

**Table 4: Projection of GDP trend growth and its components (%)**

Country	Average growth 2007-2013	Average annual growth 2014 - 2019 (trend growth projection)					Average annual growth 2020 - 2025 (trend growth projection)				
		GDP	Labor Quantity	Labor Composition	Capital Services	TFP	GDP	Labor Quantity	Labor Composition	Capital Services	TFP
<b>Advanced Economies</b>											
United States	1.1	1.7	0.3	0.1	1.1	0.2	1.7	0.2	0.1	1.4	0.0
Austria	1.1	1.1	-0.2	0.1	1.0	0.2	0.6	-0.5	0.1	0.9	0.1
Belgium	0.7	2.0	-0.2	0.2	1.2	0.8	1.7	-0.4	0.2	1.0	0.8
Cyprus	-0.3	1.1	0.6	0.2	0.0	0.3	1.3	0.3	0.2	0.4	0.4
Czech Republic	1.0	2.4	-0.6	0.1	1.5	1.3	2.4	-0.4	0.1	1.5	1.2
Denmark	-0.3	1.8	0.0	0.1	1.3	0.4	1.4	-0.1	0.1	1.1	0.3
Finland	0.5	1.0	-0.5	0.2	1.0	0.3	0.8	-0.4	0.2	0.8	0.3
France	0.4	1.0	-0.1	0.2	0.8	0.1	0.9	0.0	0.2	0.7	0.1
Germany	1.1	2.0	-0.4	0.1	1.4	0.9	1.4	-0.6	0.1	1.1	0.7
Greece	-3.2	1.1	-0.1	0.3	0.8	0.1	1.3	-0.2	0.3	1.1	0.2
Hungary	-0.6	2.2	-0.5	0.2	1.4	1.1	2.5	-0.4	0.2	1.6	1.1
Ireland	0.1	3.4	0.5	0.1	2.4	0.4	2.8	0.5	0.1	1.9	0.3
Italy	-0.8	1.1	0.0	0.1	1.0	0.0	0.9	-0.1	0.1	0.9	0.0
Luxembourg	1.1	2.0	0.5	0.2	1.4	-0.1	1.2	0.4	0.1	0.7	0.0
Malta	1.8	1.3	-0.3	0.2	0.8	0.6	1.3	-0.3	0.2	0.9	0.5
Netherlands	0.4	2.0	0.0	0.1	1.2	0.7	1.5	-0.1	0.1	0.9	0.7
Norway	1.2	2.1	0.0	0.1	1.6	0.4	1.3	-0.1	0.1	0.9	0.4
Poland	3.6	1.5	-0.5	0.1	1.3	0.6	1.3	-0.5	0.1	1.4	0.3
Portugal	-0.8	1.5	0.0	0.6	0.8	0.2	1.4	-0.2	0.6	0.8	0.1
Spain	-0.4	1.9	0.4	0.3	1.1	0.2	1.6	0.3	0.3	1.0	0.1
Sweden	1.5	2.0	-0.2	0.1	1.5	0.6	1.7	-0.1	0.1	1.3	0.6
Switzerland	1.6	2.2	0.3	0.1	1.4	0.5	1.8	0.1	0.1	1.1	0.4
United Kingdom	0.3	1.1	0.1	0.1	0.9	-0.1	1.2	0.1	0.1	1.0	-0.1
Japan	0.4	0.9	-0.6	0.2	0.9	0.4	0.6	-0.4	0.2	0.6	0.3
Australia	2.9	2.3	0.4	0.2	1.5	0.3	2.2	0.3	0.1	1.4	0.3
Canada	1.3	2.1	0.0	0.1	1.3	0.6	1.8	-0.1	0.1	1.3	0.5
Hong Kong	3.2	1.7	-0.4	0.1	0.6	1.3	0.4	-0.9	0.1	0.1	1.1
Iceland	0.4	1.4	0.2	0.3	0.4	0.4	1.0	0.0	0.3	0.4	0.4
Israel	4.0	4.0	0.8	0.1	2.2	0.9	4.0	0.7	0.1	2.2	0.8
New Zealand	1.4	2.8	0.3	0.2	1.4	0.9	2.8	0.2	0.2	1.6	0.8
Singapore	5.0	3.6	1.1	0.3	1.5	0.7	2.6	0.7	0.2	1.1	0.7
South Korea	3.3	2.4	0.0	0.3	1.4	0.8	1.2	-0.7	0.2	1.1	0.6
Taiwan	3.3	2.3	-0.1	0.3	1.7	0.5	1.3	-0.5	0.3	1.3	0.3

