.
Large Swings in Energy Prices	**Medium**	Short- and Medium-term	Given fuel regulated prices, elevated world energy price volatility poses higher risk to the budget.	Consider fuel subsidy reform. Build social safety net to offset any negative effects on the most vulnerable.

Jamaica

Overview

Jamaica is the largest island in the English-speaking Caribbean, and the most populated with 2.93 million people. Like its neighbors, Jamaica is vulnerable to natural disasters - such as hurricanes and flooding - and the effects of climate change. It is an upper middle-income economy that is nevertheless struggling due to low growth, high public debt, and exposure to external shocks.

In 2013, Jamaica launched an ambitious reform program to stabilize the economy, reduce debt, and fuel growth, gaining national and international support.

Public debt fell below 100% of GDP in 2018/19 and is expected to decline below 60% by 2025/26, in line with the provisions of the Fiscal Responsibility Law. The rate of unemployment also fell to a historic low of 7.2% in October 2019, which is almost half the rate at the start of the reform program.

Inequality in Jamaica is lower than in most countries in the Latin America and Caribbean region, but poverty at 19% in 2017 is still significant. Stronger and more resilient economic growth is needed to eliminate poverty and boost shared prosperity. Crime and violence levels remain high, emphasizing the need to address the issues of youth unemployment, education, and social cohesion.

Poverty is expected to decline further with rising per-capita GDP, lower unemployment, and strengthened safety nets.

Last Updated: Apr 13, 2020

WB – Context

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United States
5 Penn Plaza, 23rd Floor
New York, NY 10001

Haiti
86 Ave Pamãricaine
Pétion-ville, Haiti

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Poverty is expected to decline further with rising per-capita GDP, lower unemployment, and strengthened safety nets.

Last Updated: Apr 13, 2020

WB – Results

Projects financed by the World Bank Group have achieved important results in Jamaica in recent years. Some highlights include:

· More than 387,000 Jamaicans have benefited from the government's Programme of Advancement through Health and Education (PATH), a conditional cash transfer program that helps improve school attendance and health visits of children in poor households, putting families on a better path, and building the country's human capital.

· The Rural Economic Development Initiative (REDI) helped to improve market access for micro- and small-scale farmers and their service providers by supporting revenue-generating activities in agriculture and tourism, while also providing critical infrastructure, marketing, and management support. More than 1,400 farmers have benefited from improved technology, training, and access to markets. A Second REDI project signed in March 2020 will scale up investments and will benefit more than 20,000 individual beneficiaries—of which an estimated 40% will be women and 30% youths.

· An education "passport" has been implemented to track the growth and progress of each Jamaican child in their first few years of life, while also setting the quality standards for Early Childhood Development institutions through the Early Childhood Development Project.

· The Jamaica Integrated Community Development Project has helped improve community safety and development in 18 economically and socially vulnerable inner city and rural communities by improving infrastructure such as solar street lighting, water supply systems, solid waste management, the installation of fire hydrants, and introducing violence interrupters and school-based violence prevention. More than 300 young people were trained in entrepreneurship, CPR & first aid, community mediation, and restorative justice.

· The Foundations for Competitiveness and Growth Project helps to strengthen the business environment in Jamaica, facilitate private investment in strategic infrastructure assets and support the transformation of Small and Medium-sized Enterprises to high-potential supply chains.

· With the support of the Access to Finance for MSMEs Project, Micro, Small and Medium-sized Enterprises in Jamaica are better able to access finance. This project also strengthens the Credit Enhancement Facility, a credit guarantee facility and enables the Jamaican business environment to provide more business development services to MSMEs. This project also provides funding for the development of new financing instruments based on movable assets.

· The Jamaica Energy Security and Efficiency Enhancement Project has supported the development of regulations and policies for renewable energy and natural gas, contributing to an increase of generation capacity from 9% at the start of the project, to 12% in 2017, and is expected to reach over 20% in 2030.

