COFACE COUNTRY & SECTOR RISKS

HANDBOOK 2023

MAJOR TRENDS OF THE WORLD ECONOMY

ANALYSIS AND FORECAST FOR 160 COUNTRIES AND 13 SECTORS

coface

FOR TRADE

This handbook is intended for:

— Corporate executives with decisions to make in terms of export, project launches, or investment in high risk countries;

— Managers of risk or international operations in banking, multilateral financial institutions, and insurance or reinsurance companies (acting in a private capacity or on behalf of government);

— Government managers concerned with country risk;

— Consultants and lawyers specialized in international business;

— Researchers, academics, and students interested in country risk.

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COFACE
COUNTRY & SECTOR RISKS HANDBOOK 2023

ANALYSIS AND FORECASTS FOR 160 COUNTRIES AND 13 SECTORS

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2023, a pivotal year

— Xavier Durand —
CEO of Coface

The "soft landing" that we expected for 2022 has been achieved. While global growth will be well below expectations, at around 3%, or 1 percentage point below our initial forecast, the figure remains consistent with the trend growth of the world economy. This is certainly disappointing, given the short-term potential that still existed for closing the output gaps inherited from the pandemic, especially since the rebound in activity in 2021, although unmatched since the first oil shock (+5.9%), was severely hampered by supply chain disruptions. However, there is also some relief as strong headwinds quickly emerged and blew, without interruption, throughout the year.

The war in Ukraine, which broke out on 24 February, was obviously one of the risks we had in mind, although we could not concretely imagine such atrocities returning to European soil. Its consequences are severe and, presumably, long-lasting. However, they have taken longer than initially expected to be felt in terms of global economic growth, despite the acceleration of inflation caused by the rise in commodity prices. The very strong Chinese slowdown, which is to a large extent linked to the zero-COVID policy that the authorities have been sticking to until very recently, is the second reason behind significantly lower global growth compared with our initial forecast. Thus, for the first time in over 30 years (1990), China's weight in the world economy is likely to have declined last year. Under these conditions, we feel that we should be rather satisfied with 2022, especially as the end of the year should ultimately have avoided the much-feared slide into recession of the advanced economies – owing to climatic anomalies that are worrying, to say the least.

What will 2023 bring? While a few months ago we might have feared a pronounced recession in Europe, as announcements of industrial site closures multiplied and winter approached, it will probably not happen. Growth is likely to remain sluggish overall (close to zero), as in the United States (below 1%) and in most developed countries. Global growth will be driven almost exclusively by the emerging economies, especially commodity producing countries, which will benefit from both the reduced activism of Western central banks – led by the Federal Reserve – and the recovery of the Chinese economy. After an expected epidemic peak at the turn of spring, activity in China should rebound significantly, buoyed by domestic demand that has been particularly sluggish over the past two years, particularly at the household level, where excess savings seem likely to finance a very strong recovery in consumer spending. Given the growing discontent of the population, the government also seems eager to support activity, as suggested, for instance, by the recent relaxation of control measures or prudential constraints on some sectors (ICT, real estate, etc.).

"Most of last year's themes will remain at the heart of the agenda, first and foremost the energy crisis and the inflationary hydra." — Xavier Durand

Needless to say, this rather optimistic view is not risk-free. The transformation of the world is accelerating and the multidimensional crisis we are experiencing is not about to end. Most of last year's themes will remain at the heart of the agenda, first and foremost the energy crisis and the inflationary hydra. The latter are obviously not solely cyclical and linked to the sanctions against Russia and the impact of the pandemic, but are also, and above all, the legacy of chronic underinvestment in the energy system and, most certainly, the price to be paid for its decarbonisation. While undeniably welcome, the decline in inflation in recent months may therefore be only transitory, and the price surge observed since the reopening of the economies could be the prelude to a new, structurally higher inflation regime. This is even truer as isolationist forces, inherently inflationary, are resurfacing and raising the risk of fragmentation, which is clearly not in the interest of either the collective or any specific country. So how will the monetary and fiscal authorities react, even if we look at the problem only from this angle? Will the fight against inflation, which is at the heart of the mandate of the former, come into open conflict with the objectives of governments? As you can see, the year ahead is fraught with risks on all fronts – macroeconomic, financial, social, political, etc. – and could see the world economy, depending on the choices that are made, fall into recession or finally get on the (right) track for sustainable, inclusive and virtuous development.

The twenty-seventh edition of this handbook addresses all these questions and attempts to answer them by adopting, as customary, a dual geographical and sectoral approach. I wish everyone an enjoyable read of this document, which Coface publishes every year.

How to use the handbook

SECTORS

1 AGRI-FOOD 🌐

Sector risk assessments

ASIA-PACIFIC	MEDIUM
CENTRAL & EASTERN EUROPE	HIGH
LATIN AMERICA	HIGH
MIDDLE EAST & TURKEY	HIGH
NORTH AMERICA	MEDIUM
WESTERN EUROPE	HIGH

➕
- The sector is relatively resilient to economic shocks, as food needs are not very compressible
- Comfortable stock levels for the opening of the 2022/23 season, particularly for basic cereals (wheat, etc.)

➖
- Sector vulnerable to inflationary tensions on energy and input prices
- Sector highly impacted by protectionist tensions
- Sector heavily exposed to climatic and biological hazards, aggravated by the increased frequency of extreme events (drought, La Niña, etc.)
- Volatility of agricultural commodity prices

RISK ANALYSIS SYNTHESIS

The global agri-food sector has experienced several shocks over the past year – geopolitical, climate and biological. Companies in the sector have had to face the consequences of the war in Ukraine, following Russia's invasion of the country (two major grains exporters), various epizootic diseases and extreme weather events.

The downturn in global activity should confirm this trend. The FAO food price index reached its highest value since September 2011 in May 2022. The increase in energy and fertiliser prices led food prices to soar in spring 2022 and stabilise at high levels in the second semester. We expect agrifood prices to continue to stablize in the first part of this year.

According to the 6th IPCC report, extreme weather events are now occurring at a rate not seen since the beginning of the 20th century, combined with intense meteorological events (La Niña/El Niño), the intensification of epizootics (avian flu, African swine fever) and the occasional appearance of invasive species. The agricultural segment will remain highly vulnerable to climatic and biological components in 2023.

Finally, the difficulties of the agricultural sector force the European authorities to delay the advancement of "environmental" initiatives, while the slowdown in the production of certain cereals and the soaring production costs are threatening food supplies on the continent and throughout the world.

FAO FOOD PRICE INDEX (100 = 2015)

— Food — Cereals — Meat
Sources: FAO, Coface

GLOBAL CEREALS MARKET (IN MILLION OF TONS)

Production — Demand ● Ending stocks (% of demand - right hand side)
Sources: Refinitiv Worldscope, Coface (f): forecast.

SECTORS

1 Sector name

2 Coface Regional Sector Risk Assessments

This assessment indicates the risk presented by companies in the sector in regions around the world, as considered by Coface in its quarterly sector assessments.

3 Analysis of Strengths/Weaknesses

A summary of the sector's global strengths and weaknesses.

4 Risk Analysis Synthesis

You will find in this section a synthetic analysis of economic and financial development in the markets, as well as main risks in the sector in terms of global trends.
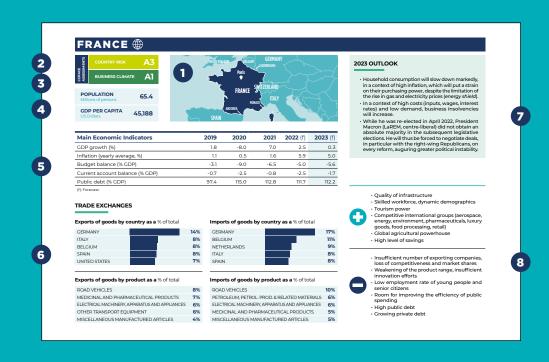
5 Sector Charts

This graph highlights one or more key aspects of developments in the sector.

For more information
(digital version only)

AGRI-FOOD 🌐

Click on the sector name to access a more detailed version of the sector profile on Coface website.

FRANCE 🌐

| COUNTRY RISK | A3 |
| BUSINESS CLIMATE | A1 |

POPULATION
Millions of persons **65.4**

GDP PER CAPITA
US Dollars **45,188**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.8	-8.0	7.0	2.5	0.3
Inflation (yearly average, %)	1.1	0.5	1.6	5.9	5.0
Budget balance (% GDP)	-3.1	-9.0	-6.5	-5.0	-5.6
Current account balance (% GDP)	-0.7	-2.5	-0.8	-2.5	-1.7
Public debt (% GDP)	97.4	115.0	112.8	111.7	112.2

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	14%
ITALY	8%
BELGIUM	8%
SPAIN	8%
UNITED STATES	7%

Imports of goods by country as a % of total

GERMANY	17%
BELGIUM	11%
NETHERLANDS	9%
ITALY	8%
SPAIN	8%

Exports of goods by product as a % of total

ROAD VEHICLES	8%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	7%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	6%
OTHER TRANSPORT EQUIPMENT	6%
MISCELLANEOUS MANUFACTURED ARTICLES	4%

Imports of goods by product as a % of total

ROAD VEHICLES	10%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	6%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	6%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	5%
MISCELLANEOUS MANUFACTURED ARTICLES	5%

2023 OUTLOOK

- Household consumption will slow down markedly, in a context of high inflation, which will put a strain on their purchasing power, despite the limitation of the rise in gas and electricity prices (energy shield).
- In a context of high costs (inputs, wages, interest rates) and low demand, business insolvencies will increase.
- While he was re-elected in April 2022, President Macron (LaREM, centre-liberal) did not obtain an absolute majority in the subsequent legislative elections. He will thus be forced to negotiate deals, in particular with the right-wing Republicans, on every reform, auguring greater political instability.

➕
- Quality of infrastructure
- Skilled workforce, dynamic demographics
- Tourism power
- Competitive international groups (aerospace, energy, environment, pharmaceuticals, luxury goods, food processing, retail)
- Global agricultural powerhouse
- High level of savings

➖
- Insufficient number of exporting companies, loss of competitiveness and market shares
- Weakening of the product range, insufficient innovation efforts
- Low employment rate of young people and senior citizens
- Room for improving the efficiency of public spending
- High public debt
- Growing private debt

COUNTRY PROFILES

1 Country and location

A map allows you to locate the country.

2 Country risk assessment

"Country Risk" indicates the average risk presented by firms in a country as part of their short-term commercial transactions.

3 Business climate assessment

This assessment, which complements the country assessment, measures the quality of the country's business environment: overall reliability of company accounts, legal system, institutional and regulatory environment.

4 Population and GDP

This box shows the population of the country in 2021, the GDP per capita in 2021.

5 Economic indicators

At a glance, see the major macroeconomic aggregates essential to understanding the economic environment in a country as well as forecasted changes.

6 Exports and imports

Distribution of exports (or imports) by country of destination (or origin) and by product. The sources used are IMF and UNCTAD statistics.

7 2023 outlook

In this section, you will find the most important prospective elements for the current year.

8 Analysis of strengths/weaknesses

A summary of the country's strengths and weaknesses.

🌐 For more information
(digital version only)

FRANCE 🌐

Click on the name of the country to access a more detailed version of the country profile on the Coface website.

TOOLS FOR IDENTIFYING, ASSESSING AND MONITORING THE RISKS BUSINESSES ARE FACING

As a credit insurer, Coface's added value comes from its ability to proactively provide its clients with detailed risk analyses, allowing them to make the right decisions at the right time and prevent credit risks. Its analyses include country and business climate assessments for 160 countries, as well as sector risk, and assessment of companies' default rate. Regular economic publications supplement these assessments developed by Coface*.

Country risk assessment*

The country assessment provides an insight into the average payment incident level presented by companies in a country in connection with their short-term trading transactions. More specifically, this assessment measures how companies' payment behaviour is influenced by the country's economic, financial and political outlook, as well as by the business environment and the emergence of climate risk. It is based on six pillars: macroeconomic analysis, banking system review, political developments, climate risk, but also the assessment of the business environment by Coface entities worldwide, as well as the payment experience recorded by Coface. The country risk assessment covers 160 countries on an 8-step scale: A1, A2, A3, A4, B, C, D, E, in order of increasing risk.

Business climate assessment*

This makes it possible to see whether company accounts are available and reliable, whether the legal system ensures fair and effective protection of creditors, whether the country's institutions provide a favourable framework for B2B transactions and whether the domestic market is easy to access. The assessments are based on data from international organisations, but also, and primarily, on the experience of Coface's entities across the world. This assessment, integrated in the country assessment, covers 160 countries on an 8-step scale: A1, A2, A3, A4, B, C, D, E, in order of decreasing business climate quality.

Sector risk assessment*

Every quarter, Coface reviews the assessments of 13 sectors in 28 countries (representing approximately 88% of global GDP) in 6 major regions of the world. In order to assess these risks, Coface relies on its own methodology, which is based on three pillars and eight criteria, and has been strengthened with more quantitative criteria. The first pillar focuses on data relative to Coface's expertise on corporate payment behaviour worldwide, in the various sectors under consideration. The second pillar concerns forecasts of processed financial data. The last pillar brings together different criteria (evolution of commodity price forecasts, risks linked to structural changes that may occur in a sector, and country risk assessments, which have an impact on the risk assessment of a given sector in a particular country).

The criteria included in the first two pillars are summarised below.

Coface's expertise regarding payment experience:
- Unpaid ratio level for companies of the same sector in a given country.
- Forecasts on changes in default amounts in a given sector at the global level.
- Sector risk assessment from Coface's underwriting services.

Pillar regarding the use of corporate financial data:
- Daily Sales Outstanding (DSO).
- Analysis of quantiles for forecasts in financial data (net debt, profitability).

Our sector risk assessment model assigns a relative weight to each criterion, in order to arrive at a final risk assessment for the sector in a selected country or region.

We now integrate the impact of "network effects" into our sector methodology. Using Coface's internal data, we create a network (also called a graph) that represents the interactions of sectors/countries between them and thus allows us to assess the impact of a shock in a given sector/country on the others.

The sector risk assessment is on a 4-step scale: low, medium high, very high, in order of increasing risk (see p. 4).

Assessment of company default rate

The DRA (Debtor Risk Assessment) measures the default rate of companies all over the world. It is calculated on the basis of indicators such as financial soundness, profitability, solvency, as well as the company's environment and management. The assessment scale ranges from 0 (company in default) to 10 (best possible rating). The DRAs are made available to Coface clients on a dedicated website: Cofanet.

Economic publications*

Coface regularly publishes economic publications that deal with country risk, sector risk, and the risk of company insolvency.

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* Assessments and studies available on http://www.coface.com/Economic-Studies-and-Country-Risks

DEFINITION OF COUNTRY RISK ASSESSMENTS

A1   Very good macroeconomic and financial outlook. Stable political context. Good quality business climate. This environment positively influences company payment behaviour. **The average probability of default is very low**.

A2   Good macroeconomic and financial outlook. Generally stable political context. Overall good healthy business climate. **The average probability of default is low**.

A3   Less favourable and/or volatile macroeconomic and financial outlook. Political context remains stable. Business climate may have some shortcomings. **The average probability of default is satisfactory**.

A4   Economic and financial outlook could be marked by some weaknesses. Political context could suffer from tension. Business climate may present significant deficiencies. **The average probability of company default is reasonable**.

B   Uncertain economic and financial outlook. Political context could suffer strong tensions. Business climate may present substantial deficiencies. **The average probability of company default is quite high**.

C   Very uncertain economic and financial outlook. Political context could be unstable. Business climate has substantial deficiencies. **The average probability of company default is high**.

D   Highly uncertain economic and financial outlook. Very unstable political context. Very difficult institutional and business climate. **The average probability of company default is very high**.

E   Extremely uncertain economic and financial outlook. Extremely unstable political context. Extremely difficult institutional and business climate. **The average probability of company default is extremely high**.

DEFINITION OF BUSINESS CLIMATE ASSESSMENTS

A1   Company reports are (generally) available and reliable. Effective debt collection. High quality institutions. Domestic market is almost perfectly open. **Very satisfactory business climate**.

A2   Company reports, when available, are reliable. Debt collection works reasonably well. Institutions generally perform well. Domestic market is widely open. **Business climate relatively stable but could be improved**.

A3   Company reports are not always available, but when they are, are relatively reliable. Debt collection and institutions can present some shortcomings. Domestic market is relatively open. **Safe business climate, but shortcomings can arise**.

A4   Company reports are not always available or reliable. Debt collection is not always effective and institutions have some inadequacies. Access to domestic market presents some constraints. **Business climate is acceptable but can pose problems**.

B   Reliability and availability of company reports vary significantly. Debt collection is often difficult. Institutions display weaknesses. Domestic market is not very accessible. **Business climate is unstable and underperforms**.

C   Company reports are often unavailable and not very reliable. Debt collection is somewhat random. Institutions display numerous weaknesses. Difficult access to domestic market. **Difficult business climate**.

D   Company reports are often unavailable and unreliable. Debt collection is random. Institutions display significant weaknesses. Very difficult access to domestic market. **Very difficult business climate**.

E   Company reports are rarely available, and are rarely reliable when they are. The legal system makes debt recovery extremely uncertain. Critical institutional weaknesses. Nearly inaccessible domestic market. **Extremely difficult business climate**.

For further information

The sector assessments are proposed on a scale of four levels: low, medium, high or very high, in ascending order of risk.

— You can find them on page 14

Coface assesses the average credit risk of companies in a given country. To achieve this, Coface uses macroeconomic, financial and political data.
Its originality is to take into account Coface's payment experience recorded for the country's businesses,
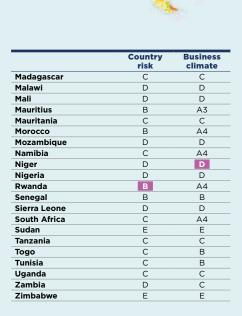and its perception of the country's business climate.

COUNTRY RISK ASSESSMENT MAP

	DOWNGRADES IN 2022
	UPGRADES IN 2022

AMERICAS

	Country risk	Business climate
Argentina	D	B
Bahamas	B	A4
Barbados	D	A4
Belize	D	C
Bolivia	C	B
Brazil	B	A4
Canada	A2	A1
Chile	A4	A3
Colombia	B	A4
Costa Rica	B	A3
Cuba	E	E
Dominican Republic	B	B
Ecuador	C	B
El Salvador	D	B
Guatemala	C	C
Guyana	C	C
Haiti	E	E
Honduras	C	C
Jamaica	C	A4
Mexico	B	A4
Nicaragua	D	C
Panama	B	A4
Paraguay	B	B
Peru	B	A4
Suriname	D	C
Trinidad and Tobago	B	A4
United States	A2	A1
Uruguay	A4	A3
Venezuela	E	E

AFRICA

	Country risk	Business climate
Algeria	C	C
Angola	C	D
Benin	B	C
Botswana	A4	A4
Burkina Faso	D	C
Burundi	D	E
Cameroon	C	D
Cabo Verde	C	B
Central African Republic	D	E
Chad	D	E
Congo (Democratic Republic of the)	D	E
Congo (Republic of the)	C	D
Côte d'Ivoire	B	B
Djibouti	C	C
Egypt	C	B
Eswatini	D	C
Ethiopia	C	D
Gabon	C	D
Ghana	C	B
Guinea	C	D
Kenya	B	A4
Lesotho	C	B
Liberia	D	E
Libya	E	E

	Country risk	Business climate
Madagascar	C	C
Malawi	D	D
Mali	D	D
Mauritius	B	A3
Mauritania	C	C
Morocco	B	A4
Mozambique	D	D
Namibia	C	A4
Niger	D	D
Nigeria	D	D
Rwanda	B	A4
Senegal	B	B
Sierra Leone	D	D
South Africa	C	A4
Sudan	E	E
Tanzania	C	C
Togo	C	B
Tunisia	C	B
Uganda	C	C
Zambia	D	C
Zimbabwe	E	E

COUNTRY RISK ASSESSMENT MAP

BUSINESS DEFAULT RISK

A1 VERY LOW	**A2** LOW	**A3** SATISFACTORY	**A4** REASONABLE
B FAIRLY HIGH	**C** HIGH	**D** VERY HIGH	**E** EXTREME
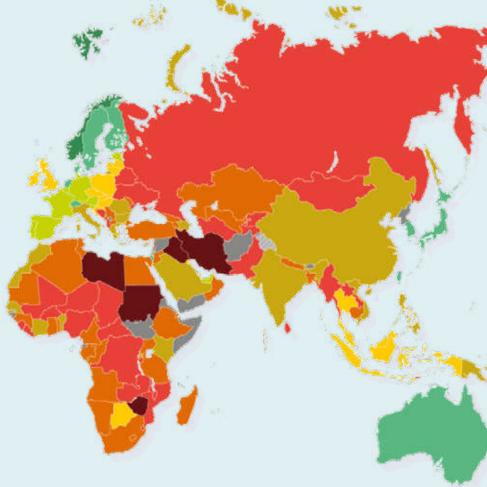
EUROPE AND CIS

	Country risk	Business climate
Albania	D	C
Armenia	C	B
Austria	A3	A1
Azerbaijan	B	C
Belarus	D	D
Belgium	A3	A1
Bosnia and Herzegovina	D	B
Bulgaria	B	A3
Croatia	A4	A2
Cyprus	B	A3
Czechia	A4	A2
Denmark	A2	A1
Estonia	A3	A1
Finland	A2	A1
France	A3	A1
Georgia	C	A3
Germany	A3	A1
Greece	B	A2
Hungary	A4	A3
Iceland	A3	A1
Ireland	A4	A1
Italy	B	A2
Kazakhstan	C	B
Kyrgyzstan	D	D
Latvia	A4	A1
Lithuania	A4	A1
Luxembourg	A2	A1
Macedonia	C	A4
Malta	A3	A4
Moldova	C	B
Montenegro	C	A4
Netherlands	A2	A1
Norway	A1	A1
Poland	A4	A2
Portugal	A3	A2
Romania	B	A3
Russia	D	D
Serbia	C	A4
Slovakia	A4	A2
Slovenia	A3	A1
Spain	A3	A1
Sweden	A2	A1
Switzerland	A2	A1
Tajikistan	D	D
Turkey	C	A4
Turkmenistan	D	E
Ukraine	D	D
United Kingdom	A4	A1
Uzbekistan	C	B

For further information

To download the map (in pdf format): https://www.coface.com/Economic-Studies-and-Country-Risks

MIDDLE EAST

	Country risk	Business climate
Bahrain	D	A4
Iran	E	D
Iraq	E	E
Israel	A2	A2
Jordan	C	B
Kuwait	A4	A3
Lebanon	D	D
Oman	C	A4
Qatar	A4	A3
Saudi Arabia	B	B
United Arab Emirates	A3	A2

ASIA-PACIFIC

	Country risk	Business climate
Australia	A2	A1
Bangladesh	C	C
Cambodia	C	B
China	B	B
Fiji	C	A4
Hong Kong	A3	A1
India	B	A4
Indonesia	A4	A4
Japan	A2	A1
Laos	D	D
Malaysia	A4	A3
Maldives	C	C
Mongolia	D	C

	Country risk	Business climate
Myanmar	D	E
Nepal	C	B
New Zealand	A2	A1
Pakistan	D	C
Papua New Guinea	B	C
Philippines	B	B
Singapore	A2	A1
South Korea	A2	A1
Sri Lanka	D	B
Taiwan	A2	A1
Thailand	A4	A3
Timor-Leste	D	C
Vietnam	B	B