### Emerging and Developing Economies

China	9.7	5.3	-0.1	0.1	3.9	1.4	3.5	-0.1	0.1	2.8	0.7
India	7.1	4.7	0.8	0.2	3.1	0.7	3.5	0.6	0.2	2.4	0.3
Indonesia	5.9	5.0	0.6	0.1	3.2	1.1	4.4	0.4	0.1	3.2	0.8
Malaysia	4.6	4.9	0.8	0.2	3.0	1.0	4.2	0.6	0.1	2.6	0.8
Pakistan	3.6	4.8	1.2	0.2	2.8	0.7	4.5	0.9	0.2	2.7	0.7
Thailand	3.4	4.1	0.1	0.3	2.7	1.1	3.4	-0.1	0.3	2.4	0.8
Argentina	3.7	3.0	0.5	0.2	1.8	0.6	2.7	0.5	0.2	1.7	0.4
Brazil	3.2	3.2	0.6	0.2	1.6	0.8	2.8	0.3	0.2	1.6	0.7
Chile	4.3	2.7	0.3	0.1	1.3	0.9	2.3	0.1	0.1	1.2	0.9
Colombia	4.3	3.3	0.6	0.2	1.9	0.6	3.0	0.4	0.2	1.9	0.6
Mexico	2.0	2.9	0.4	0.1	1.9	0.5	3.1	0.3	0.1	2.3	0.5
Venezuela	2.9	2.9	0.8	0.3	1.7	0.1	2.5	0.6	0.3	1.6	0.0
Iran	2.4	2.2	0.5	0.1	1.5	0.1	2.0	0.4	0.1	1.4	0.0
Saudi Arabia	5.8	3.1	1.0	0.2	2.3	-0.4	1.9	0.7	0.2	1.7	-0.7
United Arab Emirates	2.2	3.3	1.2	0.0	2.1	0.1	3.6	0.9	0.0	2.2	0.6
Algeria	2.8	3.8	0.6	0.2	2.2	0.9	3.4	0.7	0.2	1.7	0.8
Egypt	4.3	4.8	1.0	0.2	3.0	0.7	4.8	0.9	0.2	3.1	0.6
Morocco	4.2	4.7	0.6	0.2	2.9	1.0	3.9	0.4	0.2	2.5	0.8
Nigeria	6.9	5.8	1.5	0.1	3.5	0.8	5.7	1.4	0.1	3.5	0.6
South Africa	2.8	1.5	0.0	0.1	2.0	-0.6	1.5	0.1	0.1	2.1	-0.8
Russian Federation	3.0	1.4	-0.4	0.1	0.9	0.7	1.2	-0.4	0.1	1.0	0.5
Turkey	3.4	1.7	0.5	0.1	1.4	-0.2	1.9	0.4	0.1	1.6	-0.2

Note: The medium-term growth rates for the United States and Japan will be different from what is reported in Table 5, because Table 5 contains final estimates where we have made adjustments for the output gaps. Same is the case with Canada, France and the United Kingdom, and therefore a consequent effect on the relevant country groups where they belong to.<sup>11</sup> Similarly, we adjust the medium term growth rate for many other countries where there is a large gap between the growth rate in 2013 and the projection for 2014-2019. This includes mature economies such as Belgium, Germany and the Netherlands, and emerging markets such as China, Brazil, Russia and Turkey.

### 3. Adjustments to Trend and Growth Scenarios

The projected GDP growth rates based on the growth accounting framework are to be interpreted as the trend growth rates of an economy. Trends are important for projecting future growth, because they depict how an economy grows on the basis of its potential which is determined by the available labor force, capacity in capital and technology base. In the long run, countries grow according to their trend. In the short run, however, countries deviate from their long-run path due to temporary factors primarily due to business cycle dynamics. Occasionally, shocks can also

<sup>11</sup> The adjusted growth rates for 2014-2019 are (all in percentages): United States – 2.4; France – 1.9; Japan – 0.9; and the United Kingdom – 1.8.