· With support from the Strategic Public Sector Transformation Project, formal participatory budgeting has become part of the annual budgeting process in Jamaica since 2015, strengthening the management of public investments. A public investment management system has been put in place to help policymakers provide better governance of public investments.

· The Youth Employment in Digital and Animation Industries Project is building on successful pilots in the Digital Jam and KingstOOn events, with more than 4,000 young Jamaicans engaged in digital enterprises, supporting the growth of the Jamaican animation training and industry.

· As disaster risk management has become a key priority for Jamaica, the Climate Data and Information Management Project is helping improve collection and analysis of climate data while strengthening early warning systems. The Disaster Vulnerability Reduction Project (DVRP) is helping to enhance physical resilience to disasters. The Bank is supporting Jamaica to elaborate and put in place a comprehensive disaster risk financing architecture.

· IFC supported the BMR Jamaica Wind Project, a 36-megawatt wind farm, which is expected to reduce greenhouse gas emissions by 66,000 metric tons of CO_2 equivalent per year, equivalent to taking roughly 13,000 cars off the road.

· IFC has worked with several financial institutions to establish SME best practices, improving reach to a financially underserved sector. IFC is in discussions with financial institutions to help mitigate the effects of COVID-19.

· In Agriculture, IFC worked with Jamaican coffee producers to help increase the quality and quantity of coffee grown and processed through a combination of activities focused on improving genetics, sharing best practices in agronomy, and creating inclusive business models. The project facilitated the distribution and planting of over 300,000 coffee seedlings along with technical training to improve productivity. IFC also advised a group of Jamaican producers of sauces and spices on how to strengthen the value chain of SMEs in the sector by enhancing market linkages, using market feedback to address supply-side coordination failures, and improving food safety standards. IFC recently started the Agricultural Supply Chain Linkages project to identify agricultural products that can be produced at a comparative advantage for the Jamaica market.

· IFC is working with the Government of Jamaica on several advisory projects to improve the secured transactions environment, support e-titling with the land agency, build a trade portal with key information on goods exports and imports, and support investment climate reforms. IFC works with Jamaica Promotions Corporation to assist in the implementation reforms in areas measured by investment climate indicators.

· On secured transactions, IFC provided support in the design of a reverse factoring platform to work with anchor firms via the Development Bank of Jamaica (DBJ), and support the Ministry of Industry and Commerce in deepening the market for moveable asset-based lending using the collateral registry and secured transactions framework.

· IFC's technical assistance contributed to the development of a national trade facilitation roadmap and supporting the newly formed Trade Facilitation Task Force. The program supports the simplification and modernization of the complex and inefficient trade regime including developing a trade information portal, building capacity to apply risk management, simplification of procedures and modernization of the Jamaica Customs Act.

· Recently, IFC worked with the Jamaican government to improve the regulatory, institutional, and administrative framework for business taxation in addition to advising on the public-private-partnership concession for the Norman Manley International Airport, which is expected to improve airport access and quality of services for passengers, expand infrastructure capacity, and spur private investment.

Last Updated: Apr 13, 2020

Panama

Overview

Panama has been one of the fastest growing economies in the world, with an average annual growth rate of 4.6 percent over the last five years.

Growth in Panama for 2020 is expected to contract significantly due to the COVID-19 (Coronavirus) pandemic, with major employment areas such as services and construction impacted. Although almost all sectors are hit, positive contributions are expected from public expenditure, but this will increase the fiscal deficit.

In a competitive global context, the development model could be at risk, since the economy has been based on traffic through the Canal and investments in infrastructure.

Panama has made significant progress in reducing poverty in recent years in part due to economic growth and public transfers. Between 2015 and 2018, poverty at US$ 5.5 fell from 15.4 to an estimated 12.5 percent while extreme poverty at US$ 3.2 declined from 6.7 to an estimated 5.1 percent. But poverty has only marginally decreased in 2019 and will expectedly increase in 2020 as a result of the COVID-19 outbreak, wiping out the gains in poverty reductions.