COUNTRY RISK ASSESSMENT HISTORY OF THE MAIN ECONOMIES

	2023 Jan.	2022 Sept.	2022 June	2022 March	2022 Jan.	2021 Jan.	2020 Jan.	2019 Jan.	2018 Jan.	2017 Jan.	2016 Jan.
A1											
Norway	A1	A1	A1	A1	A1	A2	A1	A1	A1	A1	A1
A2											
Australia	A2	A2	A2	A2	A2	A3	A2	A2	A2	A2	A2
Canada	A2	A2	A2	A2	A2	A3	A2	A2	A3	A3	A2
Denmark	A2	A2	A1	A1	A1	A2	A2	A2	A2	A2	A2
Israel	A2	A2	A2	A2	A2	A3	A2	A2	A2	A3	A3
Japan	A2	A2	A2	A2	A2	A2	A2	A2	A2	A2	A1
Netherlands	A2	A2	A2	A2	A2	A2	A1	A1	A1	A2	A2
New Zealand	A2	A2	A2	A2	A2	A2	A2	A2	A2	A2	A2
Singapore	A2	A2	A2	A2	A2	A3	A2	A2	A2	A3	A1
South Korea	A2	A2	A2	A2	A2	A3	A2	A2	A2	A3	A2
Sweden	A2	A2	A2	A2	A2	A2	A2	A2	A1	A1	A1
Switzerland	A2	A2	A1	A1	A1	A2	A1	A1	A1	A1	A1
Taiwan	A2	A2	A2	A2	A2	A2	A2	A2	A2	A3	A1
United States	A2	A2	A2	A2	A2	A3	A2	A2	A2	A2	A1
A3											
Austria	A3	A3	A3	A2	A2	A2	A2	A1	A1	A1	A1
Belgium	A3	A3	A3	A2	A2	A3	A2	A2	A2	A2	A2
Germany	A3	A3	A3	A2	A2	A3	A2	A1	A1	A1	A1
France	A3	A3	A3	A2	A2	A3	A2	A2	A2	A2	A3
Hong Kong	A3	A3	A3	A3	A3	A4	A3	A2	A2	A3	A1
Portugal	A3	A3	A3	A2	A2	A3	A2	A2	A3	A4	A4
Spain	A3	A3	A3	A2	A2	A3	A2	A2	A2	A3	A4
United Arab Emirates	A3	A3	A3	A3	A3	A4	A3	A3	A4	A4	A3
A4											
Botswana	A4	A4	A4	A4	A4	B	A4	A4	A4	A4	A4
Chile	A4	A4	A3	A3	A3	A4	A4	A3	A3	A3	A3
Croatia	A4	A4	A4	A4	A4	B	A4	A4	B	B	B
Hungary	A4	A4	A4	A3	A3	A4	A3	A3	A3	A4	A4
Indonesia	A4	A4	A4	A4	A4	A4	A4	A4	A4	A4	A4
Ireland	A4	A4	A4	A3	A3	A4	A3	A3	A3	A3	A3
Kuwait	A4	A4	A4	A4	A4	A4	A3	A3	A3	A3	A2
Malaysia	A4	A4	A4	A4	A4	A4	A3	A3	A4	A4	A2
Poland	A4	A4	A4	A3	A3	A4	A3	A3	A3	A3	A3
Qatar	A4	A4	A4	A4	A4	A4	A4	A4	A4	A3	A2
Slovakia	A4	A4	A4	A3	A3	A4	A3	A2	A3	A3	A3
Thailand	A4	A4	A4	A4	A4	A4	A4	A4	A4	A4	A4
United Kingdom	A4	A4	A4	A3	A3	A4	A3	A3	A3	A3	A2
Uruguay	A4	A4	A4	A4	A4	A4	A4	A4	A4	A4	A4
B											
Brazil	B	B	B	C	C	C	B	B	B	C	C
Bulgaria	B	B	B	B	B	B	A4	A4	A4	A4	B
China	B	B	B	B	B	B	B	B	B	B	A4
Colombia	B	B	B	B	B	B	B	A4	A4	A4	A4
Cote d'Ivoire	B	B	B	B	B	B	B	B	B	B	C
Saudi Arabia	B	B	B	B	B	C	B	C	C	B	A4

	2023 Jan.	2022 Sept.	2022 June	2022 March	2022 Jan.	2021 Jan.	2020 Jan.	2019 Jan.	2018 Jan.	2017 Jan.	2016 Jan.
B											
Greece	B	B	B	B	B	B	B	B	B	C	C
India	B	C	C	C	C	C	B	B	A4	A4	A4
Italy	B	B	A4	A4	A4	B	A4	A4	A3	A3	B
Mexico	B	B	B	B	B	C	B	B	B	B	A4
Morocco	B	B	B	B	B	B	A4	A4	A4	A4	A4
Peru	B	A4	A4	A4	A4	A4	A4	A4	A4	A4	A4
Philippines	B	B	B	B	B	B	A4	A4	A4	A4	A4
Romania	B	B	B	B	B	B	A4	A4	A4	A4	B
Senegal	B	B	B	B	B	B	A4	B	B	B	B
Vietnam	B	B	B	B	B	B	B	B	B	B	B
C											
Algeria	C	C	C	C	C	D	C	C	C	C	B
Angola	C	C	C	D	D	D	C	C	D	D	C
Armenia	C	C	C	C	C	D	C	C	D	E	C
Bolivia	C	C	C	C	C	C	C	C	C	C	C
Cameroon	C	C	C	C	C	C	C	C	C	C	C
Ecuador	C	C	C	C	C	D	C	C	C	C	C
Egypt	C	C	B	B	B	C	B	B	B	C	C
Gabon	C	C	C	C	C	C	C	C	C	C	C
Ghana	C	B	B	B	B	B	B	B	B	B	C
Kazakhstan	C	C	C	B	B	B	B	B	B	C	B
Madagascar	C	C	C	C	C	C	C	D	D	D	D
Oman	C	C	C	C	C	C	B	B	C	B	A3
Serbia	C	C	C	B	B	B	B	B	B	B	C
South Africa	C	C	C	C	C	C	B	B	C	C	B
Tanzania	C	C	C	C	C	C	C	C	C	C	C
Tunisia	C	C	C	C	C	C	C	C	B	B	B
Turkey	C	C	C	C	C	C	B	C	B	B	B
Uzbekistan	C	C	C	B	B	B	B	C	C	D	D
D											
Argentina	D	D	D	D	D	D	C	C	B	B	C
Mozambique	D	D	D	D	D	D	D	D	E	D	C
Nigeria	D	D	D	D	D	D	C	C	D	D	C
Pakistan	D	D	D	D	D	D	D	D	C	C	D
Russia	D	D	D	D	B	C	B	B	B	C	C
Sri Lanka	D	D	D	D	D	C	C	C	B	B	B
Ukraine	D	D	D	D	D	D	C	C	C	D	D
E											
Haiti	E	D	D	D	D	D	D	D	D	D	D
Iran	E	E	E	E	E	E	E	E	E	E	D
Iraq	E	E	E	E	E	E	E	E	E	E	D
Libya	E	E	E	E	E	E	E	E	E	E	D
Venezuela	E	E	E	E	E	E	E	E	E	E	D
Zimbabwe	E	E	E	E	E	E	E	E	E	E	D

The "E" rating was introduced into the Coface assessment scale in June 2016.

SECTOR AND COUNTRY PROFILES CONTENTS

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COUNTRY PROFILES
Economic assessment and 2023 outlook for 160 countries

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2023 Coface Sector Risk Assessment

Every quarter, Coface reviews the assessments of 13 sectors in 28 countries (representing approximately 83% of global GDP) in 6 major regions of the world. In order to assess these risks, Coface relies on its own methodology, which is based on three pillars and eight criteria, and has been strengthened with more quantitative criteria. The first pillar focuses on data relative to Coface's expertise on corporate payment behaviour worldwide, in the various sectors under consideration. The second pillar concerns forecasts of processed financial data. The last pillar brings together different criteria (evolution of commodity price forecasts, risks linked to structural changes that may occur in a sector and country risk assessments, which have an impact on the risk assessment of a given sector in a particular country).

The criteria included in the first two pillars are summarised below.

Coface's expertise regarding payment experience:
• Unpaid ratio level for companies of the same sector in a given country.
• Forecasts on changes in default amounts in a given sector at the global level.
• Sector risk assessment from Coface's underwriting services.

Pillar regarding the use of corporate financial data:
• Daily Sales Outstanding (DSO).
• Analysis of quantiles of forecasts on financial data (net debt, profitability).

Our sector risk assessment model assigns a relative weight to each criterion, in order to arrive at a final risk assessment for the sector in a selected country or region.

We now integrate the impact of "network effects" into our sector methodology. Using Coface's internal data, we create a network (also called a graph) that represents the interactions of sectors/countries between them and thus allows us to assess the impact of a shock in a given sector/country on the others.

LOW   MEDIUM   HIGH   VERY HIGH

REGIONAL SECTOR RISK ASSESSMENT

This assessment scales on four steps, in order of increasing risk:
Low, Medium, High or Very High.

SECTOR	ASIA - PACIFIC	CENTRAL & EASTERN EUROPE	LATIN AMERICA	MIDDLE EAST & TURKEY	NORTH AMERICA	WESTERN EUROPE
AGRI-FOOD	Medium	High	High	High	Medium	High
AUTOMOTIVE	High	High	High	High	High	High
CHEMICAL	High	High	High	Medium	Medium	High
CONSTRUCTION	High	Very High	High	Very High	High	High
ENERGY	High	High	High	High	Medium	High
ICT*	Medium	Medium	High	High	Medium	Medium
METALS	High	High	High	High	High	High
PAPER	High	High	Medium	Medium	High	High
PHARMACEUTICALS	Low	Low	Medium	Medium	Medium	Low
RETAIL	High	High	High	High	High	High
TEXTILE-CLOTHING	High	Very High	Very High	High	Very High	Very High
TRANSPORT	High	Very High	High	High	High	Very High
WOOD	High	High	High	High	High	High

*ICT: Information and Communication Technology.

AGRI-FOOD 🌐

Sector risk assessments

ASIA-PACIFIC	MEDIUM
CENTRAL & EASTERN EUROPE	HIGH
LATIN AMERICA	HIGH
MIDDLE EAST & TURKEY	HIGH
NORTH AMERICA	MEDIUM
WESTERN EUROPE	HIGH

➕
- The sector is relatively resilient to economic shocks, as food needs are not very compressible
- Comfortable stock levels for the opening of the 2022/23 season, particularly for basic cereals (wheat, etc.)

➖
- Sector vulnerable to inflationary tensions on energy and input prices
- Sector highly impacted by protectionist tensions
- Sector heavily exposed to climatic and biological hazards, aggravated by the increased frequency of extreme events (drought, La Niña, etc.)
- Volatility of agricultural commodity prices

RISK ANALYSIS SYNTHESIS

The global agri-food sector has experienced several shocks over the past year – geopolitical, climate and biological. Companies in the sector have had to face the consequences of the war in Ukraine, following Russia's invasion of the country (two major grains exporters), various epizootic diseases and extreme weather events.

The downturn in global activity should confirm this trend. The FAO food price index reached its highest value since September 2011 in May 2022. The increase in energy and fertiliser prices led food prices to soar in spring 2022 and stabilise at high levels in the second semester. We expect agrifood prices to continue to stablize in the first part of this year.
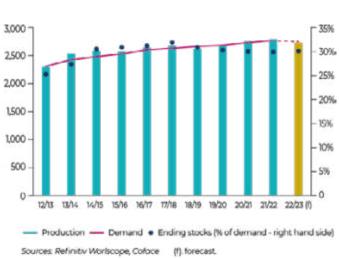
According to the 6th IPCC report, extreme weather events are now occurring at a rate not seen since the beginning of the 20th century, combined with intense meteorological events (La Niña/El Niño), the intensification of epizootics (avian flu, African swine fever) and the occasional appearance of invasive species. The agricultural segment will remain highly vulnerable to climatic and biological components in 2023.

Finally, the difficulties of the agricultural sector force the European authorities to delay the advancement of "environmental" initiatives, while the slowdown in the production of certain cereals and the soaring production costs are threatening food supplies on the continent and throughout the world.

FAO FOOD PRICE INDEX (100 = 2015)

Food — Cereals — Meat

Sources: FAO, Coface
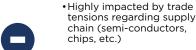
GLOBAL CEREALS MARKET (IN MILLION OF TONS)

Production — Demand • Ending stocks (% of demand - right hand side)

Sources: Refinitiv Worlscope, Coface   (f): forecast.

AUTOMOTIVE 🌐

Sector risk assessments

ASIA-PACIFIC	**HIGH**
CENTRAL & EASTERN EUROPE	**HIGH**
LATIN AMERICA	**HIGH**
MIDDLE EAST & TURKEY	**HIGH**
NORTH AMERICA	**HIGH**
WESTERN EUROPE	**HIGH**

➕
- Key-sector for the neutral-carbon mobility transition
- Important investissements in R&D
- Global supply chain is well-integrated

➖
- Procyclical sector vulnerable to global economic outlook (interest rates, households' confidence, etc.)
- Highly impacted by trade tensions regarding supply chain (semi-conductors, chips, etc.)
- Increasingly constrained by environmental rules regarding greenhouse gas emissions
- Growing world competition due to entrance of new stakeholders, more specifically in EVs

RISK ANALYSIS SYNTHESIS

The global outlook for 2023 for the automotive sector remains negative. 2022 has confirmed the structural difficulties that the automotive sector has been facing for several years, to which were added a sluggish economic situation, monetary tightening from central banks and the higher cost of energy. This macroeconomic context have had a major impact on the sector. This is expected to continue into 2023, constraining manufacturing production (equipment manufacturers, carmakers) as well as household consumption and distribution networks.

Beyond the logistical disruptions, the sector is facing major structural challenges, the most important of which is the transition to low-carbon transport. The entire automotive industry is a major vector of innovation. In Europe, for example, it accounts for 32% (2021) of R&D spending, compared with 17% for pharmaceuticals, even if the trend has been downward since 2017. The decarbonisation of the automotive sector takes various forms: regulatory/industrial in Europe, where the production of combustion engine vehicles will be banned from 2035; technological in Asia, where China has a near-hegemony over the lithium industry (lithium is essential for the manufacture of lithium-ion batteries); and geopolitical in the United States, where the Inflation Reduction Act restricts subsidies for the purchase of electric vehicles, to those produced on North American soil.

The sector's energy transition has brought to light the global competition between manufacturers, but also the power relationships in place in the vertical value chains, particularly between manufacturers and distribution networks. Indeed, the Paris Motor Show in October 2022 gave us an idea of the emergence of Chinese carmakers and their efforts in the electric vehicle segment. Secondly, automakers are constantly increasing the pressure on the upstream and downstream parts of the value chain. Their profitability is being improved in part by reducing subcontractors' margins.
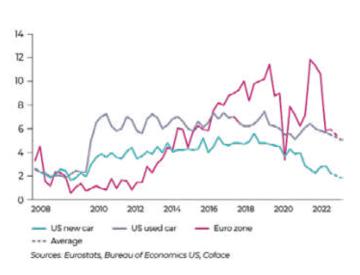
PMI GLOBAL AUTOMOTIVE

Stock of finished goods — Suppliers' delivery time — New orders

Sources: S&P, Refinitiv, Coface

CONFIDENCE INDEX - AUTOMOTIVE SECTOR
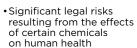
US new car — US used car — Euro zone --- Average

Sources: Eurostats, Bureau of Economics US, Coface

CHEMICAL ⊕

Sector risk assessments

ASIA-PACIFIC	**HIGH**
CENTRAL & EASTERN EUROPE	**HIGH**
LATIN AMERICA	**HIGH**
MIDDLE EAST & TURKEY	**MEDIUM**
NORTH AMERICA	**MEDIUM**
WESTERN EUROPE	**HIGH**

➕
- Some specialty chemical companies benefit from innovative products to combat environmental risks
- Specialty chemical companies are less vulnerable to changes in the business cycle

➖
- Petrochemicals are highly dependent on the economic situation
- Stricter regulatory environment forces producers to review their business models
- Significant legal risks resulting from the effects of certain chemicals on human health
- High commodity prices reduce margins
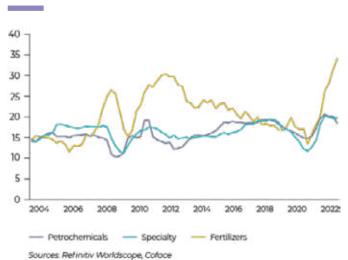- Risk of overcapacity in some petrochemical segments

RISK ANALYSIS SYNTHESIS

When it comes to the chemical sector, we focus our attention on three segments: petrochemicals, specialty chemicals and fertilizers. Petrochemical activities are more sensitive to changes in economic conditions, while the specialty chemical industry is less vulnerable to changes in economic cycles. Activities related to the fertilizer industry, on the other hand, are more subject to the vagaries of the agri-food sector.
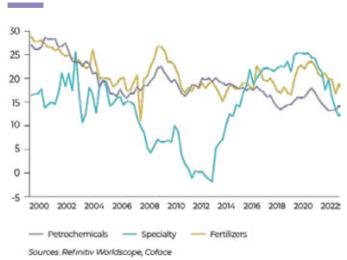
In 2023, Coface forecasts that petrochemicals will continue to be affected by the war between Russia and Ukraine. A "scissor effect" is affecting industrial margins: on the one hand with a drop in demand due to the slowdown in the global economy and in the construction and automotive sectors at the global level; on the other hand, with high fossil fuel prices. There are significant risks to the sector in the short-term, primarily the effects of high energy costs. Medium-term uncertainties are increasing as well (gloomy global economic activity with a risk of recession, potential relocations closer to regions where energy is less expensive), even though production capacity will continue to grow in the coming years, particularly in Asia, the Middle East and North America.

Finally, the proliferation of public policies aimed at carbon neutrality (Net Zero) around the world will encourage companies in the global chemicals sector to reduce their environmental footprint in order to gain better access to finance, as well as to avoid the increasing risks of litigation, due to growing pressure from environmental activists. Health risks such as endocrine disruption and accidental pollution affect the public's perception of the social contribution of companies.

PROFITABILITY EVOLUTION OF SEVERAL CHEMICAL SEGMENTS (EBITDA/SALES, IN %)

Petrochemicals   Specialty   Fertilizers

Sources: Refinitiv Worldscope, Coface

NET DEBT EVOLUTION OF SEVERAL CHEMICAL SEGMENTS (NET DEBT/TOTAL ASSET, IN %)

Petrochemicals   Specialty   Fertilizers

Sources: Refinitiv Worldscope, Coface

CONSTRUCTION 🌐

Sector risk assessments

ASIA-PACIFIC	**HIGH**
CENTRAL & EASTERN EUROPE	**VERY HIGH**
LATIN AMERICA	**HIGH**
MIDDLE EAST & TURKEY	**VERY HIGH**
NORTH AMERICA	**HIGH**
WESTERN EUROPE	**HIGH**

➕
- Further development of urbanization in emerging economies
- Energy transition offers business opportunities, investment and innovation for companies in the sector
- Important public investments plans to push for infrastructure development and renovation

➖
- Level of corporates' indebtedness remains high, particularly in China
- High household debt at the global level
- Vulnerable to supply chain disruptions and labour shortages
- Procyclical sector
- High interest rates environment

RISK ANALYSIS SYNTHESIS

Companies operating in the residential segment will continue to struggle with high interest rates and inputs prices. Interest rate hikes will keep hampering on housing sales, notably in Europe and in North America. Moreover, housing affordability is weakened by prices levels, making upfront payments out of reach for households. In China, the real estate sector is highly leveraged and faces a slump in housing demand. Authorities are likely to support the property market, notably through fiscal measures and liquidity access to distressed developers.

Construction materials makers will experience lower volumes in 2023 due to the residential segment's difficulties. Furthermore, we expect them to continue to pass on higher input prices to their clients, as they did during 2022.

Several governments' infrastructures plans were passed, in advanced economies last year, to support companies operating in the nonresidential segments. The US Inflation Reduction Act passed into law in 2022 will help to spur investment into repurposing and replacing energy infrastructures for instance. It follows the Bipartisan Infrastructure Law (Infrastructure Investment and Jobs Act) passed in 2021, but focuses more on fighting against climate change. In Europe, the Renovation Wave of the European Green Deal will support construction materials makers and their specialized retailers to somewhat sustain the loss of volumes from the residential segment. The Renovation Wave is notably focused on deep building renovation, to help decarbonize buildings and thus reduce energy consumption.

From the ESG standpoint, the main issue facing by companies in the construction sector is to manage the decarbonisation of their activities. Moreover, several other issues have to be addressed such as water scarcity, for materials makers, and the necessity to reduce GHG emissions, as this segment is particularily energy intensive.

PROFITABILITY FOR CONSTRUCTION SECTOR'S SEGMENTS (EBITDA/SALES, %)

— Construction & Materials — Construction & Machinery
— Real estate (right hand side)
Sources: Refinitiv Worlscope, Coface
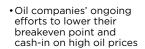
NET DEBT RATIO FOR CONSTRUCTION SECTOR'S SEGMENTS (NET DET/ASSET, %)

— Construction & Materials — Construction & Machinery
— Real estate (right hand side)
Sources: Refinitiv Worlscope, Coface

ENERGY 🌐

Sector risk assessments

ASIA-PACIFIC	**HIGH**
CENTRAL & EASTERN EUROPE	**HIGH**
LATIN AMERICA	**HIGH**
MIDDLE EAST & TURKEY	**HIGH**
NORTH AMERICA	**MEDIUM**
WESTERN EUROPE	**HIGH**

➕
- Oil companies' ongoing efforts to lower their breakeven point and cash-in on high oil prices
- Diversification of revenue streams of large oil and gas companies
- Important developments of renewables, especially solar, to fight climate change's effects

➖
- High levels of debt, especially for companies exploiting non-conventional oils
- High volatility of crude oil prices
- Strong pressure from environmental activists to reduce investment in fossil fuels

RISK ANALYSIS SYNTHESIS

Coface expects 2023 to remain a good year for oil and gas producing companies, thanks to continued high prices. Coface forecasts Brent crude oil prices to average USD 90 per barrel this year, down from around USD 100 per barrel in 2022. The high oil and gas prices environment last year enabled those companies to post very positive financial results. On the back of an unprecedented energy crisis, oil and gas companies had indeed established themselves as prominent actors for energy security, not only in Europe, but also in several other regions. The gradual lessening of the zero-COVID policy in China and the potential economic recovery in the second half of 2023 is likely to sustain fossil fuel prices and thus the profitability of the oil and gas sector, particularly the upstream segment.
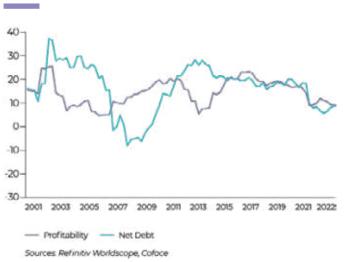
Moreover, renewables are suffering from some continued supply chain issues and lower demand, notably in the offshore segment. We see the US Inflation Reduction Act (IRA) and the RePowerEU plan as boons for renewables equipment makers in 2023, depending on authorities' pledges being made tangible with more investment and by facilitating authorizations for solar and wind installations, notably in Europe.

The fight against the effects of climate change will undoubtedly continue to impact the energy sector. A key issue for the sector in the years to come will be the articulation between public authorities' willingness to accelerate the transformation of the economy towards 'net zero' with the need to ensure energy security, which for the time being requires the use of fossil fuels.

PROFITABLILITY OF SEVERAL OIL & GAS SEGMENTS (EBITDA/SALES, IN %)

— Exploration & production — Contractors
— Refining & Marketing (right hand side)
Sources: Refinitiv Worldscope, Coface

PROFITABILITY AND NET DEBT RATIO EVOLUTION FOR RENEWABLE EQUIPMENT MAKERS (EBITDA/SALES AND NET DEBT/TOTAL ASSET, IN %)

— Profitability — Net Debt
Sources: Refinitiv Worldscope, Coface

ICT 🌐

Sector risk assessments

Region	Risk
ASIA-PACIFIC	MEDIUM
CENTRAL & EASTERN EUROPE	MEDIUM
LATIN AMERICA	HIGH
MIDDLE EAST & TURKEY	HIGH
NORTH AMERICA	MEDIUM
WESTERN EUROPE	MEDIUM

➕
- The globalisation of internet access and market penetration opportunities are accelerating
- Exponential growth of connected goods
- Important opportunities expected to meet cybersecurity needs
- Strong innovation, with AI having a growing impact on all sectors and future 5G technology

➖
- Saturation of some hardware in large markets (tablets, smartphones, PCs)
- Tougher regulatory environment in the future for ICT giants
- Trade tensions between China and the United States focusing on technological issues
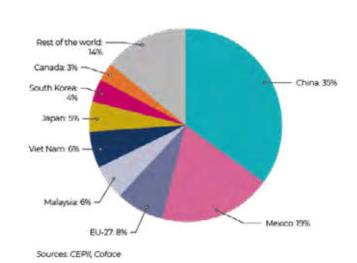- Limited resources of critical inputs

RISK ANALYSIS SYNTHESIS

The boundaries are increasingly blurred between the product and service ranges offered by ICT companies and the firms' traditional business activities.
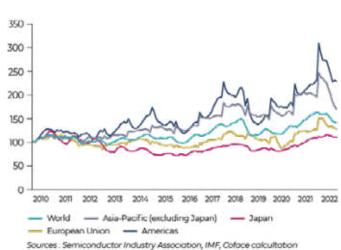
Digitalisation, i.e. the extension of the gradual adoption of ICT in more sectors and their production processes, currently goes through cloud computing (powered by data centres, Internet towers and fibre). This increases business continuity and automation. In 2023, the diversification in the cloud for industrial economies will continue to constitute growth driver to certain players, while we expect media and telecom revenues to continue to stagnate or even decline. The continued global economic slowdown and the risk of recession could lead to additionnal investment cuts.

The sector remains resilient overall, thanks to the continued digitalization of the global economy, the expansion of remote working, the faster growth in the use of the cloud and cyber-security needs of organisations. Nevertheless, many challenges remain. On the one hand, international trade tensions are mounting, notably between China and the United States and around technological issues. On the other hand, normative developments in terms of data protection, taxation, freedom of expression and CO_2 emissions in many countries are continuing, in order to make them more restrictive toward the "tech giants" and the entire ecosystem.

US IMPORTS OF ICT PRODUCTS BY COUNTRY (2019)

Rest of the world: 14%
Canada: 3%
South Korea: 4%
Japan: 5%
Viet Nam: 6%
Malaysia: 6%
EU-27: 8%
Mexico: 19%
China: 35%

Sources: CEPII, Coface
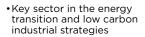
SEMICONDUCTORS SALES BY REGIONS (100 = 01/2010)

World — Asia-Pacific (excluding Japan) — Japan — European Union — Americas

Sources : Semiconductor Industry Association, IMF, Coface calculation

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METALS 🌐

Sector risk assessments

ASIA-PACIFIC	**HIGH**
CENTRAL & EASTERN EUROPE	**HIGH**
LATIN AMERICA	**HIGH**
MIDDLE EAST & TURKEY	**HIGH**
NORTH AMERICA	**HIGH**
WESTERN EUROPE	**HIGH**

➕
- Key sector in the energy transition and low carbon industrial strategies
- Strategic and high added-value sector (technological, geopolitical, etc.)
- High unexploited mining potential

➖
- Procyclical sector vulnerable to macroeconomic trends
- Sector vulnerable to energy and electricity price inflation
- Long industrial and investment cycles detached from cyclical shocks
- Sector highly targeted by on-going strenghtening of ESG (environmental, social and governance) norms

RISK ANALYSIS SYNTHESIS

Coface expects high volatility in commodities prices to continue in 2023, and particularly in metals. We expect the prices of the base metals (steel, copp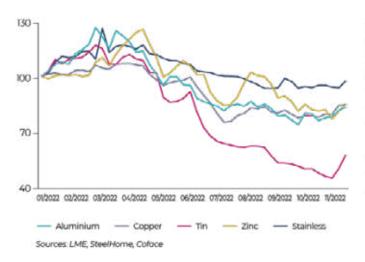er, etc.) to keep falling, as the global economic context faces difficulties. After the inflationary surge in metals (2021/22), accentuated in the first half of 2022 by the war in Ukraine, most metals prices have fallen from their peak of the year. This is due to two main factors. On the one hand, the financial markets anticipated a slowdown in global GDP. On the other hand, there have been direct effects of rising interest rates on customer-sectors, such as the construction sector. The deflating Chinese real estate bubble and the downturn of its economy (4% expected in 2023 compared with 8.1% in 2021) crystalizes those concerns. Consequently, the prices standardization – relatively close to historical trends – in a global inflationary context (more specifically energy) strongly affects metals producers (e.g. aluminum, steel, etc.) and threatens their profitability. Finally, the increasing environmental considerations, including compliance with international agreements on the reduction of greenhouse gases, is also pushing some minerals/metals producing countries to stabilize or even lower their medium-term production targets.

BASE METAL & STEEL PRICES 2022 (100 = 01/2022)

Aluminium — Copper — Tin — Zinc — Stainless

Sources: LME, SteelHome, Coface

NON-FERROUS METALS FINANCIAL RATIOS

Net margin (%) — Net debt (%)

Sources: Refinitiv, Coface

PAPER 🌐

Sector risk assessments

ASIA-PACIFIC	HIGH
CENTRAL & EASTERN EUROPE	HIGH
LATIN AMERICA	MEDIUM
MIDDLE EAST & TURKEY	MEDIUM
NORTH AMERICA	HIGH
WESTERN EUROPE	HIGH

➕
- Sustainable and recyclable (packaging)
- Increasing use of packaging paper due to the rise of e-commerce and increase of environmental rules

➖
- Gradual replacement of graphic paper by digital media in view of the increasing use of digital technologies
- Packaging paper is highly vulnerable to global trade evolution
- Environmental issues (deforestation) and energy intensive

RISK ANALYSIS SYNTHESIS

As part of its sector risk assessment methodology, Coface includes two segments in its analysis of the paper sector: graphic paper and packaging paper, whose trends are increasingly diverging with the growth of digitalisation and e-commerce (packaging).

Although both segments have maintained their general trend in 2022 (compared with 2021), the effects of soaring energy prices and the general inflationary context have not spared them. Indeed, paper production, like the entire upstream forestry sector, is extremely energy-intensive. The increase in energy prices (oil & gas, electricity) has largely affected the production costs of the various paper products, whether graphic or packaging.

Prior to the pandemic, the use of graphic paper had begun to decline as the global economy became increasingly digital. Periods of lockdown, school closures, etc., exacerbated this phenomenon, which is now continuing. 2023 is expected to follow the same pattern of continued decline in graphic paper.

In contrast, packaging paper is benefiting more from the strong development of e-commerce (although vulnerable to economic downturns) and therefore increased delivery activity worldwide. It also benefits from a sound and stable demand for paper products for personal hygiene (surgical masks, disinfectant wipes, disposable paper towels and other related hygiene products) and growing consummers' preferences for environmental-friendly packaging. Nevertheless, the weak global economic growth (1.9% in 2023, Coface) and the upcoming decline in consumption should weigh on the packaging paper segment in 2023.

WORLD PRODUCTION OF GRAPHIC PAPER AND PAPERBOARD (IN MILLION OF TONS)

Graphic paper — Paperboard

Sources: FAO, Coface

PRODUCER PRICE INDEX (100 = 2014)

Wood pulp — Graphic paper

Sources : St Louis FED, Coface

PHARMACEUTICALS 🌐

Sector risk assessments

ASIA-PACIFIC	**LOW**
CENTRAL & EASTERN EUROPE	**LOW**
LATIN AMERICA	**MEDIUM**
MIDDLE EAST & TURKEY	**MEDIUM**
NORTH AMERICA	**MEDIUM**
WESTERN EUROPE	**LOW**

➕
- High profitability of pharmaceutical and biopharmaceutical companies
- Strong ability to innovate
- Development of public health insurance schemes in emerging countries
- Strong government support via funding
- High overall barriers to entry favouring incumbents

➖
- Increasing competition among generics producers
- Greater access to market for biosimilars
- Pressure from payers to lower drug prices
- Regulators paying closer attention to the health impact efficiency of new therapies
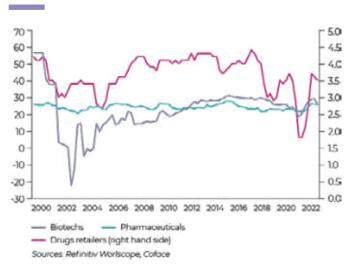
RISK ANALYSIS SYNTHESIS

The pharmaceutical sector overall remains the most resilient sector, compared with other sectors for which Coface produces sector risk assessments, despite the challenges ahead.
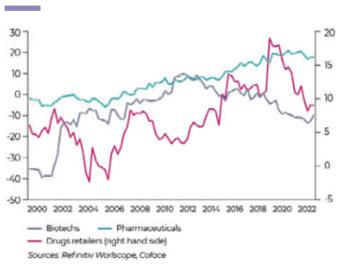
The sector is highly leveraged after the buying spree needed to replenish a somewhat depleted drug pipeline. Sales have recovered to pre-COVID-19 levels, as have clinical trials. We expect companies in the sector to continue to be impacted by high energy prices and inflationary tensions this year.

Furthermore, several structural challenges for companies in the sector, that Coface analysed prior to the COVID-19 crisis, persist. They include official pressure to lower drug prices notably for expensive therapies, criticisms of governments on the perceived lack of transparency in price setting, distributor segments' difficulties, litigations related to drugs' side effects or downplaying addiction to certain substances, a "patent cliff" that will lead to loss of exclusivity by 2030, etc.

PROFITABILITY OF SEVERAL PHARMACEUTICAL SEGMENTS (EBITDA/SALES, IN %)

Biotechs — Pharmaceuticals —
Drugs retailers (right hand side) —
Sources: Refinitiv Worldscope, Coface

NET DEBT OF SEVERAL PHARMACEUTICAL (NET DEBT/TOTAL ASSET, IN %)

Biotechs — Pharmaceuticals —
Drugs retailers (right hand side) —
Sources: Refinitiv Worldscope, Coface

RETAIL 🌐

Sector risk assessments

ASIA-PACIFIC	**HIGH**
CENTRAL & EASTERN EUROPE	**HIGH**
LATIN AMERICA	**HIGH**
MIDDLE EAST & TURKEY	**HIGH**
NORTH AMERICA	**HIGH**
WESTERN EUROPE	**HIGH**

➕
- Growth of the Chinese middle class in the long-term
- Strong urbanisation in Asia and Africa, which will drive up demand

➖
- Strong competition between players in the sector
- Procyclical sector, therefore highly impacted by the economic slowdown
- Strong impact of high energy costs
- Fragility of physical sales outlets in the face of the development of online commerce

RISK ANALYSIS SYNTHESIS
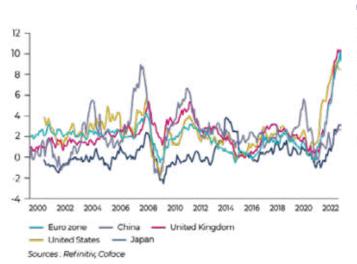
The retail sector's difficulties are expected to continue in 2023. After a strong performance in 2021, the retail sector experienced difficulties in a majority of regions in 2022. This is due to inflationary pressures, which were already latent in early 2022 due to high maritime freight rates in particular. Inflation then reached record levels in many countries (especially in Europe) following the war in Ukraine and the economic sanctions imposed on Russia. The interest rates hikes by leading central banks worldwide to counter inflation have increased the cost of credit and therefore have penalized household consumption.

Furthermore, the global economic slowdown linked to the energy crisis has led to a slowdown in household incomes and a rise in unemployment. The impact on retail (including e-commerce) will be all the more limited as public aid to households will be substantial. However, the implementation of these measures would cause a sharp increase in the public deficit, so it is a matter of trade-off between household purchasing power and public deficit.
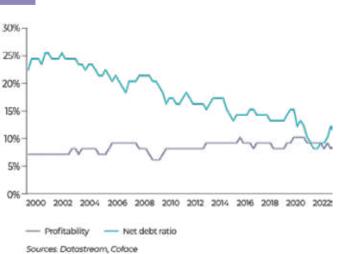
Despite the progress made in terms of vaccination campaigns, the COVID-19 pandemic remains a major risk, particularly in China, and is adding pressure on the sector.

E-commerce, which has been booming in recent years and has benefited greatly from the containment measures during the (peak of global) health crisis, has not been spared from the disruption of supply chains. However, as supply chain disruptions subside, the e-commerce companies' segment are likely to put pressure on traditional players, who are struggling to adapt to this new mode of consumption. To meet these challenges, they need to rethink their strategies, including increasing the use of new digital tools and more efficient logistics systems.

INFLATION OF SELECTED COUNTRIES (%)

Euro zone — China — United Kingdom — United States — Japan
Sources : Refinitiv, Coface

PROFITABILITY AND NET DEBT RATIO OF RETAIL SECTOR COMPANIES

— Profitability — Net debt ratio
Sources: Datastream, Coface

TEXTILE-CLOTHING 🌐

Sector risk assessments

ASIA-PACIFIC	**HIGH**
CENTRAL & EASTERN EUROPE	**VERY HIGH**
LATIN AMERICA	**VERY HIGH**
MIDDLE EAST & TURKEY	**HIGH**
NORTH AMERICA	**VERY HIGH**
WESTERN EUROPE	**VERY HIGH**

➕
- Growing middle class in emerging countries
- Development of fast fashion

➖
- Polluting sector with volumes threatened by the circular economy and targeted by on-going ESG norms strenghtening
- Procyclical sector, impacted by falling global demand and inflationary pressures
- Energy intensive means of production

RISK ANALYSIS SYNTHESIS

The textile-clothing sector is strongly affected by the economic slowdown and inflationary pressures, having already suffered from the consequences of the COVID-19 crisis. Coface expects the economic slowdown in the advanced economies in 2022-23 to have a negative knock-on effect on clothing sales. This is due to households' eroded purchasing power shifting to mandatory items such as food and energy. In addition, this energy-intensive sector is suffering from cost pressures related to the war in Ukraine.

This shock does not affect all the players in the sector symmetrically. Traditional Western retailers are retreating sharply in the wake of the crises and competition from fast fashion and second-hand clothing platforms. Asia, with its large manufacturing base and expanding consumer base, is concentrating growth in the luxury and online segments.

Faced with rapid changes in the competitive and productive environment, some companies may face short-term difficulties in both industry and commerce. Driven down by lower downstream demand, cotton prices have fallen sharply in 2022; wool and polyester are following similar trends. Thus, many manufacturers are having to manage depreciated inventories with falling prices and the downturn in apparel. China is seeing a decline in the share of textiles in its industry, exacerbated by relocations to take advantage of more competitive labour, in Bangladesh for example.

While stringent environmental standards are being prepared in many countries, fast fashion is at odds with ESG standards. Consumption patterns remain largely price-driven, both for new and second-hand goods.

CLOTHING SALES (IN CONSTANT TERMS) IN SELECTED COUNTRIES (100 = JANUARY 2012)

Legend: Canada — United States

Sources : Statistics Canada, US Census Bureau, Coface

COTTON PRICES (USD/POUND)

Sources : USDA

TRANSPORT 🌐

Sector risk assessments

ASIA-PACIFIC	**HIGH**
CENTRAL & EASTERN EUROPE	**VERY HIGH**
LATIN AMERICA	**HIGH**
MIDDLE EAST & TURKEY	**HIGH**
NORTH AMERICA	**HIGH**
WESTERN EUROPE	**VERY HIGH**

➕
- Technical progress contributing to cost reduction
- Transport is necessary for trade and individual's mobility

➖
- Sector highly dependent on oil price fluctuations
- Sector hardly hit by environmental concerns

RISK ANALYSIS SYNTHESIS
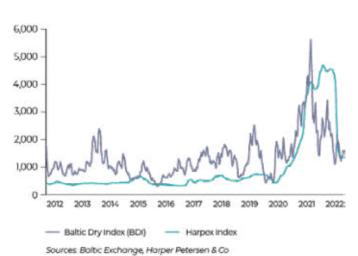
After performing very well in 2021 and 2022 (because of high freight rates and the rebound in demand for goods after the lockdowns), shipping companies are expected to see their revenues decline in 2023. High energy costs and the slowdown in economic activity, will reduce demand for goods and therefore demand for freight. This will affect all types of transport (road, rail, air and sea). In addition, high energy costs will have an effect on the margins of companies in the sector: by increasing production costs and, in the longer term, the prices of new vehicles, as manufacturers are forced to pass on part of the increase in production costs to prices.

In line with Coface's forecasts, passenger air traffic has recovered in most regions following the lifting of mobility restrictions, but has not reached pre-pandemic levels. The number of commercial flights in 2022 increased but remained 10% below 2019 levels. Aircraft manufacturers Airbus and Boeing have benefited from a sharp rebound in orders during the recovery. However, the global economic slowdown and high energy costs are expected to reduce the number of orders in 2023.
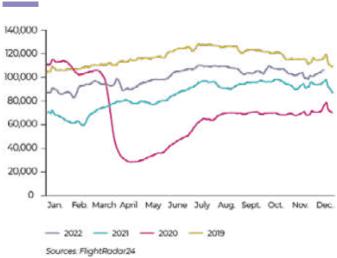
In the longer term, the sector is expected to continue to benefit from the need for mobility, the emergence of the Indian and Chinese middle classes and the reduction in costs due to technical advances, particularly in the air and maritime segments.

Environmental concerns and measures to combat greenhouse gas emissions or pollutants could penalise the sector responsible for 23% of CO_2 emissions. However, these concerns could be a boon for vehicle manufacturers as transport companies are forced to renew their fleets.

SEA FREIGHT RATES

Baltic Dry Index (BDI) — Harpex Index
Sources: Baltic Exchange, Harper Petersen & Co

DAILY NUMBER OF COMMERCIAL FLIGHTS (7-DAYS ROLLING AVERAGE)

2022 — 2021 — 2020 — 2019
Sources: FlightRadar24

WOOD ⊕

Sector risk assessments
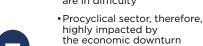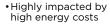
ASIA-PACIFIC	**HIGH**
CENTRAL & EASTERN EUROPE	**HIGH**
LATIN AMERICA	**HIGH**
MIDDLE EAST & TURKEY	**VERY HIGH**
NORTH AMERICA	**HIGH**
WESTERN EUROPE	**HIGH**

+
- Commodity valued within the framework of the development of "sustainable" construction, aiming to limit environmental risks

–
- Dependent on the construction and paper sectors, which are in difficulty
- Procyclical sector, therefore, highly impacted by the economic downturn
- Highly impacted by high energy costs
- Important costs due to sector players' efforts to adapt to stricter regulations on wood exploitation to preserve forests

RISK ANALYSIS SYNTHESIS

We expect activity in the wood sector to deteriorate in 2023. First, the decline in construction activity, linked to a drop in global economic growth (especially in the European Union) and high interest rates to fight inflation, will mechanically lead to a drop in demand for wood, since construction is the main customer sector for wood. Second, as the wood sector is energy intensive, it will be particularly affected by high energy costs. Companies will therefore have to choose between absorbing the increase in production costs and passing on all or part of this increase in prices. The latter option presents a risk as it would create additional upward pressure on house building prices while households are already facing rising interest rates. The sector will only benefit from higher energy prices to a very limited extent. While wood as a source of heat or electricity is becoming more competitive than other energy sources, the possibility of substituting one for the other in the short-term is low, as this requires the necessary equipment. The war in Ukraine and the sanctions against Russia (important global wood producer) by many countries are affecting the supply of wood and are forcing companies in the sector in the sanctioned areas to look for alternative sources of wood, thus pressuring prices.

In the longer term, the sector could benefit from ESG standards strenghtening. Wood is, to some extent, renewable and its combustion emits very little CO_2. However, the wood sector is particularly affected by global warming and natural disasters, which are likely to become more frequent and violent.

PROFITABILITY AND NET DEBT RATIO OF WOOD SECTOR COMPANIES

— Profitability — Net debt ratio

Sources: Refinitiv Datastream, Coface

LUMBER PRICES INDEX (1982 = 100)

Sources: Federal Reserve Bank of Saint Louis

INTRODUCTION TO COUNTRY PROFILES

Economic record and prospects for 2023 in 160 countries

This reference guide for the analysis of country risks in the world allows you to consult 160 country assessments. It contains information that is particularly useful in the today's complex and changing economic environment. These assessments are a global analysis of corporate behaviour and business practices on a country-by-country basis.

ALBANIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**C**	

POPULATION Millions of persons	**2.9**
GDP PER CAPITA US Dollars	**6,373**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.1	-3.5	8.5	2.1	1.5
Inflation (yearly average, %)	1.4	1.6	2.0	7.3	5.2
Budget balance (% GDP)	-1.9	-6.7	-4.5	-4.1	-3.5
Current account balance (% GDP)	-7.6	-8.7	-7.7	-8.6	-8.0
Public debt (% GDP)	67.3	75.9	73.9	70.3	69.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	65%
KOSOVO	10%
NORTH MACEDONIA	3%
SERBIA	3%
CHINA	2%

Imports of goods by country as a % of total

EURO AREA	47%
TURKEY	11%
CHINA	8%
SERBIA	3%
KOSOVO	2%

Exports of goods by product as a % of total

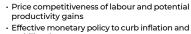| FOOTWEAR	23%
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	20%
VEGETABLES AND FRUITS	8%
IRON AND STEEL	6%
METALLIFEROUS ORES AND METAL SCRAP	6%

Imports of goods by product as a % of total

ROAD VEHICLES	9%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	6%
TEXTILE YARN AND RELATED PRODUCTS	5%
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	5%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	4%

2023 OUTLOOK

- As the engine of growth, household consumption is expected to only partially overcome the inflationary shock.
- Thanks to external financing, public investment is expected to continue in 2023, especially to improve the continuity of road and electricity networks.
- Exports increased in tourism and textiles, but did not compensate for higher import prices.
- Relying on a solid majority, the socialist Rama consolidates finances by increasing revenues, so as not to cut already low social spending.
- The European Union opened accession negotiations with Albania in July 2022.