Sharp regional disparities also predominate. Poverty prevails in rural areas, mainly inhabited by indigenous people and afro descendants. Access to basic services is not universal and remains linked to factors such as geographic location, education levels, ethnicity and income levels of households. For example, there are 11 years less in life expectancy for Indigenous women and men living in their territories (67.75) versus the overall population (79); and the maternal mortality rate is four times higher in Indigenous women who live in their territories versus the national average for all women (462 vs. 92 per 100,000 births).

Sustaining high and inclusive growth over the medium to long term will require responding to historical limitations. These include improving education and skills, and the effectiveness of public institutions, as well as the provision of key infrastructure. Human capital must begin to play a bigger role.

The World Bank in Panama is aimed at supporting the Government’s program, as the portfolio is being restructured to adjust to the impact of the COVID-19 crisis and its aftermath.

Last Updated: Apr 16, 2020

WB – Strategy

The World Bank Group and the Government of Panama developed the Country Partnership Framework (CPF) 2015-2021 which defines the areas of Bank Group support in the country. A new Systematic Country Diagnostic (SCD) will be prepared to assess key development challenges and opportunities of the country and accompany the Government in their post COVID-19 reconstruction efforts.

The CPF is based on three pillars for the World Bank Group engagement:

· Supporting continued high growth

· Ensuring inclusion and opportunities for marginalized and indigenous groups

· Bolstering resilience and sustainability

The objectives of these pillars include improving access to water and sanitation, strengthening resilience to natural disasters, supporting integrated water resources management in priority areas, supporting enhanced logistics and connectivity and increasing reliability of the energy supply, improving budget management transparency, and complementing social assistance with productive inclusion.

The World Bank's portfolio in Panama totals US$ 326 million which includes five active projects focused on social protection, governance, disaster risk management, wastewater management, and support to the Indigenous Peoples Plan.

Last Updated: Apr 16, 2020

WB – Results

The World Bank (IBRD) financing helped achieved the following results from 2008 to 2020:

Support for the National Indigenous Peoples Development Plan. Designed jointly with the Panama's Indigenous communities and the government of Panama, this is a Project benefiting approximately two-hundred thousand Indigenous peoples, especially women and youth who are the most excluded populations. It supports the investments proposed by the traditional authorities focused on access, quality and cultural pertinence of service delivery in health, education, and water and sanitation. It also includes investments to improve governance capacity, planning and coordination between Indigenous Authorities and the Government of Panama with a vision to contribute to breaching some of the largest levels of ethnic based inequalities that exist in the region. Within the first months of implementation, two results are highlighted: first, passing an Executive Decree to legally formalize the National Indigenous Peoples Development Council; and second the acceptance by the traditional Indigenous Authorities to include a woman advisor as part of each delegation that participates on the Council.

Economic Empowerment of Indigenous Women. The trust fund supported a demand and supply study for indigenous women's economic empowerment in Panama, as well as a pilot intervention that responded to the results of the study in six communities to support: (i) ecosystem development; (ii) financial inclusion; and (iii) technical assistance for women producers. The analysis demonstrated that, even though indigenous women earn 70 percent less than non-indigenous Panamanian women, there are no existing programs in their communities that target their economic empowerment. Numerous programs exist to support technical assistance for indigenous productive activities, and of these some have extended benefits to indigenous women, but none have been designed to address the unique realities and constraints faced by indigenous women who require access to internet, computers and the ability to spend significant time in Panama City.

Increased Income and Productive Capacity of Small-Scale Producers. Financing and technical assistance for access to markets was provided to 152 productive alliances of small-scale producers in high-poverty areas, including indigenous areas. Producers benefitted from increased agricultural productivity and a 23 percent increase in sales. Around 4,600 producers (30 percent women) received investment and technical support through 130 sub-projects covering a range of agricultural activities.

Improved Targeting of Social Transfer Programs and Increased Social Security Coverage. By improving the targeting of the Red de Oportunidades program (translated as "Network of Opportunities"), the Government channeled resources to the poor in remote geographic areas, largely excluded in the past, increasing coverage in the indigenous comarcas (50 to 70 percent from 2008 to 2014) which represented 46 percent of beneficiary households.