➕
- Price competitiveness of labour and potential productivity gains
- Effective monetary policy to curb inflation and stabilise the currency
- Mining, energy and tourism potential
- Proximity to the Italian market

➖
- Underdeveloped road and energy infrastructure
- Large informal economy and corruption, detrimental to state revenues, attractiveness and social protection
- Private consumption is the only engine of growth, despite poverty and unemployment, due to exports that are low in value added, low in volume and not very diversified (tourism, textiles, foodstuffs, especially to Italy)
- Current account deficit will remain among the highest in Eastern Europe
- Brain drain and dependence on expatriate remittances (10% of GDP in 2021)

ALGERIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**C**	
BUSINESS CLIMATE	**C**	

POPULATION Millions of persons	**44.5**
GDP PER CAPITA US Dollars	**3,660**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.0	-5.1	3.5	4.0	2.6
Inflation (yearly average, %)	2.0	2.4	7.2	9.5	7.0
Budget balance (% GDP)	-9.6	-12.0	-7.2	-8.0	-7.0
Current account balance (% GDP)	-9.6	-12.9	-2.8	7.0	2.3
Public debt (% GDP)	46.0	52.3	63.0	64.0	69.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	56%
UNITED STATES	8%
TURKEY	8%
UNITED KINGDOM	7%
BRAZIL	5%

Imports of goods by country as a % of total

EURO AREA	29%
CHINA	17%
SOUTH AFRICA	8%
TUNISIA	5%
ARGENTINA	3%

Exports of goods by product as a % of total

GAS, NATURAL AND MANUFACTURED	52%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	42%
INORGANIC CHEMICALS	4%
FERTILISERS, NOT CRUDE	1%
SUGAR, SUGAR PREPARATIONS AND HONEY	0%

Imports of goods by product as a % of total

ROAD VEHICLES	12%
IRON AND STEEL	7%
CEREALS AND CEREAL PREPARATIONS	7%
OTHER INDUSTRIAL MACHINERY AND PARTS	6%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	5%

2023 OUTLOOK

- Economic growth will slow due to lower oil production and a slight decline in the price of oil, partly offset by the resilience of gas, consumption and investment (public and private).
- Fiscal policy will remain accommodative, with social and military spending rising sharply, but at the cost of a widening deficit.
- The exceptional current account surplus of 2022 will fall sharply due to lower oil revenues and the lifting of the ban on car imports.
- While the social risk will be contained by generous subsidies, relations with Morocco will remain strained due to their opposition over Western Sahara.

➕
- Large oil and gas reserves; significant potential for shale gas development
- Potential in agriculture, renewable energy and tourism
- Favourable geographical position, close to the European market
- Low external debt

➖
- High dependence on hydrocarbon revenues (90% of exports and 60% of budget revenues)
- High youth unemployment rate, low opportunities for graduates
- Excessive weight of an inefficient public sector
- Public deficit financed by drawing on reserves and monetisation by the central bank
- Poor infrastructure
- Bureaucratic red tape, corruption, financial sector weaknesses and uncertain business environment

ANGOLA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**C**
BUSINESS CLIMATE		**D**

POPULATION Millions of persons	**32.0**
GDP PER CAPITA US Dollars	**2,352**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-0.7	-5.8	0.8	3.2	2.5
Inflation (yearly average, %)	17.1	22.3	25.8	21.5	13.0
Budget balance (% GDP)	0.8	-1.9	3.8	2.8	2.0
Current account balance (% GDP)	6.1	1.5	11.2	10.0	4.0
Public debt (% GDP)	113.6	136.5	86.4	58.0	55.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**61%**
INDIA	**9%**
EURO AREA	**7%**
THAILAND	**3%**
SINGAPORE	**2%**

Imports of goods by country as a % of total

EURO AREA	**32%**
CHINA	**15%**
INDIA	**7%**
BRAZIL	**5%**
UNITED STATES	**5%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**86%**
GAS, NATURAL AND MANUFACTURED	**7%**
CRUDE FERTILISERS AND CRUDE MINERALS	**4%**
OTHER TRANSPORT EQUIPMENT	**1%**
POWER GENERATING MACHINERY AND EQUIPMENT	**0%**

Imports of goods by product as a % of total
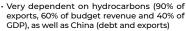
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**12%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**7%**
CEREALS AND CEREAL PREPARATIONS	**6%**
ROAD VEHICLES	**6%**
SPECIALISED MACHINERY	**5%**

2023 OUTLOOK

- After peaking in 2022, growth will slow in 2023 as oil production is expected to decline due to field depletion, while the average oil price declines slightly.
- Monetary policy is expected to continue to ease as inflation falls and the kwanza strengthens, supporting consumption and investment.
- The public and external surpluses will diminish with the drop in oil revenues, but they will be sufficient to reduce the external debt, particularly vis-à-vis China, while maintaining social assistance.
- The MPLA, which has been in power since independence, and President João Lourenço were narrowly re-elected in 2022.

➕
- Significant oil production and producer of liquefied natural gas
- Considerable economic potential: diamond, iron, gold, leather, agriculture, fishing, hydro-electric resources
- International financial support

➖
- Very dependent on hydrocarbons (90% of exports, 60% of budget revenue and 40% of GDP), as well as China (debt and exports)
- Depletion of oil fields due to underinvestment
- Poor business environment: corruption, bureaucracy, slow reform
- Poor infrastructure
- High unemployment (67% among young people), strong social inequalities, poverty (56% in 2020) and regional disparities
- Still heavy public debt (55% commercial)
- Conflict with separatists in the Cabinda enclave

ARGENTINA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**D**
BUSINESS CLIMATE		**B**

POPULATION Millions of persons	**45.8**
GDP PER CAPITA US Dollars	**10,617**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-2.1	-9.9	10.3	5.5	-0.5
Inflation (yearly average, %)	53.5	42.0	48.4	70.6	97.0
Budget balance (% GDP)	-3.8	-8.5	-4.5	-4.0	-3.6
Current account balance (% GDP)	-0.9	0.8	1.5	-0.5	-0.5
Public debt (% GDP)	88.8	102.8	80.9	76.0	77.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

BRAZIL	**15%**
EURO AREA	**11%**
CHINA	**8%**
UNITED STATES	**6%**
INDIA	**6%**

Imports of goods by country as a % of total

CHINA	**21%**
BRAZIL	**20%**
EURO AREA	**13%**
UNITED STATES	**9%**
PARAGUAY	**5%**
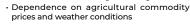
Exports of goods by product as a % of total

CEREALS AND CEREAL PREPARATIONS	**16%**
FEEDSTUFF FOR ANIMALS (EXCL. UNMILLED CEREALS)	**12%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**7%**
ROAD VEHICLES	**6%**
MEAT AND MEAT PREPARATIONS	**4%**

Imports of goods by product as a % of total

ROAD VEHICLES	**10%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**6%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**6%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**6%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**5%**

2023 OUTLOOK

- The economy is expected to enter into recession in 2023, dragged down by skyrocketing inflation, gradual fiscal consolidation and amid rising import controls (prompting to manufacturing input shortages).
- Dry weather conditions will curb the 2022/2023 crop yields, which may not be offset by the still historically high agricultural commodity prices (affecting exports and putting further pressure on the limited foreign currency reserves).
- General elections will take place in October 2023, which could heighten government's caution and jeopardise its strategy to narrow the fiscal deficit.

➕
- Large economy and domestic market
- Major agricultural player (notably soya, wheat and corn)
- Large shale oil & gas, gold and lithium reserves
- Education level higher than the regional average
- GDP per capita above the region's average

➖
- Weak fiscal accounts and dependence on IMF financing
- Capital controls and import restrictions due to the lack of confidence in public policies and the low level of foreign exchange reserves
- Dependence on agricultural commodity prices and weather conditions
- Sticky and skyrocketing inflation despite price regulation
- Net energy importer as its refining capacity and natural gas output are insufficient
- High domestic political and social tensions

ARMENIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		C
BUSINESS CLIMATE		B

POPULATION Millions of persons	3.0
GDP PER CAPITA US Dollars	4,701

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	7.6	-7.4	5.7	7.2	3.9
Inflation (yearly average, %)	1.4	1.2	6.8	8.8	6.7
Budget balance (% GDP)	-1.0	-3.5	-4.2	-2.4	-2.8
Current account balance (% GDP)	-7.2	-3.9	-3.0	-6.0	-5.5
Public debt (% GDP)	49.9	62.8	63.0	56.0	58.2

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

RUSSIA	28%
EURO AREA	14%
CHINA	13%
SWITZERLAND	12%
BULGARIA	7%

Imports of goods by country as a % of total

RUSSIA	33%
CHINA	16%
EURO AREA	14%
IRAN	8%
UKRAINE	3%

Exports of goods by product as a % of total

METALLIFEROUS ORES AND METAL SCRAP	36%
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	11%
BEVERAGES	10%
IRON AND STEEL	7%
TOBACCO AND TOBACCO MANUFACTURES	7%

Imports of goods by product as a % of total

GAS, NATURAL AND MANUFACTURED	9%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	8%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	5%
NON METALLIC MINERAL MANUFACTURES	5%
ROAD VEHICLES	4%

2023 OUTLOOK

- Less benefiting from the arrival of Russian companies, nationals, and the associated capital, which caused an upward GDP surprise in 2022, the country's growth is expected to moderate in 2023, with the slowdown of economic partners and continued inflation (which will weigh on household consumption).
- The current account balance will remain negative, driven by pricy imported energy, but also a decline in external demand, despite high prices for exported ores.
- Despite higher defence spending, the public deficit will remain modest and the public debt/ GDP ratio below the target of 60%.

➕
- Significant mineral resources (gold, copper, molybdenum, zinc)
- Comfortable foreign exchange reserves and relative flexibility of the dram exchange rate
- Member of the Eurasian Economic Union (EAEU) and partnership agreement with the European Union (EU)
- Willingness to reform in terms of corruption, justice and competition

➖
- Dependence on minerals (40% of exports and 8% of GDP), despite the ongoing diversification effort
- Strong dependence on Russia (security, trade, expatriate remittances and FDI)
- Banking system still heavily dollarised, public debt denominated in foreign currencies (75%)
- High and persistent levels of poverty (30% of the population) and unemployment (17%)
- Armed conflict with Azerbaijan over the Nagorno-Karabakh enclave, which may lead to occasional clashes

AUSTRALIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		A2
BUSINESS CLIMATE		A1

POPULATION Millions of persons	25.8
GDP PER CAPITA US Dollars	63,464

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.0	-2.2	4.9	3.4	2.2
Inflation (yearly average, %)	1.6	0.8	2.9	6.6	5.1
Budget balance* (% GDP)	-4.8	-6.6	-1.5	-1.6	-1.8
Current account balance (% GDP)	0.4	2.4	3.1	2.1	0.7
Public debt (% GDP)	46.7	57.2	58.4	56.7	58.6

(f): Forecast. *Fiscal year 2023: July 2023 - June 2024.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	38%
JAPAN	14%
SOUTH KOREA	8%
TAIWAN	6%
INDIA	4%

Imports of goods by country as a % of total

CHINA	28%
EURO AREA	14%
UNITED STATES	10%
JAPAN	6%
THAILAND	5%

Exports of goods by product as a % of total

METALLIFEROUS ORES AND METAL SCRAP	40%
COAL, COKE AND BRIQUETTES	14%
GAS, NATURAL AND MANUFACTURED	11%
GOLD, NON-MONETARY	5%
MEAT AND MEAT PREPARATIONS	3%
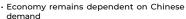
Imports of goods by product as a % of total

ROAD VEHICLES	13%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	10%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	6%
OTHER INDUSTRIAL MACHINERY AND PARTS	5%
MISCELLANEOUS MANUFACTURED ARTICLES	5%

2023 OUTLOOK

- Global growth slowdown, fading services recovery, easing growth in household spending linked to tighter financial conditions, and weak construction activity are key drags on Australia's economy in 2023.
- Labour market to remain tight; unemployment rate around multi-decade lows. However, wage growth still lags inflation.
- High inflation remains key focus, with Reserve Bank of Australia expected to continue raising rates through first half of 2023.
- Current account surplus to narrow in 2023 on smaller goods surplus and wider services deficit.

➕
- Geographic proximity to dynamic Asian economies, member of RCEP
- Rich endowment in mineral resources
- Moderate levels of public debt
- High tourism potential

➖
- Exposed to commodity price volatility (specifically iron ore, coal and LNG)
- Economy remains dependent on Chinese demand
- Substantial household debt (183% of gross disposable income)
- Shortage of infrastructure due to the country's vast territory
- Vulnerable to climate change (bushfires and droughts)
- Disparity between federated states

AUSTRIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A3**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	**8.9**
GDP PER CAPITA US Dollars	**53,332**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.5	-6.5	4.6	4.8	0.5
Inflation (yearly average, %)	1.6	1.4	2.7	8.6	7.1
Budget balance (% GDP)	0.6	-8.0	-5.9	-3.4	-2.8
Current account balance (% GDP)	2.4	3.0	0.4	0.7	0.7
Public debt (% GDP)	70.6	82.9	82.3	78.6	76.8

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	**30%**
ITALY	**7%**
UNITED STATES	**6%**
SWITZERLAND	**5%**
POLAND	**4%**

Imports of goods by country as a % of total

GERMANY	**40%**
ITALY	**6%**
SWITZERLAND	**5%**
CZECH REPUBLIC	**5%**
NETHERLANDS	**4%**

Exports of goods by product as a % of total

ROAD VEHICLES	**9%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**7%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**6%**
MANUFACTURES OF METAL	**6%**

Imports of goods by product as a % of total

ROAD VEHICLES	**9%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**
MANUFACTURES OF METAL	**4%**

2023 OUTLOOK

- Austria's economy should grow only slightly in 2023, as inflation remains relatively high and weighs on consumption, although public support should somewhat stabilise real income.
- The current account surplus should remain stable, as an expected increase in tourism (thanks to catch-up effects from the pandemic in ski-tourism) should outweigh the recent trade in goods deficit.
- The current coalition out of the conservative-right wing ÖVP and the Greens will remain until 2024, because its popularity has fallen so much that they would have no chance to retain power in the event of an early election in 2023.

+
- High standard of living (GDP per capita relatively high compared to the neighbouring countries)
- Industrial and tertiary diversification, high added value
- 31% of energy consumption (including imports) sourced from renewable supplies (2021), main source is hydro-energy, share of renewable energy in power production is 78%
- Major tourist destination (8th worldwide in 2020, 4.5% of GDP)
- High public expenditure on R&D (3.2% of GDP in 2021)

−
- Very dependent on the German and to a lesser extent Central/Eastern European economies
- Banking sector exposed to Central-Eastern Europe and Balkan countries
- Not a member of NATO, no application for membership officially intended

AZERBAIJAN 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**C**	

POPULATION Millions of persons	**10.1**
GDP PER CAPITA US Dollars	**5,398**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.5	-4.2	5.6	5.1	3.5
Inflation (yearly average, %)	2.4	2.7	6.5	12.3	8.5
Budget balance* (% GDP)	0.0	-0.5	-0.8	4.6	2.8
Current account balance (% GDP)	17.7	21.3	26.4	20.7	22.1
Public debt (% GDP)	9.0	-0.5	15.2	31.7	31.4

(f): Forecast. *SOFAZ transfers included.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**53%**
TURKEY	**13%**
RUSSIA	**4%**
ISRAEL	**4%**
CROATIA	**3%**

Imports of goods by country as a % of total

RUSSIA	**18%**
TURKEY	**16%**
EURO AREA	**15%**
CHINA	**14%**
UKRAINE	**4%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**66%**
GAS, NATURAL AND MANUFACTURED	**21%**
VEGETABLES AND FRUITS	**3%**
PLASTICS IN PRIMARY FORMS	**2%**
NON-FERROUS METALS	**1%**

Imports of goods by product as a % of total

ROAD VEHICLES	**10%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**8%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**5%**
IRON AND STEEL	**5%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**

2023 OUTLOOK

- Launched in 2020, pipeline exports to Europe are increasing rapidly as the EU seeks alternative suppliers. High energy prices and gas development are expected to maintain revenues and growth, despite the decline in oil production.
- The large current account and budget surpluses allow Ilham Aliev's regime to limit the protest with social measures (subsidies on wheat and flour, 20% increase in the minimum wage).
- After the victory in Nagorno-Karabakh in 2020, Baku is taking advantage of diverted Russian attention and is keeping up the pressure on Yerevan to impose a peace on its terms.

+
- Well-endowed sovereign wealth fund thanks to hydrocarbon production and the state's position as a net external creditor
- Significant gas potential in the Caspian Sea
- Launch of gas exports to Europe via Turkey and Greece in late 2020
- Strategic position between Europe, Russia and China

−
- Low economic diversification, high dependence on hydrocarbons (50% of GDP, 90% of exports and ~66% of tax revenues), declining oil resources
- Fragile, opaque and dollarised banking system, underdeveloped credit
- Corruption, low competition, repression, politicised judiciary
- Armed conflict with Armenia over Nagorno-Karabakh
- Low population growth and ageing

BAHAMAS 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**A4**	

POPULATION Millions of persons	0.4
GDP PER CAPITA US Dollars	28,792

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.9	-23.8	13.7	7.0	3.5
Inflation (yearly average, %)	2.5	0.0	2.9	5.7	4.5
Budget balance* (% GDP)	-1.7	-7.3	-13.6	-5.7	-5.0
Current account balance (% GDP)	-2.6	-24.5	-23.1	-18.1	-14.1
Public debt* (% GDP)	59.8	75.0	103.3	90.7	88.2

(f): Forecast. *Fiscal year from July 1st to June 30th. 2023 data: 2022/23.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**81%**
EURO AREA	**6%**
MEXICO	**6%**
UNITED KINGDOM	**2%**
ETHIOPIA	**2%**

Imports of goods by country as a % of total

UNITED STATES	**72%**
CANADA	**4%**
EURO AREA	**3%**
CHINA	**2%**
UNITED KINGDOM	**2%**

Exports of goods by product as a % of total

OTHER TRANSPORT EQUIPMENT	**36%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**29%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**7%**
PLASTICS IN PRIMARY FORMS	**7%**
ORGANIC CHEMICALS	**5%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**27%**
OTHER TRANSPORT EQUIPMENT	**13%**
MISCELLANEOUS MANUFACTURED ARTICLES	**5%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**4%**
MANUFACTURES OF METAL	**4%**

2023 OUTLOOK

- The archipelago's growth is expected to moderate as a result of the slowdown in the United States. It will continue to be driven by the rebound in the tourism and construction sectors.
- The authorities are expected to pursue fiscal consolidation. While inflation protection measures are likely to be maintained, pandemic and Hurricane Dorian-related spending would be reduced.
- The large majority of the Progressive Liberal Party (centre-left) under Prime Minister Philip Davis is expected to maintain political stability until the 2025 elections.
- Popular discontent with insecurity and rising prices should dominate the political debate.

➕
- Well-established tourism sector, benefiting from its proximity to the North American market
- International banking and financial services centre
- Institutional stability

➖
- Dependence on tourism (50% of GDP) and on the United States (tourism, trade, peg to the USD)
- High exposure to natural disasters and the effects of climate change
- Insularity: dependence on food and energy imports, maintaining a large current account deficit
- High public debt
- High crime rate, especially associated with drug trafficking
- Considered a tax haven, subject to increased scrutiny: added to the EU list in October 2022

BAHRAIN 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**A4**	

POPULATION Millions of persons	1.5
GDP PER CAPITA US Dollars	26,136

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.2	-4.9	2.2	4.0	3.0
Inflation (yearly average, %)	1.0	-2.3	-0.6	3.5	3.0
Budget balance (% GDP)	-9.0	-17.9	-11.1	-5.0	-6.0
Current account balance (% GDP)	-2.1	-9.3	6.7	8.5	5.0
Public debt* (% GDP)	101.6	129.7	128.5	120.0	121.0

(f): Forecast. * General government gross debt.

TRADE EXCHANGES

Exports of goods by country as a % of total

SAUDI ARABIA	**16%**
UNITED ARAB EMIRATES	**9%**
UNITED STATES	**6%**
EURO AREA	**5%**
OMAN	**4%**

Imports of goods by country as a % of total

SAUDI ARABIA	**25%**
EURO AREA	**12%**
CHINA	**9%**
AUSTRALIA	**6%**
BRAZIL	**5%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**31%**
NON-FERROUS METALS	**22%**
METALLIFEROUS ORES AND METAL SCRAP	**11%**
IRON AND STEEL	**6%**
MANUFACTURES OF METAL	**3%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**23%**
METALLIFEROUS ORES AND METAL SCRAP	**11%**
ROAD VEHICLES	**5%**
OTHER TRANSPORT EQUIPMENT	**5%**
MISCELLANEOUS MANUFACTURED ARTICLES	**4%**

2023 OUTLOOK

- Growth will slow on the back of tighter monetary policy and lower oil exports. Investments in new refining capacities and tourism revenues will be supportive.
- After improving significantly in 2022, the budget deficit will increase due to falling oil revenues.
- Lower exports and higher foreign workers' remittances will drag down the current account surplus, despite higher tourism revenues.
- No political tension expected in the absence of an organised opposition. However, existing tensions between the Shia majority and Sunni elite will continue.

➕
- Solid banking sector, developed financial hub
- More diversified economy compared with its GCC neighbours
- Large aluminium exports, making Bahrain the eighth largest exporter in the world
- Easy policy making process, secured one again after the elections in November 2022, no challenge to the authorities

➖
- High fiscal and external breakeven oil prices
- High level of public debt
- Fiscal and export dependence on oil and aluminum sales, exposure to volatility in commodity prices

BANGLADESH 🌐

COUNTRY RISK	**C**
BUSINESS CLIMATE	**C**

POPULATION Millions of persons	**166.7**
GDP PER CAPITA US Dollars	**2,498**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth* (%)	7.9	3.4	6.9	7.2	6.0
Inflation* (yearly average, %)	5.5	5.6	5.6	6.1	8.0
Budget balance* (% GDP)	-5.4	-4.8	-3.6	-5.1	-5.5
Current account balance (% GDP)	-1.3	-1.5	-1.1	-4.1	-3.8
Public debt* (% GDP)	31.7	34.2	35.5	37.5	37.2

(f): Forecast. *Fiscal year 2023 from July 2022 to June 2023.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**30%**
UNITED STATES	**15%**
UNITED KINGDOM	**8%**
POLAND	**4%**
INDIA	**3%**

Imports of goods by country as a % of total

CHINA	**25%**
INDIA	**16%**
SINGAPORE	**6%**
INDONESIA	**4%**
UNITED STATES	**4%**

Exports of goods by product as a % of total

ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**82%**
TEXTILE YARN AND RELATED PRODUCTS	**5%**
FOOTWEAR	**2%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**1%**
TEXTILES FIBRES AND THEIR WASTES	**1%**

Imports of goods by product as a % of total

TEXTILE YARN AND RELATED PRODUCTS	**17%**
TEXTILES FIBRES AND THEIR WASTES	**7%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**6%**
IRON AND STEEL	**5%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**5%**

2023 OUTLOOK

- Growth outlook constrained by lower consumption due to weaker household income. Power shortages, rising input costs will limit industrial output. Public spending slackens on government austerity measures to create fiscal space.
- Garment exports (>80% total exports) to slow on growth weakness in major economies. High prices and shortages of fertilisers also weigh on agriculture output.
- Inflation to accelerate. High commodity prices, local fuel price hikes, proposed power tariff rate increases are all factors for price pressures.

➕
- Competitive garment sector
- Substantial remittances from expatriate workers (mainly from Gulf States)
- International aid helps to cover financing needs
- Moderate level of public debt
- Favourable demographics
- Improving financial inclusion through microfinance and mobile services

➖
- Economy vulnerable to changes in global textile sector and developments in GCC countries
- Very low per capita income and low participation of women
- Recurring and growing political, religious and social tensions
- Business climate shortcomings; lack of infrastructure
- Recurring natural disasters result in significant damage and crop losses
- Weak banking sector (rising NPLs, low profitability)

BARBADOS 🌐

COUNTRY RISK	**D**
BUSINESS CLIMATE	**A4**

POPULATION Millions of persons	**0.3**
GDP PER CAPITA US Dollars	**16,817**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-0.2	-13.5	-0.3	10.5	4.0
Inflation (yearly average, %)	4.1	2.8	3.5	8.5	4.0
Budget balance* (% GDP)	3.6	-4.8	-4.8	-3.2	-1.5
Current account balance (% GDP)	-2.8	-5.9	-10.9	-10.0	-8.0
Public debt (% GDP)	117.4	137.2	137.9	118.0	112.0

(f): Forecast. *Fiscal year April 1 to March 31 (2023: April 1, 2023 to March 31, 2024).

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**20%**
GUYANA	**8%**
JAMAICA	**8%**
TRINIDAD AND TOBAGO	**7%**
EURO AREA	**7%**

Imports of goods by country as a % of total

UNITED STATES	**48%**
TRINIDAD AND TOBAGO	**12%**
EURO AREA	**8%**
UNITED KINGDOM	**4%**
CHINA	**4%**
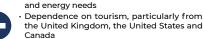
Exports of goods by product as a % of total

BEVERAGES	**20%**
MISCELLANEOUS MANUFACTURED ARTICLES	**13%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**8%**
NON METALLIC MINERAL MANUFACTURES	**6%**
MISCELLANEOUS EDIBLE PRODUCTS AND PREPARATIONS	**5%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**25%**
ROAD VEHICLES	**8%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**4%**
MISCELLANEOUS MANUFACTURED ARTICLES	**4%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**3%**

2023 OUTLOOK

- The continued rebound in tourism should support activity. The slowdown in the United Kingdom, the United States and Canada could nevertheless weigh on prospects for the sector. Fiscal consolidation efforts will slow down construction.
- SOE and pension reforms will contribute to a primary surplus from 2022/23. Public debt would resume the downward trajectory interrupted by COVID-19 and natural disasters.
- Despite rising tourism revenues, high import prices will keep the current account deficit high.
- Prime Minister Mia Mottley's mandate was strengthened by her party's landslide victory in the January 2022 elections.

➕
- Popular tourist destination
- Growing reputation as an international center for financial services
- Strong institutions supportive governance
- High foreign exchange reserves (nearly 9 months of imports)

➖
- Exposed to the effects of climate change and hazards, as well as to the volcanic activity of La Soufrière on the neighboring island of Saint Vincent
- Insularity: dependence on imports for its food and energy needs
- Dependence on tourism, particularly from the United Kingdom, the United States and Canada
- Despite some progress in transparency, jurisdiction under FATF supervision
- High unemployment (over 9% in mid-2022), widespread poverty
- Very high public debt, despite restructuring in 2018/19

BELARUS 🌐

COUNTRY RISK	D
BUSINESS CLIMATE	D

POPULATION Millions of persons	9.4
GDP PER CAPITA US Dollars	7,295

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.4	-1.0	2.6	-8.0	-2.7
Inflation (yearly average, %)	5.6	5.5	9.5	15.6	11.0
Budget balance* (% GDP)	0.9	-2.9	-1.7	-4.5	-2.3
Current account balance (% GDP)	-0.9	-0.2	2.7	-1.5	-1.1
Public debt* (% GDP)	41.0	48.0	41.2	36.7	37.9

(f): Forecast. *Off-budget operations and secured debts of public enterprises included.

TRADE EXCHANGES

Exports of goods by country as a % of total

RUSSIA	41%
EURO AREA	17%
UKRAINE	14%
POLAND	5%
KAZAKHSTAN	2%

Imports of goods by country as a % of total

RUSSIA	57%
EURO AREA	11%
CHINA	10%
UKRAINE	4%
POLAND	3%

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	10%
DAIRY PRODUCTS AND BIRDS' EGGS	9%
FERTILISERS, NOT CRUDE	7%
IRON AND STEEL	5%
CORK AND WOOD MANUFACTURES (EXCL. FURNITURE)	4%

Imports of goods by product as a % of total
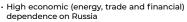
IRON AND STEEL	10%
ROAD VEHICLES	6%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	6%
OTHER INDUSTRIAL MACHINERY AND PARTS	5%
MANUFACTURES OF METAL	4%

2023 OUTLOOK

- The recession is expected to continue in 2023, driven by weaker household consumption, reduced production in key sectors (industry and agriculture) and lower investment (notably from Russia).
- EU sanctions associated with the war in Ukraine regarding export, import, financing, and transport will weigh on the exchanges, despite initiated shift in trade and despite their circumvention.
- Still high inflation and expatriate remittances hit by the Russian recession will hamper household consumption.
- The fiscal deficit will remain negative, due to the decrease in revenues, and to expenses associated with support measures.

➕
- Member of the Eurasian Economic Union
- Relatively well trained and skilled workforce
- Large industrial (31% of GDP in 2020) and agricultural (10% of GDP) sectors
- Little inequality and poverty is rare

➖
- High economic (energy, trade and financial) dependence on Russia
- Low geographical and sectoral diversification of exports
- State plays a massive role in the economy (1/2 of total value added, 2/3 of total employment)
- Poor governance (high corruption, weak legal system, institutional rigidity, absence of pluralism)
- Monetary policy is not independent, the central bank reports directly to the President
- Shrinking labour force

BELGIUM 🌐

COUNTRY RISK	A3
BUSINESS CLIMATE	A1

POPULATION Millions of persons	11.6
GDP PER CAPITA US Dollars	51,849

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.1	-5.7	6.2	3.0	-0.1
Inflation (yearly average, %)	1.4	0.7	2.4	9.6	7.4
Budget balance (% GDP)	-1.9	-9.0	-5.6	-5.0	-5.5
Current account balance (% GDP)	0.1	1.1	0.4	-3.9	-1.6
Public debt (% GDP)	97.5	112.0	109.3	102.7	101.4

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	19%
FRANCE	14%
NETHERLANDS	12%
UNITED STATES	6%
UNITED KINGDOM	6%

Imports of goods by country as a % of total

NETHERLANDS	19%
GERMANY	14%
FRANCE	10%
UNITED STATES	6%
CHINA	6%

Exports of goods by product as a % of total

MEDICINAL AND PHARMACEUTICAL PRODUCTS	19%
ROAD VEHICLES	10%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	6%
ORGANIC CHEMICALS	5%
PLASTICS IN PRIMARY FORMS	4%

Imports of goods by product as a % of total

MEDICINAL AND PHARMACEUTICAL PRODUCTS	13%
ROAD VEHICLES	10%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	8%
ORGANIC CHEMICALS	8%
GAS, NATURAL AND MANUFACTURED	5%

2023 OUTLOOK

- Belgium is set for a stagnation in 2023. While wages will increase sharply due to their indexation to the inflation rate, so will consumer prices. This will keep the purchasing power of households under pressure.
- Public deficit will increase due to higher wages for public employees and social benefits, as well as other state support measures to alleviate the energy bill. Revenues will be constrained by recession.
- Despite very heterogeneous political positions, the "Vivaldi-coalition" out of seven parties will keep on, due to the fear of extremist parties coming to power instead.

➕
- Optimal trade-strategic location between the United Kingdom, Germany and France
- Ports of Antwerp (second-largest in Europe) and Zeebrugge
- Presence of European institutions, international organisations and global groups
- Well-trained workforce thanks to vocational education, multilingualism

➖
- Political and financial tensions between Flanders and Wallonia
- Complex institutional structure and multiple administrative levels
- Very dependent on the Western European economy: exports of goods and services = 86% of GDP, of which almost 60% go to the rest of the EU
- High structural unemployment
- Heavy public debt

BELIZE 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**C**	

POPULATION Millions of persons	**0.4**
GDP PER CAPITA US Dollars	**5,638**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.5	-13.4	15.2	6.5	2.7
Inflation (yearly average, %)	0.2	0.1	3.3	6.3	4.0
Budget balance* (% GDP)	-4.6	-11.5	-0.5	0.1	-0.5
Current account balance (% GDP)	-9.5	-8.1	-8.2	-10.0	-9.0
Public debt (% GDP)	80.5	106.6	83.0	79.5	76.0

(f): Forecast. *Fiscal year from April 1st to March 31st. 2023 data 2023/24.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED KINGDOM	**27%**
UNITED STATES	**22%**
EURO AREA	**19%**
GUATEMALA	**8%**
JAMAICA	**6%**

Imports of goods by country as a % of total

UNITED STATES	**36%**
CHINA	**16%**
MEXICO	**13%**
GUATEMALA	**12%**
EURO AREA	**4%**

Exports of goods by product as a % of total

VEGETABLES AND FRUITS	**26%**
SUGAR, SUGAR PREPARATIONS AND HONEY	**23%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**12%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**6%**
METALLIFEROUS ORES AND METAL SCRAP	**5%**

Imports of goods by product as a % of total
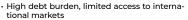
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**16%**
TOBACCO AND TOBACCO MANUFACTURES	**4%**
ROAD VEHICLES	**4%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**4%**
MISCELLANEOUS MANUFACTURED ARTICLES	**4%**

2023 OUTLOOK

- Growth will be supported by the rebound in tourism and the development of tourism infrastructure. However, it will be held back by the slowdown in the United States, the main destination for exports and a source of tourists and investment.
- Although the introduction of a minimum wage (5 BZD per hour) will increase the government's wage bill, the deficit is expected to remain small. The restructuring of part of the debt has reduced the cost of servicing, which remains high.
- The current account deficit is expected to remain large despite increased tourism receipts. FDI, grants and multilateral loans would finance it, allowing the peg to the USD to be maintained (1 USD = 2 BZD).

➕
- Highly competitive tourism industry compared with regional peers
- Agricultural resources (sugar cane, citrus, bananas) and fisheries
- Support from international lenders

➖
- High debt burden, limited access to international markets
- Undiversified exports, dependence on tourism (40% of the economy) and on agriculture
- Dependence on imports, starting with those of energy
- Underdeveloped manufacturing sector
- Exposed to climatic events
- Poor social and physical infrastructure
- Criminality related to human and drug trafficking, as well as organised gang activity

BENIN 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**C**	

POPULATION Millions of persons	**12.5**
GDP PER CAPITA US Dollars	**1,417**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	6.9	3.8	5.5	5.5	5.5
Inflation (yearly average, %)	-0.9	3.0	1.7	3.0	3.0
Budget balance (% GDP)	-0.5	-4.7	-5.7	-5.5	-4.3
Current account balance (% GDP)	-4.0	-1.7	-4.4	-6.2	-5.7
Public debt (% GDP)	41.2	46.1	49.9	51.6	52.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

BANGLADESH	**42%**
INDIA	**10%**
CHINA	**10%**
VIETNAM	**5%**
CHAD	**4%**

Imports of goods by country as a % of total

EURO AREA	**23%**
INDIA	**17%**
CHINA	**12%**
TOGO	**4%**
UNITED ARAB EMIRATES	**4%**

Exports of goods by product as a % of total

TEXTILES FIBRES AND THEIR WASTES	**38%**
GOLD, NON-MONETARY	**25%**
VEGETABLES AND FRUITS	**10%**
OIL SEEDS AND OLEAGINOUS FRUITS	**8%**
IRON AND STEEL	**3%**
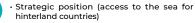
Imports of goods by product as a % of total

CEREALS AND CEREAL PREPARATIONS	**19%**
ROAD VEHICLES	**12%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**6%**
TEXTILE YARN AND RELATED PRODUCTS	**6%**
IRON AND STEEL	**5%**

2023 OUTLOOK

- After the cotton boom, the economy will benefit in 2023 from the opening of transit infrastructures, such as the Agadem (Niger)-Port Sémé oil pipeline and the "cotton road" in the North.
- Food self-sufficiency and subsidies, which can be sustained thanks to sound finances, mitigate the effects of inflation on households.
- The World Bank supports projects to develop tourism and processing industries.
- There is a growing risk in the North due to jihadist incursions.
- Re-elected in 2021, President Talon has no strong opposition, but territorial and social inequalities weaken the social context.

➕
- High growth potential, based on tourism, transit trade and improved agricultural yields
- Strategic position (access to the sea for hinterland countries)
- Effective structural reforms: investment and fiscal consolidation

➖
- Poorly diversified economy (exports based on cotton, cashew nuts and re-exports)
- Governance deficiencies: corruption, bureaucracy, political and judicial arbitrariness
- Insecurity in the North due to Islamists

BOLIVIA 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	C
BUSINESS CLIMATE	B

POPULATION Millions of persons	11.8
GDP PER CAPITA US Dollars	3,449

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.2	-8.7	6.1	3.8	3.2
Inflation (yearly average, %)	1.8	0.9	0.7	3.2	3.6
Budget balance (% GDP)	-7.2	-12.7	-9.3	-8.5	-7.9
Current account balance (% GDP)	-3.3	-0.7	2.0	-1.4	-1.6
Public debt (% GDP)	59.3	78.0	80.5	82.6	85.1

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

INDIA	17%
BRAZIL	13%
ARGENTINA	9%
EURO AREA	9%
JAPAN	8%

Imports of goods by country as a % of total

CHINA	21%
BRAZIL	18%
ARGENTINA	13%
PERU	8%
CHILE	7%

Exports of goods by product as a % of total

GOLD, NON-MONETARY	25%
GAS, NATURAL AND MANUFACTURED	22%
METALLIFEROUS ORES AND METAL SCRAP	21%
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	6%
FEEDSTUFF FOR ANIMALS (EXCL. UNMILLED CEREALS)	6%

Imports of goods by product as a % of total
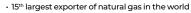
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	18%
ROAD VEHICLES	10%
IRON AND STEEL	6%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	5%
OTHER INDUSTRIAL MACHINERY AND PARTS	4%

2023 OUTLOOK
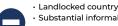
- In 2023, the economy should still expand nicely, lifted by household consumption amid an improving job market and moderate inflation.
- Exports growth to lose steam, owing to the cooling down of activity in its main trade partners (Brazil and Argentina) and to some softening of commodity prices.
- Still substantial fuel subsidies and rising borrowing costs will limit stronger fiscal consolidation.
- On the external front, declining international reserves pose a risk.

➕
- Substantial mineral (gas, oil, zinc, silver, gold, lithium, tin, manganese) and agricultural (soya, quinoa) resources
- 15th largest exporter of natural gas in the world
- Member of the Andean Community and Associate member of Mercosur
- Currency pegged to the US dollar
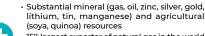
➖
- Undiversified economy, dependent on hydro-carbons and ores
- Low private sector development and high dependence on the public sector
- Landlocked country
- Substantial informal sector
- Insecurity, drug trafficking, corruption
- Risks of social unrest, highly polarised country
- Limited access to external financing
- Potential risks of a balance payment and/or debt crisis if the currency peg is abandoned and with delays in adjustment

BOSNIA AND HERZEGOVINA 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	D
BUSINESS CLIMATE	B

POPULATION Millions of persons	3.5
GDP PER CAPITA US Dollars	6,712

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.8	-3.2	7.5	3.4	1.4
Inflation (yearly average, %)	0.6	-1.1	2.0	14.3	8.0
Budget balance (% GDP)	1.5	-4.1	0.7	0.5	1.1
Current account balance (% GDP)	-3.1	-3.3	-2.3	-4.0	-4.5
Public debt (% GDP)	32.5	36.7	35.4	34.5	31.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	52%
CROATIA	13%
TURKEY	3%
SWITZERLAND	2%
HUNGARY	2%

Imports of goods by country as a % of total

EURO AREA	40%
CROATIA	9%
CHINA	8%
TURKEY	6%
RUSSIA	3%
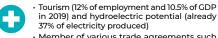
Exports of goods by product as a % of total

|	
MANUFACTURES OF METAL	9%
ELECTRIC CURRENT	8%
FURNITURE AND PARTS THEREOF	7%
MISCELLANEOUS MANUFACTURED ARTICLES	6%
FOOTWEAR	6%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	8%
ROAD VEHICLES	6%
IRON AND STEEL	6%
NON-FERROUS METALS	4%
MANUFACTURES OF METAL	4%

2023 OUTLOOK

- Inflation should remain high, which will hamper household consumption.
- The decline in real household income, as well as potentially lower external demand will have an impact on growth, which will moderate in 2023.
- The current account balance could be impacted both by a drop in energy exports and manufactured goods, but also by a moderation tourism, following a very bullish year in 2022.
- After additional expenditure to support households and in the context of general elections in 2022, the budget balance will improve in 2023.
- The results of the elections could have a negative impact on the political stability of the country.

➕
- Significant transfers from expatriate workers
- Currency pegged to the euro
- EU candidate status since 2022
- Tourism (12% of employment and 10.5% of GDP in 2019) and hydroelectric potential (already 37% of electricity produced)
- Member of various trade agreements such (CEFTA, Regional Common Market of 6 Balkan countries)
- Wage competitiveness
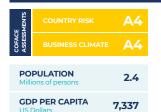
➖
- Institutional, regulatory, economic and community fragmentation
- Lack of public investment
- Exports sector undiversified
- Corruption, defective rule of law
- High emigration, lack of skilled workforce
- Large informal sector (one third of the economy), low labour force participation (48%), high youth unemployment (one third)
- Dependence on external financial assistance

BOTSWANA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A4**	
BUSINESS CLIMATE	**A4**	

POPULATION Millions of persons	**2.4**
GDP PER CAPITA US Dollars	**7,337**

2023 OUTLOOK

- Economic recovery will remain on track in 2023, driven largely by improved terms of trade and increased diamond production, as well as a more dynamic tourism sector.
- The public and external accounts will strengthen, notably thanks to a fiscal consolidation plan (control of the wage bill, better targeting of social spending, etc.), super-profits from the mining industry, and increased exports.
- Despite peaceful and transparent elections in 2019, social stability could be at risk, against a backdrop of continuing high price volatility and inequality.

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.0	-8.5	12.5	4.2	4.2
Inflation (yearly average, %)	2.7	1.9	6.7	10.0	7.0
Budget balance* (% GDP)	-8.6	-9.9	-4.7	-3.1	0.9
Current account balance (% GDP)	-8.4	-10.6	-0.5	0.5	2.8
Public debt (% GDP)	16.3	19.5	21.3	23.2	22.9

(f): Prévision. *Fiscal year from 1st April - 31st March; 2023: data 2022/23.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED ARAB EMIRATES	**26%**
EURO AREA	**24%**
INDIA	**17%**
SOUTH AFRICA	**9%**

Imports of goods by country as a % of total

SOUTH AFRICA	**54%**
EURO AREA	**18%**
NAMIBIA	**5%**
INDIA	**5%**
UNITED ARAB EMIRATES	**4%**

Exports of goods by product as a % of total

NON METALLIC MINERAL MANUFACTURES	**90%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**2%**
METALLIFEROUS ORES AND METAL SCRAP	**1%**
LIVE ANIMALS OTHER THAN FISH, CRUSTACEANS & MOLLUSCS	**1%**
CRUDE FERTILISERS AND CRUDE MINERALS	**1%**

Imports of goods by product as a % of total

NON METALLIC MINERAL MANUFACTURES	**32%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**11%**
ROAD VEHICLES	**5%**
MISCELLANEOUS MANUFACTURED ARTICLES	**4%**
SPECIALISED MACHINERY	**3%**

➕
- Abundant natural resources (notably diamonds, but also copper, silver and nickel)
- Low public and external debt
- Significant foreign exchange reserves
- Political stability and strong governance place the country among the top countries in sub-Saharan Africa in international business environment rankings
- Member of the Southern African Customs Union (SACU)

➖
- Dependence on the diamond sector (over 90% of exports)
- Inadequate infrastructure (water and electricity production and distribution)
- High inequality and unemployment, poverty remains relatively high
- Lack of skilled labour, small domestic market

BRAZIL 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**A4**	

POPULATION Millions of persons	**212.6**
GDP PER CAPITA US Dollars	**7,564**

2023 OUTLOOK

- GDP will weaken in 2023, as the sharp tightening of credit conditions should be felt more acutely (affecting private consumption and investments), and assuming some softening in commodity export prices.
- Conversely, estimates for the 2022/2023 grain crop point to a record output (also benefiting agricultural export volumes).
- Lula, from the left and already president twice, took office again in January 2023. He is expected to increase social expenditure and infrastructure investments. Nonetheless, this should lead to a higher fiscal deficit, further pressuring the already elevated public debt.

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.2	-3.3	5.0	2.9	0.7
Inflation (yearly average, %)	3.7	3.2	8.3	9.3	5.2
Budget balance (% GDP)	-5.8	-13.3	-4.3	-5.2	-8.5
Current account balance (% GDP)	-3.6	-1.9	-2.8	-2.7	-2.5
Public debt (% GDP)	74.4	86.9	78.3	74.5	78.5

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**31%**
EURO AREA	**12%**
UNITED STATES	**11%**
ARGENTINA	**4%**
CHILE	**2%**

Imports of goods by country as a % of total

CHINA	**22%**
UNITED STATES	**18%**
EURO AREA	**15%**
ARGENTINA	**5%**
INDIA	**3%**

Exports of goods by product as a % of total

METALLIFEROUS ORES AND METAL SCRAP	**19%**
OIL SEEDS AND OLEAGINOUS FRUITS	**14%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**14%**
MEAT AND MEAT PREPARATIONS	**7%**
IRON AND STEEL	**5%**

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**8%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**8%**
FERTILISERS, NOT CRUDE	**7%**
ROAD VEHICLES	**6%**
ORGANIC CHEMICALS	**6%**

➕
- Varied mineral resources and agricultural harvests
- Large population (estimated at 212.6 million)
- Well-diversified industry
- Strong foreign exchange reserves
- Net creditor in foreign currency

➖
- Sensitive fiscal position
- Infrastructure bottlenecks
- Low level of investment (roughly 20% of GDP)
- High costs of production (wages, energy, logistics, credit) that harm competitiveness
- Shortage of qualified labour, inadequate education system
- Criticised environmental policy (permissive with deforestation)

BULGARIA ⊕

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**A3**	

POPULATION Millions of persons	**6.8**
GDP PER CAPITA US Dollars	**11,746**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.0	-4.0	7.6	3.7	1.0
Inflation (yearly average, %)	3.1	1.7	3.3	15.3	11.2
Budget balance (% GDP)	2.1	-3.8	-3.9	-3.4	-2.8
Current account balance (% GDP)	1.9	0.0	-0.5	0.6	0.5
Public debt (% GDP)	20.0	24.5	23.9	22.5	23.7

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	**15%**
ROMANIA	**10%**
ITALY	**8%**
GREECE	**7%**
TURKEY	**6%**

Imports of goods by country as a % of total

GERMANY	**12%**
TURKEY	**8%**
RUSSIA	**8%**
ROMANIA	**8%**
ITALY	**7%**

Exports of goods by product as a % of total

NON-FERROUS METALS	**11%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**10%**
CEREALS AND CEREAL PREPARATIONS	**6%**
METALLIFEROUS ORES AND METAL SCRAP	**4%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**3%**

Imports of goods by product as a % of total
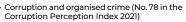
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**8%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**7%**
METALLIFEROUS ORES AND METAL SCRAP	**7%**
ROAD VEHICLES	**5%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**

2023 OUTLOOK

- Economic growth will be low because of still strong inflation that will reduce the purchasing power of households and companies in 2023.
- Although Russia stopped energy exports to Bulgaria, the country can continue to function thanks to its diversified energy mix.
- The high inflation and the political deadlock will delay the accession of Bulgaria to the EMU.
- In October 2022, the third consecutive snap-election took place. The conservative party GERB came in first, but as the 2020 protest movement against the political system had started because of corruption of GERB politicians, the constitution of a viable coalition is not obvious.