Improved Households Access to Quality Basic Health and Nutrition Services. Through the provision of a basic package of health services under the Coverage Extension Strategy, mobile health units provided regular access to a basic package of health services to 149,028 beneficiaries from 47 poor rural communities by 2014, with 86 percent of pregnant women receiving at least three prenatal controls (compared to 20 percent in 2010), and 96 percent of children under age one receiving full vaccinations (compared to 26 percent in 2010).

Increased access to sustainable water supplies and sanitation services for communities in rural and poor urban areas. More than 25,000 beneficiaries in rural communities got newly constructed latrines. In addition, the use of performance-based contracting helped improve quality, coverage, and efficiency of water supply services in lower-income neighborhoods in Colon – the continuity of service provision increased from 13 to 71 percent from 2014 to 2017), piped water services were extended to 2,115 households, and the commercial efficiency of the National Water and Sewer Agency's Colon regional office improved.

Enhanced Capacity for Disaster Risk Management and Adaptation to Climate Change. The Disaster Risk Management Development Policy Loan with a Catastrophe Risk Deferred Drawdown Option has been a quick and flexible instrument in addressing a national drought emergency triggered by El Niño phenomenon (2015-2016), including support to the Water

Security High Level Committee in the development and implementation of the National Water Security Plan. Most of the World Bank disaster risk management support has been provided through technical assistance activities with key results including the development of the first Disaster Risk Finance and Insurance Framework in Latin America, and a strengthened emergency preparedness and response capacity at the subnational level. In March 2020, in support of the Panamanian government's response to the Coronavirus (COVID-19) health emergency, the World Bank authorized the disbursement of US$ 41 million of a development policy loan that strengthens the disaster risk reduction agenda nationwide.

Improved Budget Management Transparency. In 2016, the Government began channeling funds for 181 budgetary account of 21 central government entities through the implementation of the Treasury Single Account (TSA), and in 2017, incorporated 347 budgetary accounts of all 24 central government institutions. The consolidation of the TSA was complemented by the roll-out of a new integrated financial management information system, ISTMO (for its Spanish acronym), in all central government entities and its expansion to 32 of the 36 decentralized institutions. In addition, the WB Treasury's support to Panama's Sovereign Wealth Fund (Fondo de Ahorro de Panama) has built capacity and supported the development and approval of an investment policy for Panama's sovereign assets that focuses on growth assets over the medium-to long-term.

Improved effectiveness in the management of protected areas in Panama and the Conservation of Globally Significant Biodiversity. The project impact 118,490 direct beneficiaries through 30 sub-projects supporting income-generating and biodiversity-friendly production and marketing system implemented by producer associations. Management effectiveness was improved in twelve protected areas with more than 554,501 ha brought under biodiversity protection and 1,534 hectares of cocoa, plantain, and coffee plantations of landscape certified by internationally/nationally recognized standards An endowment fund to support sustainable management of protected areas was established and operating with an initial capitalization of US$ 5.0 million (now standing at US$ 22.6 million) to support sustainable management of protected areas, as part of one window of the broader national fund for water, protected areas and forest ("Super Fund").

Increased reliability of energy supply. Using Development Policy Financing (DPF), the IBRD has supported a changing policy environment which ushered in new, better targeted tariff subsidies and established incentives to increase the share of renewable energy in the power generation matrix. These efforts were complemented by IFC's advisory services to increase energy efficiency through the implementation of a Green Building Code, as well as investments and Technical Assistances (TA) to ramp up hydroelectric, wind, and Liquified Natural Gas (LNG) projects. Together, policy changes, TA, and investments, support efforts to improve the reliability of the energy system for Panamanians, while also displacing the use of heavy fuel and diesel and reducing carbon dioxide emissions.