⊕
- Diversified productive base (Bulgaria is a large producer and exporter of cereal and mostly independent of food imports from abroad)
- Low public debt
- Tourism potential
- Low production costs and good price competitiveness
- Monetary stability, the Bulgarian Lev is in a peg with the Euro

⊖
- Corruption and organised crime (No. 78 in the Corruption Perception Index 2021)
- Inefficient public services and judicial system
- Fragmented political landscape makes the founding of a stable government complicated
- Lack of skilled labour
- Declining and relatively poor population (GDP per capita = 24% of the EU average in 2021)
- Strong informal economy

BURKINA FASO ⊕

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**C**	

POPULATION Millions of persons	**21.5**
GDP PER CAPITA US Dollars	**887.3**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.7	1.9	6.9	3.6	4.0
Inflation (yearly average, %)	-3.2	1.9	3.9	14.0	7.5
Budget balance* (% GDP)	-3.2	-5.7	-6.0	-6.1	-6.0
Current account balance* (% GDP)	-3.3	-0.1	-3.0	-6.0	-4.5
Public debt (% GDP)	43.9	47.8	49.5	59.6	59.0

(f): Forecast. *Including grants.

TRADE EXCHANGES

Exports of goods by country as a % of total

SWITZERLAND	**72%**
INDIA	**10%**
SINGAPORE	**4%**
CÔTE D'IVOIRE	**4%**
EURO AREA	**2%**

Imports of goods by country as a % of total

EURO AREA	**20%**
CHINA	**14%**
CÔTE D'IVOIRE	**8%**
UNITED STATES	**7%**
GHANA	**6%**

Exports of goods by product as a % of total

GOLD, NON-MONETARY	**80%**
TEXTILES FIBRES AND THEIR WASTES	**6%**
METALLIFEROUS ORES AND METAL SCRAP	**4%**
VEGETABLES AND FRUITS	**3%**
OIL SEEDS AND OLEAGINOUS FRUITS	**2%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**27%**
ROAD VEHICLES	**7%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**
NON METALLIC MINERAL MANUFACTURES	**4%**
CEREALS AND CEREAL PREPARATIONS	**4%**

2023 OUTLOOK

- With two coups having occurred in 2022, the political environment will remain very unstable, with continued high levels of insecurity, which will lead to social tensions.
- Growth will be supported by gold and cotton exports, a buoyant services sector and lower inflation, but will remain subdued as political instability weighs on private investment and continued high commodity prices on imports.
- The budget deficit will remain large, as defence and security spending will remain very high, combined with significant needs for social transfers to deal with the humanitarian crisis.

⊕
- Major producer of gold (6th in Africa) and cotton (3rd in Africa in 2020)
- Member of the West African Economic and Monetary Union (ensuring the stability of the currency, the CFA franc, against the euro)
- Support from the international financial community (one of the first countries to benefit from the HIPC initiative)

⊖
- Economy highly exposed to climatic hazards
- Vulnerability to changes in cotton and gold prices
- High dependence on external aid
- Weak electrical infrastructure
- Very high poverty rate, increased by massive population displacement and critical food insecurity
- Large informal sector and weak business environment
- Presence of armed Islamist groups (foreign and domestic)

BURUNDI 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	D
BUSINESS CLIMATE	E

POPULATION Millions of persons	12.2
GDP PER CAPITA US Dollars	274

Main Economic Indicators	2019	2020	2021	2022 (p)	2023 (f)
GDP growth (%)	1.8	0.3	2.0	2.3	3.0
Inflation (yearly average, %)	-0.7	7.3	8.3	18.5	13.5
Budget balance* (% GDP)	-6.0	-7.8	-5.0	-7.4	-6.2
Current account balance (% GDP)	-11.6	-10.2	-13.4	-14.4	-14.0
Public debt** (% GDP)	60.0	66.0	66.6	66.9	67.7

(f): Forecast. *Fiscal year 2023: from 1 July 2022 to 30 June 2023. **Grants included.

TRADE EXCHANGES

Exports of goods by country as a % of total

CONGO DR	**24%**
EURO AREA	**18%**
PAKISTAN	**9%**
TANZANIA	**6%**
OMAN	**5%**

Imports of goods by country as a % of total

CHINA	**18%**
SAUDI ARABIA	**13%**
TANZANIA	**9%**
EURO AREA	**9%**
INDIA	**8%**

Exports of goods by product as a % of total

GOLD, NON-MONETARY	**50%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**31%**
METALLIFEROUS ORES AND METAL SCRAP	**6%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**1%**
CEREALS AND CEREAL PREPARATIONS	**1%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**15%**
ROAD VEHICLES	**8%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**8%**
CEREALS AND CEREAL PREPARATIONS	**6%**
IRON AND STEEL	**6%**

2023 OUTLOOK

- After seven years of international financial sanctions, Burundi is renewing ties with foreign partners, pressed by financial and infrastructure needs.
- Faced with rampant inflation of imported goods, purchasing power is expected to remain among the lowest in the world, resulting in significant humanitarian needs.
- Mining projects could support the country's major accounts, but their materialisation remains conditional on the business environment, notably legal and logistical.
- Burundi still bears the scars of the civil war of 1990-2000, which led to an authoritarian regime still in place under President Evariste Ndayishimiye.

➕
- Subsoil wealth (rare earths, nickel)
- Potential gains in agricultural productivity

➖
- Fragile political institutions in a country marked by ethnic conflicts and military regimes
- Widespread extreme poverty
- High risk on debt and external accounts
- Dependence on international aid and recent end of diplomatic isolation
- Landlocked and lacking infrastructure
- Lack of diversification; subsistence agriculture
- Corruption and ineffective macroeconomic policies

CABO VERDE 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	C
BUSINESS CLIMATE	B

POPULATION Millions of persons	0.6
GDP PER CAPITA US Dollars	3,749

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.7	-14.8	7.0	4.0	4.8
Inflation (yearly average, %)	1.1	0.6	1.9	6.5	3.5
Budget balance* (% GDP)	-1.7	-9.1	-7.3	-6.3	-5.6
Current account balance** (% GDP)	-0.4	-15.0	-11.3	-14.1	-6.2
Public debt (% GDP)	114.0	145.1	142.3	154.5	149.0

(f): Forecast. *Including grants. **Including official transfers.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**85%**
UNITED STATES	**5%**
GUINEA-BISSAU	**1%**
MOROCCO	**1%**
ECUADOR	**0%**

Imports of goods by country as a % of total

EURO AREA	**68%**
ARGENTINA	**9%**
CHINA	**6%**
UNITED STATES	**4%**
BRAZIL	**2%**

Exports of goods by product as a % of total

FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**69%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**7%**
FOOTWEAR	**3%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**3%**
METALLIFEROUS ORES AND METAL SCRAP	**3%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**16%**
ROAD VEHICLES	**7%**
NON METALLIC MINERAL MANUFACTURES	**5%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**4%**
VEGETABLES AND FRUITS	**4%**

2023 OUTLOOK

- As the Cabo Verdean economy is heavily dependent on tourism, mainly from Western Europe, its growth rate will remain subject to the European economic outlook.
- The war in Ukraine is fueling inflationary pressures in Cabo Verde, which imports the majority of its food and energy, but consumption will benefit from expatriate remittances.
- The country benefits from significant international financial support, in particular thanks to the three-year Extended Credit Facility granted by the IMF following the state of social and economic emergency declared in June 2022.
- Despite the establishment of a coalition, the president José Maria Neves, elected in 2021, should not face major political tensions.

➕
- Fishery reserves
- Efficient banking and telecommunications services
- Stable political institutions
- Exchange rate cooperation agreement with Portugal, guaranteeing convertibility and a fixed rate with the euro, and a credit facility
- 20% of the country's energy consumption currently comes from solar panels and wind turbines, with a target of 50% by 2030

➖
- Weak diversification of the economy and dependence on tourism
- Very high level of public debt
- Heavily dependent on the economic performance of Eurozone countries
- Ageing, poor-quality infrastructure
- Island location: dependent on food imports (85% of total imports) and energy products
- Exposed to climate change, volcanic and earthquake events, and hurricanes

CAMBODIA 🌐

COUNTRY RISK		**C**
BUSINESS CLIMATE		**B**

POPULATION Millions of persons	**15.8**
GDP PER CAPITA US Dollars	**1,662**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	7.0	-3.1	3.0	5.0	5.6
Inflation (yearly average, %)	2.0	2.9	2.9	5.6	4.5
Budget balance (% GDP)	3.0	-3.8	-7.2	-4.2	-4.4
Current account balance (% GDP)	-15.0	-12.1	-45.7	-23.8	-17.2
Public debt (% GDP)	28.2	33.9	35.2	35.5	35.7

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**43%**
EURO AREA	**17%**
CHINA	**9%**
JAPAN	**6%**
CANADA	**5%**

Imports of goods by country as a % of total

CHINA	**33%**
SINGAPORE	**17%**
THAILAND	**12%**
VIETNAM	**11%**
TAIWAN	**4%**

Exports of goods by product as a % of total

ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**43%**
FOOTWEAR	**8%**
TRAVEL GOODS, HANDBAGS, ETC.	**7%**
VEGETABLES AND FRUITS	**7%**
GOLD, NON-MONETARY	**6%**

Imports of goods by product as a % of total

TEXTILE YARN AND RELATED PRODUCTS	**20%**
GOLD, NON-MONETARY	**10%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**8%**
ROAD VEHICLES	**6%**
IRON AND STEEL	**4%**

2023 OUTLOOK

- Still in a gloomy global environment, the Cambodian economy should grow at a slightly faster rate in 2023.
- Public budget balance will remain in deficit with a still expansionary fiscal policy. However, public debt level is moderated. More concerns come from private sector indebtedness.
- Although expected to narrow with the rebound in tourism, the current account deficit will stay high. Project financing, FDI, as well as remittances and external financial aid should cover it.
- CPP is expected to conserve a large majority at the Assembly after general elections in July 2023.

➕
- Vibrant textile industry
- Financial support from bilateral and multi-lateral donors
- Dynamic (in normal times) tourism sector with strong potential
- Integrated in a regional network (ASEAN)
- Young population (50% of the population under 22)

➖
- Economy vulnerable to weather conditions
- Dependent on Chinese funding and concessional financing
- Great reliance on garment and tourism sectors
- Underdeveloped electricity and transport networks
- Low-value added garment exports
- Significant governance shortcomings, high levels of corruption
- Poverty rate remains high, low levels of spending on health and education
- Limited capacity of the only international seaport of Sihanoukville

CAMEROON 🌐

COUNTRY RISK		**C**
BUSINESS CLIMATE		**D**

POPULATION Millions of persons	**27.2**
GDP PER CAPITA US Dollars	**1,667**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.4	0.5	3.5	3.5	4.0
Inflation (yearly average, %)	2.5	2.4	2.5	5.0	4.0
Budget balance (% GDP)	-3.2	-3.6	-3.1	-2.5	-1.6
Current account balance (% GDP)	-4.3	-3.5	-4.1	-2.1	-2.5
Public debt (% GDP)	39.5	45.8	46.0	45.1	44.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**38%**
CHINA	**29%**
INDIA	**8%**
BANGLADESH	**4%**
MALAYSIA	**3%**

Imports of goods by country as a % of total

CHINA	**23%**
EURO AREA	**22%**
RUSSIA	**7%**
INDIA	**6%**
NIGERIA	**5%**

Exports of goods by product as a % of total
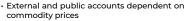
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**37%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**15%**
GAS, NATURAL AND MANUFACTURED	**13%**
CORK AND WOOD	**12%**
TEXTILES FIBRES AND THEIR WASTES	**5%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**13%**
CEREALS AND CEREAL PREPARATIONS	**10%**
ROAD VEHICLES	**6%**
IRON AND STEEL	**5%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**5%**

2023 OUTLOOK

- Thanks to strong prices, the ramp-up of gas exports should compensate for depleting oil fields.
- Despite wage increases in the public sector and increased subsidies on basic goods, insecurity, combined with inflation and fuel and food shortages, threatens household consumption.
- Focused on rail, port and hydropower, investments continue, making up for a backlog and improving logistics.
- Fiscal consolidation continues under an IMF programme.
- Yaoundé is diversifying its alliances, dealing with Russia as much as France and others.

➕
- Relatively diversified resources, including forestry, agriculture (e.g. cocoa and bananas), oil and minerals (e.g. aluminium)
- Expanding gas capacity in the short-term
- Hydroelectric potential
- CFA franc pegged to the euro

➖
- External and public accounts dependent on commodity prices
- Non-inclusive growth (extreme poverty), poor governance and business environment (corruption, etc.)
- Mature oil fields
- Increased political risk: insecurity in the far north of the country, tensions in the English-speaking regions of the northwest and southwest, succession of President Biya

CANADA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A2**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	**38.2**
GDP PER CAPITA US Dollars	**52,015**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.9	-5.1	5.0	3.5	1.1
Inflation (yearly average, %)	2.0	0.7	3.4	6.8	3.8
Budget balance* (% GDP)	0.1	-11.3	-4.8	-1.4	-1.1
Current account balance (% GDP)	-2.0	-2.2	-0.3	-0.2	-0.7
Public debt (% GDP)	92.8	126.8	116.5	113.2	109.2

(f): Forecast. *Federal government. Fiscal year from April 1st to March 31st. 2023 data: 2023/24.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**76%**
CHINA	**5%**
EURO AREA	**4%**
UNITED KINGDOM	**3%**
JAPAN	**2%**

Imports of goods by country as a % of total

UNITED STATES	**49%**
CHINA	**14%**
EURO AREA	**10%**
MEXICO	**5%**
JAPAN	**3%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**19%**
ROAD VEHICLES	**9%**
METALLIFEROUS ORES AND METAL SCRAP	**4%**
NON-FERROUS METALS	**4%**
GOLD, NON-MONETARY	**3%**

Imports of goods by product as a % of total

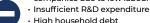|	
ROAD VEHICLES	**13%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**5%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**5%**
MISCELLANEOUS MANUFACTURED ARTICLES	**5%**

2023 OUTLOOK

- Inflation and high interest rates will dampen consumption and investment. Residential investment will suffer in particular. Infrastructure investment will benefit from still-high commodity prices.
- Interest costs will increase, but the federal budget deficit would remain small, as the government has signaled greater fiscal prudence.
- The current account deficit would widen, as exports bear the brunt of the US slowdown and moderating hydrocarbon prices.
- The agreement signed with the NDP (March 2022) would ensure stability for Justin Trudeau's (Liberal party) minority government until 2025.

➕
- Abundant energy, mineral and agricultural resources
- Fifth largest oil and gas producer in the world
- Strong, well-capitalised and well-supervised banking sector
- Immediate proximity to the US market
- Trade deals: USMCA with the US and Mexico, CETA with the EU
- Excellent business environment
- Lowest debt net in the G7 (30% of GDP)

➖
- Dependent on the US economy and energy prices
- Loss of competitiveness in manufacturing companies due to low labour productivity
- Insufficient R&D expenditure
- High household debt
- Deteriorating housing affordability
- Energy exports weakened by inadequate supply pipelines to the coasts and the United States, and by the US's own resources

CENTRAL AFRICAN REPUBLIC 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**E**	

POPULATION Millions of persons	**4.9**
GDP PER CAPITA US Dollars	**525**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.0	1.0	1.0	1.5	3.0
Inflation (yearly average, %)	2.8	0.9	4.3	6.5	6.3
Budget balance* (% GDP)	1.4	-3.4	-6.0	-4.8	-0.1
Current account balance** (% GDP)	-5.1	-8.6	-0.8	-14.1	-7.5
Public debt (% GDP)	47.2	43.4	47.6	46.3	44.7

(f): Forecast. *Including grants. **Including international cooperation

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**18%**
SWITZERLAND	**10%**
MOROCCO	**8%**
INDONESIA	**8%**
UGANDA	**6%**

Imports of goods by country as a % of total

EURO AREA	**28%**
CHINA	**27%**
CAMEROON	**23%**
INDIA	**3%**
CHAD	**3%**

Exports of goods by product as a % of total

CORK AND WOOD	**53%**
NON METALLIC MINERAL MANUFACTURES	**9%**
ROAD VEHICLES	**7%**
GOLD, NON-MONETARY	**5%**
MISCELLANEOUS MANUFACTURED ARTICLES	**5%**

Imports of goods by product as a % of total

ROAD VEHICLES	**12%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**11%**
MISCELLANEOUS MANUFACTURED ARTICLES	**9%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**
CEREALS AND CEREAL PREPARATIONS	**5%**

2023 OUTLOOK

- Although positive, the outlook for 2023 is subject to the evolution of the very precarious political and security situation following the contested re-election of President Touadéra in 2020 and the presence of rebel groups.
- Relations with the West will remain tense because of the economic and military collaboration (via the Wagner group) with Russia, without, normally, calling into question the indispensable international aid.
- The economy should benefit from exports boosted by still high prices and the recovery of trade.
- The rise in oil and food import prices, on which the CAR is highly dependent, will weigh on its economy.

➕
- Agricultural (timber, cotton, coffee), forestry and mining (diamond, gold, uranium) potential
- Substantial international financial support
- Member of the Central African Economic and Monetary Community (CEMAC)

➖
- Extreme and widespread poverty
- Fragile and unstable security and political conditions leading to significant population movements both within and out of the country
- Low economic diversification
- High dependence on commodity exports
- Illegal gold and diamond exports undermine government revenues
- Dependence on food and oil imports (accounting for 17% and 30% of its total goods imports, respectively)

CHAD 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		D
BUSINESS CLIMATE		E

POPULATION Millions of persons	16.9
GDP PER CAPITA US Dollars	697

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.4	-2.2	1.0	3.0	3.0
Inflation (yearly average, %)	-1.0	3.5	3.0	5.2	3.0
Budget balance* (% GDP)	-0.2	1.2	-1.8	5.4	7.8
Current account balance* (% GDP)	-4.4	-7.6	-4.5	0.8	-2.4
Public debt (% GDP)	52.3	54.2	56	44.7	38.3

(f): Forecast. *Grants and tranfers included.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	54%
CHINA	8%
TURKEY	4%
BANGLADESH	2%
CENTRAL AFRICAN REP.	1%

Imports of goods by country as a % of total

CHINA	36%
EURO AREA	19%
CAMEROON	9%
INDIA	6%
TURKEY	5%

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	90%
TEXTILES FIBRES AND THEIR WASTES	6%
CRUDE ANIMAL AND VEGETABLE MATERIALS	2%
OTHER TRANSPORT EQUIPMENT	1%
PLASTICS IN PRIMARY FORMS	0%

Imports of goods by product as a % of total
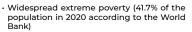
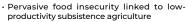|	
SPECIALISED MACHINERY	11%
OTHER TRANSPORT EQUIPMENT	8%
OTHER INDUSTRIAL MACHINERY AND PARTS	7%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	6%
IRON AND STEEL	6%

2023 OUTLOOK

- Despite high crude oil prices, costly extraction and internal risks are prompting majors to limit themselves to operating wells.
- In 2023, private consumption will still suffer from the meagre 2021-22 harvest, while the soaring cost of fertilisers and international quotations fuel inflation.
- The government balance is improving thanks to soaring oil prices, and an agreement was reached in November 2022 with Glencore on USD 1 billion of external debt.
- The disorganisation caused by Mali's withdrawal from the G5 Sahel justifies a timely military retreat, detailed in the face of armed groups and internal civil protest.

➕
- Potential for agricultural productivity gains and uncultivated arable land
- Oil sector generating foreign exchange and tax revenues

➖
- Widespread extreme poverty (41.7% of the population in 2020 according to the World Bank)
- Pervasive food insecurity linked to low-productivity subsistence agriculture
- Low redistribution of oil revenues and deficient public services linked to insecurity and limited state presence
- Fiscal dependence on oil revenues
- Landlocked status and calamities (drying up of Lake Chad, floods)
- Lack of government control over large swathes of territory and political fragility

CHILE 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		A4
BUSINESS CLIMATE		A3

POPULATION Millions of persons	19.7
GDP PER CAPITA US Dollars	16,065

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	0.8	-6.0	11.7	2.7	-1.2
Inflation (yearly average, %)	2.3	3.0	4.5	11.7	8.7
Budget balance (% GDP)	-2.9	-7.3	-7.6	1.6	-3.0
Current account balance (% GDP)	-5.3	-1.7	-6.6	-8.5	-4.5
Public debt (% GDP)	28.3	32.6	36.3	36.0	36.5

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	39%
UNITED STATES	16%
JAPAN	8%
EURO AREA	8%
SOUTH KOREA	5%

Imports of goods by country as a % of total

CHINA	30%
UNITED STATES	17%
EURO AREA	11%
BRAZIL	8%
ARGENTINA	5%

Exports of goods by product as a % of total

METALLIFEROUS ORES AND METAL SCRAP	36%
NON-FERROUS METALS	26%
VEGETABLES AND FRUITS	8%
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	7%
PULP AND WASTE PAPER	3%

Imports of goods by product as a % of total

ROAD VEHICLES	11%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	10%
TELECOM. & SOUND RECORDING APPARATUS	6%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	4%
OTHER INDUSTRIAL MACHINERY AND PARTS	4%

2023 OUTLOOK

- The economy will contract in 2023, notably pulled down by household consumption, amid a still elevated inflation and tight credit conditions.
- In addition, gross fixed capital investment is also expected to be hampered by the prolonged discussions on the rewriting of the constitution in 2023, which will sustain investors' caution.
- Modest budgetary support will dampen those shocks at a moderate cost.
- The large external account shortfall will narrow significantly, as domestic activity contracts, curbing imports and foreign firms' profit repatriation. Moreover, inbound tourism will pursue its recovery and shipping expenses will diminish.

➕
- Mining (leading copper producer and the second-largest lithium producer), agricultural, fishery and forestry resources
- Numerous free-trade agreements
- Flexible monetary, fiscal and exchange rate policies
- Member of the OECD and the Pacific Alliance
- Solid institutions

➖
- Small and open economy vulnerable to external shocks given the dependence on copper and on Chinese demand
- Exposure to climatic and earthquake risks
- Inadequate research and innovation
- Income and wealth disparity, poor education and health systems, fostering social discontent

CHINA 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**B**
BUSINESS CLIMATE	**B**

POPULATION Millions of persons	**1,412.6**
GDP PER CAPITA US Dollars	**12,562**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	6.0	2.2	8.1	3.0	4.0
Inflation (yearly average, %)	2.9	2.5	0.9	2.0	1.9
Budget balance (% GDP)	-2.8	-3.7	-3.1	-3.3	-3.0
Current account balance (% GDP)	0.7	1.7	1.8	2.0	1.2
Public debt (% GDP)	57.2	68.1	71.5	76.9	84.1

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**17%**
EURO AREA	**13%**
HONG KONG	**10%**
JAPAN	**5%**
SOUTH KOREA	**4%**

Imports of goods by country as a % of total

EURO AREA	**10%**
TAIWAN	**9%**
SOUTH KOREA	**8%**
JAPAN	**8%**
UNITED STATES	**7%**

Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**16%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**10%**
TELECOM. & SOUND RECORDING APPARATUS	**9%**
MISCELLANEOUS MANUFACTURED ARTICLES	**7%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**5%**

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**22%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**11%**
METALLIFEROUS ORES AND METAL SCRAP	**11%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**5%**
NON-FERROUS METALS	**3%**

2023 OUTLOOK

- 2023 growth outlook relies on consumption, in line with the abandonment of the zero-COVID policy, and housing. Slow consumption recovery and some property sector stabilisation are expected.
- Policy implementation risks remain. Bumpy reopening process, with temporary policy reversal, would bring new disruption.
- China expected to announce more support measures, including new property easing policies.
- Disinflation pressure will continue, and justifies PBOC maintaining accommodative monetary policy.

➕
- Sovereign risk contained as public debt remains mainly domestic and denominated in local currency
- Reduced risk of (private) external over-indebtedness thanks to the high level of foreign exchange reserves
- Large labour market
- Dynamic services sector
- Good level of infrastructure
- Significant presence in emerging and developing countries through the BRI

➖
- US-China strategic competition, and US sanctions on technology transfer
- Reliance on imports of key technology components
- Housing market correction
- High corporate indebtedness
- Ageing population
- Environmental issues
- Unclear political succession plans

COLOMBIA 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**B**
BUSINESS CLIMATE	**A4**

POPULATION Millions of persons	**51**
GDP PER CAPITA US Dollars	**6,159**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.2	-7.0	10.7	8.0	0.7
Inflation (yearly average, %)	3.5	2.5	3.5	10.2	10.0
Budget balance (% GDP)	--2.5	-7.8	-7.1	-5.6	-4.5
Current account balance (% GDP)	-4.6	-3.4	-5.7	-6.5	-5.0
Public debt (% GDP)	50.3	65.0	63.5	62.0	61.5

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**28%**
EURO AREA	**10%**
CHINA	**9%**
PANAMA	**6%**
INDIA	**5%**

Imports of goods by country as a % of total

CHINA	**24%**
UNITED STATES	**23%**
EURO AREA	**12%**
MEXICO	**6%**
BRAZIL	**6%**
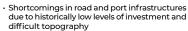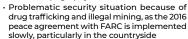
Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**33%**
COAL, COKE AND BRIQUETTES	**14%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**9%**
GOLD, NON-MONETARY	**8%**
CRUDE ANIMAL AND VEGETABLE MATERIALS	**4%**

Imports of goods by product as a % of total

ROAD VEHICLES	**8%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**7%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**6%**
TELECOM. & SOUND RECORDING APPARATUS	**6%**
IRON AND STEEL	**5%**

2023 OUTLOOK

- Economic growth will sharply decelerate in 2023, due to a high base of comparison, and as inflation remains elevated (eroding private consumption) and credit conditions further tighten.
- The external shortfall should improve somewhat, as lower domestic demand reduces imports, while still high energy commodity prices benefit exports.
- The leftist government of Gustavo Petro will focus on changing labour and pension system legislations, and negotiating with guerrilla groups to improve security and rural development.

➕
- Ports on two oceans
- Large population (almost 50 million people)
- Plentiful natural resources (coffee, oil and gas, coal, gold)
- Significant tourism potential
- Large foreign direct investment level

➖
- Shortcomings in road and port infrastructures due to historically low levels of investment and difficult topography
- Problematic security situation because of drug trafficking and illegal mining, as the 2016 peace agreement with FARC is implemented slowly, particularly in the countryside
- Structural unemployment, poverty and inequality, deficient educational and healthcare systems
- Still large twin deficits will keep the country vulnerable to changes in investors' mood

CONGO (DEMOCRATIC REPUBLIC OF THE) 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**E**	

POPULATION Millions of persons	**93.7**
GDP PER CAPITA US Dollars	**603**

2023 OUTLOOK

- Growth will be driven by the mining industry, as production of copper and cobalt ramps up. Non-mining activity will remain lacklustre, as inflation (driven by food prices) weigh on consumption of poor households.
- The current account should remain in surplus as mineral prices remain favourable, while the oil bill moderates slightly.
- The public deficit should widen slightly owing to election-related spending in 2023. To secure a second term, Felix Tshisekedi will look to strengthen his coalition while maintaining stability, but the political landscape could turn increasingly volatile in the run-up to the elections.

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.4	1.7	6.2	6.1	6.3
Inflation (yearly average, %)	4.5	14.0	10.1	6.9	7.5
Budget balance (% GDP)	-2.0	-2.1	0.8	-0.3	-1.5
Current account balance (% GDP)	-3.4	-2.2	-0.9	0.1	0.5
Public debt (% GDP)	11.8	12.9	14.2	14.6	12.5

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**42%**
SINGAPORE	**17%**
SOUTH AFRICA	**15%**
UNITED ARAB EMIRATES	**9%**
TANZANIA	**5%**

Imports of goods by country as a % of total

CHINA	**23%**
SOUTH AFRICA	**12%**
EURO AREA	**9%**
ZAMBIA	**7%**
INDIA	**5%**

Exports of goods by product as a % of total

NON-FERROUS METALS	**68%**
INORGANIC CHEMICALS	**17%**
METALLIFEROUS ORES AND METAL SCRAP	**7%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**3%**
NON METALLIC MINERAL MANUFACTURES	**1%**

Imports of goods by product as a % of total

MISCELLANEOUS MANUFACTURED ARTICLES	**12%**
ROAD VEHICLES	**7%**
SPECIALISED MACHINERY	**6%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**
MANUFACTURES OF METAL	**5%**

➕
- Abundant mineral resources (copper, cobalt, diamond, gold, tin, etc.)
- Rapidly growing population
- Largely untapped agricultural potential
- Significant hydroelectric potential
- Second-largest tropical forest in the world and vast biodiversity

➖
- Weak infrastructure (transport, energy, telecommunications)
- Heavy reliance on food imports
- Extremely dependent on commodity prices
- Poor governance
- Widespread poverty (nearly 70% of the population lives on less than USD 2.15 a day)
- Precarious security and humanitarian situation, with numerous armed militias in the east of the country. Tensions with Rwanda have escalated, but direct military confrontation between the two countries remains unlikely
- Risk of Ebola outbreaks

CONGO (REPUBLIC OF THE) 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**C**	
BUSINESS CLIMATE	**D**	

POPULATION Millions of persons	**4.8**
GDP PER CAPITA US Dollars	**2,634**

2023 OUTLOOK

- After seven consecutive years of economic contraction, the recovery in energy prices is encouraging investment in hydrocarbons, particularly gas.
- Faced with a heavy debt burden, the country is taking advantage of favourable oil prices to restore its public finances, supported by an IMF programme since January 2022.
- Public consumption is not expected to rebound significantly, while deficiencies in health, education and transport infrastructure persist.
- Household purchasing power will remain constrained by inflation in 2023, fuelled by food imports and poorly compensated by a job-poor oil boom.

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-0.4	-8.1	-0.2	2.5	3.0
Inflation (yearly average, %)	2.2	1.8	2.0	3.5	3.2
Budget balance (% GDP)	4.7	-0.7	1.7	8.2	6
Current account balance (% GDP)	0.4	-0.1	12.6	17.2	8.8
Public debt* (% GDP)	81.7	114.0	103.6	84.4	78.9

(f): Forecast. *Excluding contested arrears debts of public companies and not guaranteed SNPC debts.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**46%**
CÔTE D'IVOIRE	**9%**
TOGO	**7%**
EURO AREA	**6%**
CAMEROON	**5%**

Imports of goods by country as a % of total

EURO AREA	**30%**
CHINA	**20%**
RUSSIA	**4%**
UNITED STATES	**4%**
INDIA	**3%**

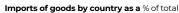**Exports of goods by product as a** % of total
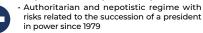
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**76%**
NON-FERROUS METALS	**12%**
OTHER TRANSPORT EQUIPMENT	**4%**
CORK AND WOOD	**4%**
METALLIFEROUS ORES AND METAL SCRAP	**1%**

Imports of goods by product as a % of total

OTHER TRANSPORT EQUIPMENT	**16%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**7%**
MEAT AND MEAT PREPARATIONS	**7%**
CEREALS AND CEREAL PREPARATIONS	**5%**
ROAD VEHICLES	**4%**

➕
- Abundant natural resources (oil, gas, iron ore, timber, potash) and agricultural potential
- Strategic position in Central Africa

➖
- Still high debt
- Dependence on oil (50% of GDP)
- Authoritarian and nepotistic regime with risks related to the succession of a president in power since 1979
- Widespread extreme poverty (51% extreme poverty by 2021) alongside a corrupt extractive system

COSTA RICA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**A3**	

POPULATION Millions of persons	**5.2**
GDP PER CAPITA US Dollars	**12,436**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.4	-4.1	7.8	3.8	2.9
Inflation (yearly average, %)	2.1	0.7	1.7	8.9	6.4
Budget balance (% GDP)	-6.7	-8.4	-5.5	-4.8	-3.9
Current account balance (% GDP)	-1.3	-1.1	-3.3	-4.8	-4.4
Public debt (% GDP)	56.4	67.2	68.2	67.6	66.5

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**44%**
EURO AREA	**18%**
GUATEMALA	**5%**
PANAMA	**4%**
NICARAGUA	**4%**

Imports of goods by country as a % of total

UNITED STATES	**38%**
CHINA	**16%**
EURO AREA	**8%**
MEXICO	**6%**
GUATEMALA	**3%**

Exports of goods by product as a % of total

VEGETABLES AND FRUITS	**23%**
PROFESSIONAL AND SCIENTIFIC INSTRUMENTS	**22%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**8%**
MISCELLANEOUS MANUFACTURED ARTICLES	**7%**
MISCELLANEOUS EDIBLE PRODUCTS AND PREPARATIONS	**5%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**9%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
ROAD VEHICLES	**6%**
IRON AND STEEL	**5%**
MISCELLANEOUS MANUFACTURED ARTICLES	**5%**

2023 OUTLOOK

- Growth is expected to slow as high inflation and tighter external and domestic financial conditions weigh on private consumption.
- The external environment will be less buoyant, but the continued rebound in tourism and technology will support exports.
- Fiscal consolidation should continue in line with the IMF programme and the fiscal rule. The reform of public employment, aimed at reducing the state wage bill, will reduce expenditure.
- Disagreements between President Chaves, elected in May 2022, and Congress could disrupt fiscal consolidation.
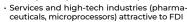
➕
- Significant progress in economic and social development (education, health)
- Services and high-tech industries (pharmaceuticals, microprocessors) attractive to FDI
- Diversified trade thanks to multiple free trade agreements: European Union, United Kingdom, South Korea, El Salvador, Guatemala, Honduras, Dominican Republic, Nicaragua
- Tourism resources: hotels, national parks
- IMF support: EFF programme since 2021, and Resilience and Sustainability Facility since October 2022

➖
- Exposure to natural disasters
- Inadequate transport infrastructure
- Low level of foreign exchange reserves (3 months of imports)
- Economic and financial dependence on the US
- Full dollarisation of the economy

CÔTE D'IVOIRE 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**B**	

POPULATION Millions of persons	**27.7**
GDP PER CAPITA US Dollars	**2,534**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	6.2	2.0	7.0	5.5	6.0
Inflation (yearly average, %)	0.8	2.4	4.2	6.0	4.0
Budget balance (% GDP)	-2.3	-5.6	-5.0	-6.0	-5.0
Current account balance (% GDP)	-2.3	-3.2	-3.8	-5.0	-5.0
Public debt (% GDP)	38.4	47.6	52.1	57.0	60.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**31%**
UNITED STATES	**7%**
VIETNAM	**7%**
SWITZERLAND	**6%**
MALI	**5%**

Imports of goods by country as a % of total

EURO AREA	**26%**
CHINA	**15%**
NIGERIA	**13%**
INDIA	**5%**
UNITED STATES	**4%**

Exports of goods by product as a % of total

COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**39%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**14%**
VEGETABLES AND FRUITS	**10%**
CRUDE RUBBER	**8%**
GOLD, NON-MONETARY	**8%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**17%**
CEREALS AND CEREAL PREPARATIONS	**9%**
ROAD VEHICLES	**6%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**4%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**4%**

2023 OUTLOOK

- Growth should remain comfortable in 2023. Households will still benefit from the capping of basic food prices. Their income will depend on the performance of agriculture, expected to be correct. Investments in infrastructure and hydrocarbons will continue. On the other hand, exports should slow down, in line with sluggish global demand.
- Fiscal consolidation will be delayed due to measures to dampen inflation.
- An increase in premiums paid by world traders to cocoa producers is under negotiation.

➕
- Multiple resources: cocoa (1st world producer), rubber, cashew nuts, bananas, gold, manganese, nickel, oil and hydroelectricity
- WAEMU membership and regional currency
- Growing middle class, but poverty still affects 30% of the population and child labor has not been eradicated
- Reconciliation between political heavyweights is a guarantee of stability because it heals the wounds of the 2002-2011 period

➖
- Vulnerability to the climate and to the price of cocoa, the main export
- Gaps in public management, infrastructure and access to credit
- Low public revenue (around 15% of GDP)
- Massive informality: 90% of jobs and 70% of added value; illegal cocoa production is hurting its price
- Wealth gap between Abidjan and the rest of the country

CROATIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A4**	
BUSINESS CLIMATE	**A2**	

POPULATION Millions of persons	**4.0**
GDP PER CAPITA US Dollars	**16,785**

2023 OUTLOOK

- Croatia's economic growth is set to decline sharply in 2023 due to high inflation and weak growth in its trading partners, which will weigh on consumption and tourism activity.
- The current account deficit will remain close to the equilibrium, as the surplus in the balance of services linked to tourism will no longer fully offset the deficit in the balance of goods.
- In matters of foreign policy, the government's position (centre-right HDZ) is likely to remain at odds with that of President Milanovic (centre-left SDP). However, the HDZ remains the most popular political party despite the corruption scandals.

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.4	-8.6	13.1	6.1	1.1
Inflation (yearly average, %)	0.8	0.2	2.6	11.0	7.2
Budget balance (% GDP)	0.2	-7.3	-2.6	-1.6	-2.4
Current account balance (% GDP)	3.0	-0.1	3.1	0.2	-0.2
Public debt (% GDP)	71.1	87.3	79.8	75.0	73.4

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

SLOVENIA	**13%**
ITALY	**12%**
GERMANY	**12%**
HUNGARY	**9%**
BOSNIA / HERZEGOVINA	**9%**

Imports of goods by country as a % of total

GERMANY	**14%**
ITALY	**12%**
SLOVENIA	**11%**
HUNGARY	**7%**
AUSTRIA	**6%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**9%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**
ELECTRIC CURRENT	**5%**
MANUFACTURES OF METAL	**4%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**7%**
ROAD VEHICLES	**6%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**6%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**5%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**4%**

➕
- Long coastline conducive to tourism
- Strong support of EU funds
- High-quality infrastructure
- The country joins the Eurozone and Schengen area in 2023
- Oil and gas potential
- Diversification of energy sources before the Russia-Ukraine war
- NATO member

➖
- Dependence on tourism (25% of GDP), which has strongly suffered from the pandemic
- Private and public debt still high
- Institutional gaps: inefficient administration, health and justice; overlapping administrative levels, corruption
- Low industrial diversification/lack of competitiveness
- Labour shortages fuelled by emigration of skilled workers and a declining population

CUBA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**E**	
BUSINESS CLIMATE	**E**	

POPULATION Millions of persons	**11.3**
GDP PER CAPITA US Dollars	**9,478**

2023 OUTLOOK

- The modest recovery continues into 2023, driven by a continued rebound in tourism.
- These revenues and the efficiencies of currency unification will help to alleviate currency shortages. However, they will continue to limit the recovery.
- Although the country has recently settled several defaults on its debt, the country does not have access to international capital markets and may have difficulty repaying its creditors.
- Already marked by social unrest in 2021 and 2022, inflation and shortages of necessities, exacerbated by Hurricane Ian (September 2022), will continue to fuel popular discontent.

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-0.2	-10.9	1.3	1.8	3.5
Inflation (yearly average, %)	-1.3	18.5	152.0	65.7	44.2
Budget balance (% GDP)	-6.2	-17.7	-11.7	-5.7	-4.5
Current account balance (% GDP)	1.9	0.9	-5.7	-5.1	-3.4
Public debt (% GDP)	52.1	59.3	117.1	118.9	123.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**35%**
VENEZUELA	**22%**
RUSSIA	**12%**
TAIWAN	**4%**
SWITZERLAND	**4%**

Imports of goods by country as a % of total

EURO AREA	**31%**
CHINA	**14%**
ARGENTINA	**8%**
UNITED STATES	**8%**
MEXICO	**7%**

Exports of goods by product as a % of total

METALLIFEROUS ORES AND METAL SCRAP	**16%**
TOBACCO AND TOBACCO MANUFACTURES	**15%**
SUGAR, SUGAR PREPARATIONS AND HONEY	**9%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**8%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**5%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**9%**
CEREALS AND CEREAL PREPARATIONS	**8%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**8%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**
MEAT AND MEAT PREPARATIONS	**5%**

➕
- Tourism, mining (nickel, cobalt) and agricultural potential (sugar, tobacco)
- Opening of agriculture, trade, catering and construction to the individual and cooperative private sector
- Skilled and inexpensive labour force
- High quality medical and educational sectors

➖
- US trade embargo since 1962 penalising foreign investment
- Vulnerabilities to external shocks (climate, raw materials)
- Low productivity of the public sector and agriculture
- State control over wholesale trade and credit
- Commodity subsidies weighing on public expenditure
- Shortages of food, fuel and medicines

CYPRUS 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	B
BUSINESS CLIMATE	A3

POPULATION Millions of persons	0.9
GDP PER CAPITA US Dollars	30,957

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.1	-4.4	6.6	4.5	1.6
Inflation (yearly average, %)	0.6	-1.1	2.2	8.1	3.5
Budget balance (% GDP)	1.5	-5.8	-1.7	-0.2	0.9
Current account balance (% GDP)	-6.3	-10.1	-6.8	-8.4	-6.9
Public debt (% GDP)	94.0	113.5	101.1	91.7	85.8

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

LEBANON	8%
GREECE	8%
UNITED KINGDOM	7%
LIBYA	6%
LIBERIA	4%

Imports of goods by country as a % of total

GREECE	24%
ITALY	10%
GERMANY	6%
NETHERLANDS	5%
CHINA	5%

Exports of goods by product as a % of total

OTHER TRANSPORT EQUIPMENT	32%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	18%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	11%
DAIRY PRODUCTS AND BIRDS' EGGS	8%
ESSENTIAL OILS FOR PERFUME MATERIALS & CLEANING PREPS	4%

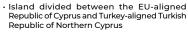**Imports of goods by product as a** % of total

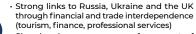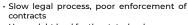|	
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	18%
OTHER TRANSPORT EQUIPMENT	13%
ROAD VEHICLES	6%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	4%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	3%

2023 OUTLOOK

- Growth dynamic has been supported by recovering tourism but will endure a significant slowdown in 2023 due to the recession in Europe.
- Cyprus has low direct exposures to Russian energy supply. However, it depends erwhelmingly on inflated imported oil.
- The professional services sector is strongly dependent on subsidiaries of Russian companies exposed to sanctions risk.
- Nikos Christodoulides, an independent technocrat backed by two leading parties, is expected to win the February 2023 presidential election.
- With upcoming elections in Turkey and Greece, tensions will continue to escalate and Cyprus is a point of focus.

➕
- Central geographical location between Europe, Middle East and Africa favours the transhipment industry
- Offshore finance business services, and trans-shipping hub
- Rich, unexploited offshore natural gas deposits
- Skilled, English-speaking workforce

➖
- Island divided between the EU-aligned Republic of Cyprus and Turkey-aligned Turkish Republic of Northern Cyprus
- Strong links to Russia, Ukraine and the UK through financial and trade interdependence (tourism, finance, professional services)
- Slow legal process, poor enforcement of contracts
- Heavy debt load for the state, banks, companies, and households
- Weak industrial diversification (tourism, construction, natural gas, finance)

CZECHIA (CZECH REPUBLIC) 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	A4
BUSINESS CLIMATE	A2

POPULATION Millions of persons	10.5
GDP PER CAPITA US Dollars	26,849

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.0	-5.5	3.5	2.5	0.3
Inflation (yearly average, %)	2.6	3.3	3.3	15.4	9.8
Budget balance (% GDP)	0.3	-5.8	-5.1	-4.4	-4.0
Current account balance (% GDP)	-0.9	0.7	-2.6	-4.1	-4.4
Public debt (% GDP)	30.0	37.7	42.0	43.1	43.9

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	32%
SLOVAKIA	8%
POLAND	7%
FRANCE	5%
AUSTRIA	4%

Imports of goods by country as a % of total

GERMANY	28%
CHINA	10%
POLAND	9%
NETHERLANDS	6%
SLOVAKIA	6%

Exports of goods by product as a % of total

ROAD VEHICLES	18%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	11%
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	8%
OTHER INDUSTRIAL MACHINERY AND PARTS	7%
TELECOM. & SOUND RECORDING APPARATUS	7%

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	12%
ROAD VEHICLES	9%
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	8%
TELECOM. & SOUND RECORDING APPARATUS	7%
OTHER INDUSTRIAL MACHINERY AND PARTS	5%

2023 OUTLOOK

- Spillover effects of supply chain disruptions and economic consequences of the war in Ukraine already impacted the Czech economy, which will weaken further in 2023.
- High inflation will lead to a contraction of household consumption, while higher financing costs, elevated cost pressures and low business confidence will limit investment growth.
- The budget deficit should shrink in 2023 thanks to revenues from a windfall tax and a levy on electricity producers.
- Czech exporters will suffer from weaker external demand for manufacturing products.

➕
- Central geographic location at the heart of industrial Europe
- Tightly integrated in the international production chain, and more particularly the German one
- Preferred destination for FDI in Central Europe
- Significant industrial potential
- Robust public accounts and banking system

➖
- Small, open economy: exports account for 73% of GDP
- Dependent on European demand, particularly Germany
- High foreign intermediate inputs in exports and low contribution of services to local value-added in exports
- Automotive sector occupies a large share of the economy
- Ageing population and shortage of skilled labour

DENMARK 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A2**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	**5.8**
GDP PER CAPITA US Dollars	**68,202**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.5	-2.0	4.9	3.1	0.8
Inflation (yearly average, %)	0.8	0.4	1.9	7.7	5.1
Budget balance (% GDP)	4.1	0.2	3.6	1.7	0.4
Current account balance (% GDP)	8.5	7.9	9.0	13.0	10.5
Public debt (% GDP)	33.7	42.2	36.6	32.1	30.5

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	**14%**
SWEDEN	**10%**
UNITED STATES	**9%**
NORWAY	**6%**
NETHERLANDS	**6%**

Imports of goods by country as a % of total

GERMANY	**21%**
SWEDEN	**13%**
NETHERLANDS	**9%**
CHINA	**8%**
NORWAY	**5%**

Exports of goods by product as a % of total

MEDICINAL AND PHARMACEUTICAL PRODUCTS	**11%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**7%**
MEAT AND MEAT PREPARATIONS	**5%**
POWER GENERATING MACHINERY AND EQUIPMENT	**4%**
MISCELLANEOUS MANUFACTURED ARTICLES	**4%**
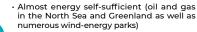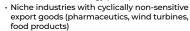
Imports of goods by product as a % of total

ROAD VEHICLES	**8%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**6%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**6%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**5%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**

2023 OUTLOOK

- The Danish's economy is set for a slowdown in 2023 due to the high-energy prices and inflation combined with weak growth of its European trade partners.
- Private investments, especially housing, suffer from tighter financial conditions
- A snap election was held in November 2022 in the wake of a scandal over the culling of minks in fear of a new COVID-19 variant in 2020. PM Mette Frederiksen's Social Democratic Party won and formed a coalition with Liberals and Moderates.