Last Updated: Apr 16, 2020 (https://www.worldbank.org/en/country/panama/overview#3)

IMF – Report April 2020

Background. After 25 years of impressive performance with the economy expanding at 6 percent annually, growth slowed below 4 percent in 2018–19, with inflation falling below zero. A new government took office in July 2019 providing a fresh impulse for reforms. However, expenditure tightening after a shortfall in revenues kept the deficit at 3.1 percent of GDP in 2019, while previously unrecorded arrears of over 2 percent of GDP were uncovered. Panama returned to the Financial Action Task Force (FATF) grey list in June 2019, with limited impact on the economy thus far. Credit growth decelerated reflecting weak demand, while the current account deficit improved to 6½ percent of GDP in 2019.

• Outlook and Risks. Growth is expected to recover to 4.8 percent in 2020. However, the balance of risks is tilted to the downside. Domestic risks include setbacks in resolving fiscal policy imbalances and complying with the FATF action plan to exit the grey list. External risks include rising protectionism, weak global growth, coronavirus, sharp rise in risk premium that exposes vulnerabilities, an intensification of geopolitical tensions, cyberattacks, natural disasters and extreme climate events.

The economic slowdown, which began in mid-2018 due to a construction strike, extended into 2019. Real GDP grew by about 3 percent in the first three quarters of 2019 (y/y) as construction and the service sector remained soft. Slower regional growth spilled over to Panama through sluggish tourism. However, output began to recover in the last quarter as a new copper mine, Cobre Panama, launched full-scale commercial production, and the economy is estimated to have grown at 3½ percent in 2019. This slump in economic activity led to persistently subzero headline CPI inflation for most of the year and an increase in the unemployment rate to 7.1 percent in August 2019 (from 6.0 percent a year before).

Trinidad and Tobago

Overview

With a per-capita income of US$17,002, this twin-island state enjoys one of the highest average incomes in Latin America and the Caribbean.

The economy is based largely on oil and natural gas production, with the petroleum industry accounting for more than 40 percent of GDP between 2006 and 2014. The share, however, tumbled to approximately 22 percent of GDP in 2015 and 2016 after a sharp drop in international oil prices. The country has become a major financial center in the Caribbean as well.

Economic growth averaged slightly more than 8 percent per year between 2000 and 2007, significantly higher than the 3.8 percent average for the LAC region over the same period. However, GDP growth has cooled since due to the sharp decline in oil and gas prices. GDP contracted by 2 percent in 2017 and 1 percent in 2018,and is expected to contract by 0.5 percent 2019. The economy is expected to recover at a modest pace between 2019 and 2021. Since the end of the 2000-14 commodities super cycle, the country has faced significant challenges. On the upside, the economy is expected to rebound in the medium term, helped by significant fiscal buffers managed by its sovereign Heritage Fund as well as adequate financial sector buffers, solid human capital, and overall political stability.

Last Updated: Apr 01, 2019 (https://www.worldbank.org/en/country/caribbean/overview)

IMF – Report

Context. The economy is slowly recovering from a prolonged recession driven by energy supply shocks and low energy prices. With signs of improvement in the energy sector growth from the second half of 2017, the economy is expected to return to positive growth in 2018 as the recovery takes hold in both the energy and non-energy sectors. Good progress has been made in implementing fiscal consolidation. The financial system remained stable notwithstanding the deep recession in the past two years, with well-capitalized and profitable banks, and low levels of non-performing loans. As the recovery gathers pace, policies need to focus on completing the fiscal adjustment while insulating the economy from future commodity price swings, and creating an enabling environment for the non-energy sector.

Policy Recommendations:

- Sustaining fiscal adjustment and strengthening the fiscal framework. Progress on fiscal consolidation should remain on track, with revenue enhancing measures and expenditure savings to create fiscal space for future shocks, while improving the quality and efficiency of public spending. Establishing a medium-term fiscal policy framework will support fiscal sustainability and implementation of countercyclical fiscal policy to insulate the economy from commodity price swings.
- Restoring external balance. The authorities could take advantage of the current relatively stable period, with low inflation and positive steps taken for fiscal consolidation, to address the foreign exchange (FX) shortages by supplying sufficient FX at a given exchange rate and introducing gradually greater flexibility, thereby reducing incentives for FX-hoarding. The exchange rate could play a more active automatic stabilizer role and help manage the transition to a more balanced FX market.

Boosting the non-energy sector as an engine of growth for sustained recovery. Reduced cost of doing business, addressing crime, and sustained government support for diversification within and outside the energy sector should help reduce heavy reliance on the energy sector, enhance the economy's FX-earning potential, and reduce commodity-induced volatility.

Barbados

IMF – Country report

Recent Developments and Outlook. The Barbadian authorities continue to make good progress in implementing the comprehensive Economic Recovery and Transformation (BERT) plan aimed at restoring fiscal and debt sustainability, rebuilding reserves, and increasing growth. Since May 2018, international reserves have increased from a low of US$220 million (or 5-6 weeks of import coverage) to more than US$600 million at end-October 2019. The completion of a domestic debt restructuring in November 2018 has been very helpful in reducing economic uncertainty, and the terms agreed with domestic creditors have helped to put debt on a clear downward trajectory. Risks to the outlook are elevated but growth could surprise on the upside, with private sector confidence now increasing.

POLITICAL CONTEXT

1. Prime Minister Mottley's Barbados Labor Party (BLP) won the May 2018 general elections in a landslide, winning all 30 seats in Parliament. The new government immediately announced a comprehensive Economic Recovery and Transformation (BERT) plan to restore fiscal and debt sustainability, announced its intention to seek a restructuring of domestic and external public debt to private creditors, and requested the support of the IMF and other international financial institutions (IFIs). The next parliamentary elections are due to take place by 2023.

2. The government has made good progress in implementing the economic reform program aimed at restoring fiscal and debt sustainability, rebuilding reserves, and increasing growth. After the 2008–09 global financial crisis, Barbados had been caught in a vicious cycle of low or negative growth and increasing debt, with public debt increasing to almost 160 percent of GDP by mid-2018. International reserves, which reached a low of US$220 million (5-6 weeks of import coverage) at end-May 2018, have increased to more than US$600 million by end of October 2019, supported by lending from IFIs and the ongoing external commercial debt moratorium. The rapid completion of the domestic part of a debt restructuring has been very helpful in reducing economic uncertainty, and the new terms agreed with creditors have helped to put debt on a clear downward trajectory. The IMF Executive Board approved a four-year

Extended Arrangement under the Extended Fund Facility (EFF) to support Barbados' stabilization program on October 1, 2018, and the first review of the EFF-supported program was completed on June 24, 2019.

RECENT DEVELOPMENTS, OUTLOOK, AND RISKS

During the first nine months of 2019, the economy contracted by 0.2 percent, in line with program projections. With the economy heavily dependent on external demand for tourism services, the impact of the fiscal adjustment on growth has been limited. The tourism sector expanded by about 3 percent with arrivals from the United States gaining market share (text table). The tourism sector directly represents about 17 percent of real GDP, but its indirect share in GDP is much larger, with all other sectors are highly dependent on tourism activity. Higher long stay arrivals contributed to the growth in tourism. With the real appreciation of the dollar, the share of arrivals from the United States has been gradually increasing relative to the United Kingdom and Canada. Construction, manufacturing and agriculture contributed negatively to growth in the first three quarters of 2019. The average unemployment rate was around 11 percent in the first three quarters of 2019, unchanged from previous years.

Barbados: Economic Growth in the First Three Quarters of 2019
(Percent, unless otherwise indicated)

	Weights (percent)	YoY Growth (percent)	Contribution (percent)
Tourism	17.0	2.4	0.4
Agriculture	1.5	-9.5	-0.1
Manufacturing	6.1	-1.9	-0.1
Energy	2.7	-0.1	0.0
Construction	5.7	-3.1	-0.2
Distribution	9.0	-0.3	0.0
Transport	12.6	0.3	0.0
Finance	34.4	-0.4	-0.1
Other	10.9	-0.5	-0.1
2018 Real GDP (BRB$ million, 2010 prices)	8,070.6	-0.2	-0.2

Sources: Central Bank of Barbados.

4. Growth is expected to rebound to its long-term average of about 2 percent. External demand for tourism services is projected to remain buoyant. In the medium term, with improving confidence, investment is expected to start picking up and FDI to resume. The fading impact of the fiscal consolidation is then expected to be more than offset by continued growth in tourism and increasing private sector confidence.

External risks include a disorderly Brexit, weaker than expected global growth, tighter global financial conditions, and extreme weather events. Key tourism markets for Barbados are the UK (with a market share of about 33 percent), the US (30 percent) and Canada (13 percent). Weaker growth in these economies could reduce arrivals as well as investment in refurbishing and expanding tourism facilities. Tighter global financial conditions could depress FDI inflows, especially funding for new accommodation, leading to lower construction. Extreme weather events due to climate change could also cause large financial losses. Barbados' geographical location (further into the Atlantic than other Caribbean islands) may offer it a form of protection against the strongest hurricanes. However, the impact, should it occur, can be large. Moreover, the country could be subject to other natural disasters, such as flooding (see Annex V).

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New country classifications by income level: 2019-2020

https://datahelpdesk.worldbank.org/knowledgebase/articles/906519

New country classifications by income level: 2019-2020

- World Bank Data Team

|July 01, 2019

Updated country income classifications for the World Bank's 2020 fiscal year are available here.

The World Bank classifies the world's economies into four income groups — high, upper-middle, lower-middle, and low. We base this assignment on Gross National Income (GNI) per capita (current US$) calculated using the Atlas method. The classification is updated each year on July 1st.

The classification of countries is determined by two factors:

1. A country's GNI per capita, which can change with economic growth, inflation, exchange rates, and population. Revisions to national accounts methods and data can also influence GNI per capita.
2. Classification threshold: The thresholds are adjusted for inflation annually using the SDR deflator.

New data on GNI per capita data for 2018 is now available here. More detailed information on how the World Bank classifies countries is available here.

Until last year (Fiscal Year 2019), the income classifications had an analytical purpose and did not influence the World Bank's lending terms. However, since the last fiscal year, the high-income threshold is also a determining factor for lending rates. Surcharges are applied for lending rates of countries which have been categorized as high income for two consecutive years.

Updated Thresholds

New thresholds are determined at the start of the World Bank's fiscal year in July and remain fixed for 12 months regardless of subsequent revisions to estimates. The thresholds for income classification have increased from last year due to SDR inflation. As of July 1, 2019, the new thresholds for classification by income are:

Threshold	July 2019/$ (new)	July 2018/$ (old)
Low income		
Lower-middle income	1,026 - 3,995	996 - 3,895
Upper-middle income	3,996 - 12,375	3,896 - 12,055
High income	> 12,375	> 12,055

Changes in Classification

The following countries are assigned to new income groups:

	New group	Old group	GNI/Capita/$ (2018) as of July 1, 2019	GNI/Capita/$ (2017) as of July 1, 2018
Comoros	Lower-middle income	Low income	1,320	760
Georgia	Upper-middle income	Lower-middle income	4,130	3,790
Kosovo	Upper-middle income	Lower-middle income	4,230	3,890
Senegal	Lower-middle income	Low income	1,410	950
Sri Lanka	Upper-middle	Lower-middle	4,060	3,840

	income	income		
Zimbabwe	Lower-middle income	Low income	1,790	910
Argentina	Upper-middle income	High income	12,370	13,040

The country and lending groups page provides a complete list of economies classified by income, region, and lending status and links to previous years' classifications. The classification tables include all World Bank members, plus all other economies with populations of more than 30,000. The term country, used interchangeably with economy, does not imply political independence but refers to any territory for which authorities report separate social or economic statistics.

Data for GNI, GNI per capita, GDP, GDP PPP, and Population for 2018 are now available on World Bank's Open Data Catalog. Note that these are preliminary estimates and may be revised. For more information, please contact us at data@worldbank.org.

LOW-INCOME ECONOMIES ($1,025 OR LESS)

[31]

Afghanistan	Guinea-Bissau	Sierra Leone
Benin	Haiti	Somalia
Burkina Faso	Korea, Dem. People's Rep.	South Sudan
Burundi	Liberia	Syrian Arab Republic
Central African Republic	Madagascar	Tajikistan
Chad	Malawi	Tanzania
Congo, Dem. Rep	Mali	Togo
Eritrea	Mozambique	Uganda
Ethiopia	Nepal	Yemen, Rep.
Gambia, The	Niger	
Guinea	Rwanda	

LOWER-MIDDLE INCOME ECONOMIES ($1,026 TO $3,995)

[47]

Angola	India	Papua New Guinea
Bangladesh	Indonesia	Philippines
Bhutan	Kenya	São Tomé and Principe
Bolivia	Kiribati	**Senegal**
Cabo Verde	Kyrgyz Republic	Solomon Islands
Cambodia	Lao PDR	Sudan
Cameroon	Lesotho	Timor-Leste
Comoros	Mauritania	Tunisia
Congo, Rep.	Micronesia, Fed. Sts.	Ukraine
Côte d'Ivoire	Moldova	Uzbekistan
Djibouti	Mongolia	Vanuatu
Egypt, Arab Rep.	Morocco	Vietnam
El Salvador	Myanmar	West Bank and Gaza
Eswatini	Nicaragua	Zambia
Ghana	Nigeria	**Zimbabwe**
Honduras	Pakistan	

UPPER-MIDDLE-INCOME ECONOMIES ($3,996 TO $12,375)

[60]

Albania	Fiji	Namibia
Algeria	Gabon	Nauru
American Samoa	**Georgia**	North Macedonia
Argentina	Grenada	Paraguay
Armenia	Guatemala	Peru
Azerbaijan	Guyana	Romania
Belarus	Iran, Islamic Rep.	Russian Federation
Belize	Iraq	Samoa
Bosnia and Herzegovina	Jamaica	Serbia
Botswana	Jordan	**Sri Lanka**
Brazil	Kazakhstan	South Africa
Bulgaria	**Kosovo**	St. Lucia
China	Lebanon	St. Vincent and the Grenadines
Colombia	Libya	Suriname
Costa Rica	Malaysia	Thailand
Cuba	Maldives	Tonga
Dominica	Marshall Islands	Turkey

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Dominican Republic	Mauritius	Turkmenistan
Equatorial Guinea	Mexico	Tuvalu
Ecuador	Montenegro	Venezuela, RB

HIGH-INCOME ECONOMIES ($12,376 OR MORE)

[80]

Andorra	Gibraltar	Palau
Antigua and Barbuda	Greece	Panama
Aruba	Greenland	Poland
Australia	Guam	Portugal
Austria	Hong Kong SAR, China	Puerto Rico
Bahamas, The	Hungary	Qatar
Bahrain	Iceland	San Marino
Barbados	Ireland	Saudi Arabia
Belgium	Isle of Man	Seychelles
Bermuda	Israel	Singapore
British Virgin Islands	Italy	Sint Maarten (Dutch part)
Brunei Darussalam	Japan	Slovak Republic
Canada	Korea, Rep.	Slovenia
Cayman Islands	Kuwait	Spain
Channel Islands	Latvia	St. Kitts and Nevis
Chile	Liechtenstein	St. Martin (French part)
Croatia	Lithuania	Sweden
Curaçao	Luxembourg	Switzerland
Cyprus	Macao SAR, China	Taiwan, China
Czech Republic	Malta	Trinidad and Tobago
Denmark	Monaco	Turks and Caicos Islands
Estonia	Netherlands	United Arab Emirates
Faroe Islands	New Caledonia	United Kingdom
Finland	New Zealand	United States
France	Northern Mariana Islands	Uruguay
French Polynesia	Norway	Virgin Islands (U.S.)
Germany	Oman	