➕
- World's second largest shipping operator (2022)
- Almost energy self-sufficient (oil and gas in the North Sea and Greenland as well as numerous wind-energy parks)
- Niche industries with cyclically non-sensitive export goods (pharmaceutics, wind turbines, food products)
- Well-managed public finances and large current account surplus
- Krone pegged to the euro

➖
- Small open economy sensitive to external demand, especially from Germany and Sweden
- Strong fragmentation of parliament
- Very high household debt (255% of net disposable income in 2021)
- Public sector constitutes a significant part of the country's employment (30% of employees in first nine months of 2022)
- High private external debt (151% of GDP in 2021)

DJIBOUTI 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**C**	
BUSINESS CLIMATE	**C**	

POPULATION Millions of persons	**1.0**
GDP PER CAPITA US Dollars	**3,365**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.5	1.2	4.8	3.6	5.0
Inflation (yearly average, %)	3.3	1.8	1.2	6.6	1.9
Budget balance (% GDP)	-0.9	-1.7	-3.4	-3.8	-3.1
Current account balance (% GDP)	18.3	11.3	-0.7	-4.8	-3.2
Public debt (% GDP)	42.0	44.0	46.0	50.1	53.2

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

SOMALIA	**23%**
ETHIOPIA	**22%**
BRAZIL	**11%**
QATAR	**8%**
INDONESIA	**8%**

Imports of goods by country as a % of total

EURO AREA	**18%**
UNITED ARAB EMIRATES	**14%**
CHINA	**11%**
OMAN	**10%**
SAUDI ARABIA	**8%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**13%**
IRON AND STEEL	**9%**
CEREALS AND CEREAL PREPARATIONS	**8%**
CRUDE FERTILISERS AND CRUDE MINERALS	**8%**
RUBBER MANUFACTURES	**7%**

Imports of goods by product as a % of total

FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**7%**
CEREALS AND CEREAL PREPARATIONS	**7%**
IRON AND STEEL	**6%**
ROAD VEHICLES	**6%**
TEXTILE YARN AND RELATED PRODUCTS	**6%**

2023 OUTLOOK

- As regional hub, the Djiboutian economy will continue to benefit from its port services as well as the ongoing infrastructure projects around them.
- Its economic prospects are highly vulnerable to the trouble in Ethiopia on which almost all the cargo traffic of the port of Djibouti depends.
- The reduction of the deficits will depend on the Ethiopian evolution and the inflationary fallout from the Russia-Ukraine war making imports more expensive and requiring heavy subsidies.
- The country suffers from relative political and social stability due to the presence of corruption and widespread poverty.

➕
- Geostrategic location at the entrance to the Red Sea and support from the international community
- Emergence of the country as a regional commercial, logistic and military hub
- Influx of foreign direct investment
- Process to modernise port and railway infrastructures, free zones
- At the heart of China's Silk Road project
- Ethiopia's only access to the sea, through which more than 90% of its trade passes

➖
- High risk of debt distress
- Dependence on Ethiopia and China
- Large informal economy: endemic high poverty and unemployment
- Arid climate
- High dependence on food and energy imports
- Difficult business environment

DOMINICAN REPUBLIC 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**B**	

POPULATION Millions of persons	**10.5**
GDP PER CAPITA US Dollars	**8,986**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.1	-6.7	12.3	5.0	3.5
Inflation (yearly average, %)	1.8	5.6	8.5	8.0	4.5
Budget balance (% GDP)	-2.2	-7.9	-2.9	-3.0	-3.5
Current account balance (% GDP)	-1.3	-1.7	-2.8	-3.4	-2.4
Public debt* (% GDP)	53.5	71.5	66.1	63.8	58.0

(f): Forecast. *Non-financial public sector.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**52%**
SWITZERLAND	**8%**
HAITI	**8%**
EURO AREA	**8%**
INDIA	**6%**

Imports of goods by country as a % of total

UNITED STATES	**34%**
CHINA	**23%**
EURO AREA	**8%**
VENEZUELA	**6%**
BRAZIL	**3%**

Exports of goods by product as a % of total

GOLD, NON-MONETARY	**15%**
PROFESSIONAL AND SCIENTIFIC INSTRUMENTS	**11%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**11%**
TOBACCO AND TOBACCO MANUFACTURES	**10%**
MISCELLANEOUS MANUFACTURED ARTICLES	**8%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**9%**
ROAD VEHICLES	**7%**
MISCELLANEOUS MANUFACTURED ARTICLES	**7%**
IRON AND STEEL	**5%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**5%**

2023 OUTLOOK

- Despite the rise in US interest rates, the dynamism of private investment in tourism will support activity in 2023.
- Despite being supported by tourism, falling unemployment and household support, household consumption will still suffer from inflation.
- In the run-up to the 2024 elections, household subsidies to combat high living costs will temper fiscal consolidation.
- Despite the inflation of the import bill and the fall in gold sales, the current account deficit will remain moderate and financed by FDI.
- Haitian insecurity and immigration will remain the main concern of the authorities.

➕
- Main tourist destination in the Caribbean
- Remittances from its diaspora
- Strong infrastructure network
- Free trade agreement with the US (CAFTA-DR) and economic partnership agreement with the EU
- Institutional stability

➖
- Dependent on US economic conditions
- Dependent on the price of gold (the mining industry accounts for about 20% of GDP)
- Poor electricity supply
- Weak public investment
- Limited manufacturing activity concentrated in free trade zones with little connection to the domestic economy
- High levels of poverty and inequality/low tax revenues (14% of GDP)
- Crime linked to drug trafficking
- Inequality (GINI coefficient of 0.40)
- Widespread corruption

ECUADOR 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**C**	
BUSINESS CLIMATE	**B**	

POPULATION Millions of persons	**17.8**
GDP PER CAPITA US Dollars	**5,979**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	0.0	-7.8	4.2	2.7	2.5
Inflation (yearly average, %)	0.3	-0.3	0.1	3.5	2.4
Budget balance (% GDP)	-3.4	-7.1	-1.5	-0.6	-0.5
Current account balance (% GDP)	-0.1	2.7	2.9	2.7	2.6
Public debt* (% GDP)	51.4	60.9	62.2	58.9	56.2

(f): Forecast. *Non-financial public sector.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**24%**
PANAMA	**15%**
CHINA	**14%**
EURO AREA	**13%**
CHILE	**4%**

Imports of goods by country as a % of total

UNITED STATES	**22%**
CHINA	**21%**
EURO AREA	**10%**
COLOMBIA	**7%**
PANAMA	**6%**

Exports of goods by product as a % of total
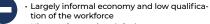
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**32%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**26%**
VEGETABLES AND FRUITS	**16%**
METALLIFEROUS ORES AND METAL SCRAP	**6%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**4%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**16%**
ROAD VEHICLES	**8%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**6%**
FEEDSTUFF FOR ANIMALS (EXCL. UNMILLED CEREALS)	**4%**
IRON AND STEEL	**4%**

2023 OUTLOOK

- In 2023, private consumption will drive activity, amid a stable job market and as consumer price pressures ease.
- Despite weakened global growth, exports of crude and refined oil products, as well as aqua and agriproducts, should slightly increase amid still historically high prices.
- Low fiscal deficit and external account surplus owing to debt restructuring.
- The centre-right president Guillermo Lasso faces a challenge in governability and recurrent social pressures.
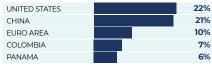
➕
- Significant mineral potential (copper, gold, etc.), oil and gas
- Tourism potential (flora, fauna, heritage)
- Climate diversity allowing for many crops
- Marine resources: number one exporter of shrimp and prawn
- Relatively low inflationary risk due to full dollarisation

➖
- Oil-dependent economy
- High seismic risk: volcanic eruptions
- Competitiveness subject to the evolution of the dollar because of full dollarisation
- Largely informal economy and low qualification of the workforce
- History of sovereign defaults
- Deficient business environment: corruption, opaque public procurement, interventionism
- Weak domestic and foreign private investment

EGYPT 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**C**	
BUSINESS CLIMATE	**B**	

POPULATION Millions of persons	**102.1**
GDP PER CAPITA US Dollars	**4,144**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth* (%)	5.5	3.5	3.3	6.5	4.0
Inflation* (yearly average, %)	13.9	5.7	4.5	13.0	17.0
Budget balance* (% GDP)	-7.6	-7.5	-7.0	-6.5	-6.0
Current account balance* (% GDP)	-3.4	-2.9	-4.4	-3.5	-3.0
Public debt* (% GDP)	80.1	85.3	89.2	90.0	90.0

(f): Forecast. *Fiscal year from 1st July to 30th June. 2023 data: FY22-23.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**29%**
TURKEY	**7%**
INDIA	**6%**
UNITED STATES	**6%**
SAUDI ARABIA	**5%**

Imports of goods by country as a % of total

EURO AREA	**20%**
CHINA	**15%**
SAUDI ARABIA	**9%**
UNITED STATES	**8%**
TURKEY	**5%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**21%**
VEGETABLES AND FRUITS	**8%**
GAS, NATURAL AND MANUFACTURED	**8%**
FERTILISERS, NOT CRUDE	**5%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**5%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**10%**
ROAD VEHICLES	**7%**
CEREALS AND CEREAL PREPARATIONS	**6%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**
PLASTICS IN PRIMARY FORMS	**4%**

2023 OUTLOOK

- Growth will slow in the 2022-2023 fiscal year, as domestic demand will be constrained by inflation and the tightening of economic policy, despite foreign investment attracted by privatisations.
- The contribution of foreign trade should be positive due to the growth in exports driven by LNG deliveries and the depreciation of the pound, despite the slowdown in tourism.
- Fiscal consolidation will be initiated within the framework of the programme financed by the IMF, without exempting recourse to costly domestic financing.
- The current account deficit will decrease thanks to the increase in Canal tolls and the slowdown in domestic demand.

➕
- More than 100 million inhabitants, young and growing population
- Geostrategic crossroads (Suez Canal) and role in the fight against terrorism
- Tourism potential
- Gas and mineral potential (gold, kaolin, potash, copper, zinc, lead)
- Political and financial support from the Gulf and the West
- IMF funded programme
- Limited external debt (29% of public debt)

➖
- Poverty (1/3 of the population), low employment among young people and women
- Low public revenue and informality
- Dependence on the Nile, food dependence
- Public deficit and debt: financing needs exceeding 30% of GDP
- Banking system exposed to sovereign risk
- Low manufactured and value-added exports
- Corruption, bureaucracy

EL SALVADOR 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**B**	

POPULATION Millions of persons	**6.5**
GDP PER CAPITA US Dollars	**4,408**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.4	-8.2	10.3	1.0	0.8
Inflation (yearly average, %)	0.1	-0.4	3.5	7.3	5.6
Budget balance (% GDP)	-3.1	-4.0	-4.4	-5.2	-5.4
Current account balance (% GDP)	-0.4	0.8	-5.1	-6.1	-6.0
Public debt (% GDP)	71.3	89.4	82.4	80.3	81.3

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**40%**
GUATEMALA	**17%**
HONDURAS	**16%**
NICARAGUA	**7%**
COSTA RICA	**4%**

Imports of goods by country as a % of total

UNITED STATES	**27%**
CHINA	**17%**
GUATEMALA	**11%**
MEXICO	**8%**
HONDURAS	**6%**

Exports of goods by product as a % of total

ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**33%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
MISCELLANEOUS MANUFACTURED ARTICLES	**7%**
TEXTILE YARN AND RELATED PRODUCTS	**7%**
PAPER AND PAPER MANUFACTURES	**5%**

Imports of goods by product as a % of total
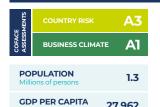
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**9%**
TEXTILE YARN AND RELATED PRODUCTS	**6%**
ROAD VEHICLES	**5%**
IRON AND STEEL	**5%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**4%**

2023 OUTLOOK

- Public debt remains on an unsustainable path. The high debt service generates large financing needs. In the absence of an agreement with the IMF, refinancing could prove difficult.
- The amortisation of external borrowing and the current account deficit will maintain pressure on foreign exchange reserves.
- Declining remittances, inflation and high interest rates will weigh on household consumption. Public and private investment will be held back by the uncertainty surrounding the country's ability to repay its debt.
- Despite the precarious economic situation, President Nayib Bukele remains popular thanks to his anti-crime policy.

➕
- Relative economic diversification
- Free trade agreements with Central America, the United States, Mexico, the European Union, Guatemala, Honduras, and South Korea
- High population density

➖
- High crime and insecurity linked to drug trafficking
- Climatic and seismic vulnerability
- Inadequate infrastructure and investment
- Dependence on the US for investment, trade and remittances
- Structural fragility of public and external accounts
- High inequality and poverty
- The introduction of Bitcoin as a second legal tender in 2021 has shaken market confidence and is blocking aid negotiations with the IMF
- Low reserves (less than 2 months of imports)

ESTONIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		A3
BUSINESS CLIMATE		A1

POPULATION Millions of persons	1.3
GDP PER CAPITA US Dollars	27,962

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.7	-0.6	8.0	-0.2	0.1
Inflation (yearly average, %)	2.3	-0.5	4.7	19.6	12.5
Budget balance (% GDP)	0.1	-5.5	-2.4	-2.4	-3.8
Current account balance (% GDP)	2.4	-1.0	-1.8	1.3	1.5
Public debt (% GDP)	8.5	18.5	17.6	19.5	19.5

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

FINLAND	14%
LATVIA	10%
SWEDEN	9%
UNITED STATES	9%
GERMANY	6%

Imports of goods by country as a % of total

FINLAND	14%
RUSSIA	11%
GERMANY	10%
LITHUANIA	9%
LATVIA	8%

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	13%
TELECOM. & SOUND RECORDING APPARATUS	8%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	6%
CORK AND WOOD	6%
ROAD VEHICLES	6%

Imports of goods by product as a % of total

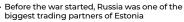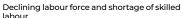|	
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	11%
ROAD VEHICLES	9%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	7%
IRON AND STEEL	4%
CORK AND WOOD	4%

2023 OUTLOOK

- Estonia is set for a small recovery. Although Russia was the most important import partner, notably for energy, Estonia managed to build new trade relationships.
- Inflation is very high, but should ease slightly, which would support household consumption and corporate investments.
- In June 2022, PM Kaja Kallas of the center-liberal Reform party formed a new government together with the Christian Democrats and the Social Democrats. They want to increase the support for households and to reduce the Russian influence in the country.

➕
- Membership in the Eurozone and NATO
- Diversified energy sources, half of them domestic thanks to oil shales
- Close commercial, financial and cultural links with Scandinavia and Finland
- Development of high value-added sectors (electronics, IT services)
- Flexibility of economic policy
- Traditionally low indebtedness

➖
- Small open economy sensitive to external shocks
- Before the war started, Russia was one of the biggest trading partners of Estonia
- Declining labour force and shortage of skilled labour
- Lack of land links with the rest of the EU
- Income inequalities and persistent poverty, especially in the predominantly Russian-speaking eastern regions

ESWATINI 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		D
BUSINESS CLIMATE		C

POPULATION Millions of persons	1.2
GDP PER CAPITA US Dollars	4,050

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.7	-1.6	7.9	1.9	1.6
Inflation (yearly average, %)	2.6	3.9	3.7	4.8	5.5
Budget balance* (% GDP)	-6.0	-5.2	-6.4	-5.4	-2.2
Current account balance (% GDP)	3.5	6.7	2.7	-2.5	0.4
Public debt* (% GDP)	33.1	38.8	40.4	41.5	39.5

(f): Forecast. *Fiscal year from April 1 to March 31. Last fiscal year FY 23/24.

TRADE EXCHANGES

Exports of goods by country as a % of total

SOUTH AFRICA	68%
KENYA	6%
NIGERIA	4%
MOZAMBIQUE	3%
EURO AREA	3%

Imports of goods by country as a % of total

SOUTH AFRICA	72%
CHINA	10%
INDIA	3%
MOZAMBIQUE	2%
UNITED STATES	2%

Exports of goods by product as a % of total

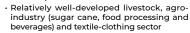|	
SUGAR, SUGAR PREPARATIONS AND HONEY	19%
ESSENTIAL OILS FOR PERFUME MATERIALS & CLEANING PREPS	17%
NON METALLIC MINERAL MANUFACTURES	10%
ORGANIC CHEMICALS	9%
PLASTICS IN PRIMARY FORMS	4%

Imports of goods by product as a % of total

TEXTILE YARN AND RELATED PRODUCTS	13%
ORGANIC CHEMICALS	9%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	8%
GOLD, NON-MONETARY	8%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	6%

2023 OUTLOOK

- The implementation of the three-year fiscal adjustment programme, combined with tighter monetary policy and a lacklustre outlook in South Africa, will constrain growth.
- Inflation should remain manageable, but will be sustained by still high import prices and increases in domestic administered prices.
- The public accounts will improve in line with fiscal consolidation efforts, notably through tax increases and less transfers to SOEs.
- Social tensions, fuelled by poverty and inequality, are further compounded by the frustration of the population towards the absolute monarchy and its restrictions on civil liberties.

➕
- Forestry resources
- Tourism potential
- Relatively well-developed livestock, agro-industry (sugar cane, food processing and beverages) and textile-clothing sector
- Lilangeli pegged to the rand

➖
- Heavily dependent on South Africa (trade, remittances, SACU revenues)
- Strong state presence in the economy, constrained private sector investment
- Fiscal and external imbalances highly subject to volatility in SACU transfers
- Corruption, cronyism, poor management of public funds
- Poverty and informality sustained by low wage levels and high unemployment
- High HIV prevalence (28% of the 15-49 year age group)

ETHIOPIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**C**
BUSINESS CLIMATE		**D**

POPULATION Millions of persons	**99.7**
GDP PER CAPITA US Dollars	**996**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth* (%)	9.0	6.1	6.5	3.5	5.0
Inflation (yearly average, %)	15.7	20.4	26.6	34.0	29.1
Budget balance* (% GDP)	-2.5	-2.8	-2.8	-3.7	-3.1
Current account balance* (% GDP)	-5.1	-4.1	-2.7	-4.0	-3.5
Public debt* (% GDP)	57.3	56.5	56.6	55.6	55.4

(f): Forecast. *Fiscal year 2023 from July 8 2022 to July 7 2023.

TRADE EXCHANGES

Exports of goods by country as a % of total

SUDAN	**28%**
EURO AREA	**12%**
UNITED STATES	**11%**
CHINA	**10%**
UNITED KINGDOM	**4%**

Imports of goods by country as a % of total

CHINA	**26%**
EURO AREA	**11%**
SAUDI ARABIA	**9%**
INDIA	**8%**
UKRAINE	**4%**

Exports of goods by product as a % of total

COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**46%**
OIL SEEDS AND OLEAGINOUS FRUITS	**15%**
VEGETABLES AND FRUITS	**12%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**5%**
CRUDE ANIMAL AND VEGETABLE MATERIALS	**3%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**12%**
IRON AND STEEL	**7%**
CEREALS AND CEREAL PREPARATIONS	**7%**
ROAD VEHICLES	**7%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONED	**5%**

2023 OUTLOOK

- Despite a peace agreement between the federal government and the Tigray People's Liberation Front (TPLF) (November 2022), appeasement is fragile. Ethnic tensions remain high.
- Security instability, high inflation and foreign exchange shortages will hamper growth. While growth is expected to accelerate as a result of reconstruction efforts and the recovery of agriculture in some of the conflict-affected areas, it will remain well below pre-2020 standards.
- Low foreign exchange reserves compromise the government's ability to service its debt and increase the risk of sovereign default. It hopes to obtain debt relief and is seeking an agreement with the IMF.

➕
- Large market (over 100 million people)
- Airline hub on the continent thanks to Ethiopian Airlines
- Public investment in infrastructure development
- Hydroelectric, mining, agricultural and tourism potential
- One of the continent's main coffee exporters
- Opening and modernisation of the banking, financial and telecommunications sectors

➖
- Agriculture is not very productive and is sensitive to weather conditions
- Landlocked country
- Low foreign exchange reserves, import restrictions
- Persistent challenges in the business environment and governance
- Political and security instability. International sanctions in response to the Tigray war

FIJI 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**C**
BUSINESS CLIMATE		**A4**

POPULATION Millions of persons	**0.9**
GDP PER CAPITA US Dollars	**4,749**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	0.6	-17.0	5.1	12.6	6.9
Inflation (yearly average, %)	1.8	-2.6	0.2	4.5	3.5
Budget balance* (% GDP)	-3.6	-8.0	-13.6	-13.3	-10.7
Current account balance (% GDP)	-12.6	-12.7	-13.7	-13.6	-13.6
Public debt (% GDP)	48.8	63.1	83.0	91.3	91.1

(f): Forecast. * Fiscal years from August to July. FY2023: 1 August 2022-31 July 2023.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**22%**
AUSTRALIA	**18%**
NEW ZEALAND	**9%**
TONGA	**6%**
CHINA	**6%**

Imports of goods by country as a % of total

SINGAPORE	**16%**
AUSTRALIA	**16%**
CHINA	**14%**
NEW ZEALAND	**14%**
UNITED STATES	**10%**

Exports of goods by product as a % of total

BEVERAGES	**18%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**11%**
CORK AND WOOD	**7%**
GOLD, NON-MONETARY	**7%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**7%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**15%**
OTHER TRANSPORT EQUIPMENT	**8%**
ROAD VEHICLES	**5%**
CEREALS AND CEREAL PREPARATIONS	**5%**
TELECOM. & SOUND RECORDING APPARATUS	**3%**

2023 OUTLOOK

- Growth will remain robust, mainly thanks to a tourism sector close to its pre-pandemic level. This will help lower unemployment, with positive spillover effects on private consumption.
- External liquidity risks appear limited despite large current account deficits. They are financed by foreign investment and foreign exchange reserves are high.
- The public deficit will decrease as the government seems to want to ensure debt sustainability, while the economic recovery will increase revenues.
- In December 2022, Sitiveni Rabuka was appointed Prime Minister following an election whose results had triggered high tensions.

➕
- Economic, transportation and academic hub in the Pacific
- Tourist attractiveness
- Young population (more than 60% below 35)
- Sovereign risk limited by the large funding from The Fiji National Provident Fund (FNPF) and increasing level of financial support from international financial institutions

➖
- Import dependency, chronic and large trade deficits
- Vulnerable to natural disasters
- Remoteness and small domestic market
- High dependency on tourism (31% of GDP, 25% of employment in 2019)
- Weak business environment and regulatory framework
- High youth unemployment rate (18% in 2021 vs. 5% among the total population)
- In the EU tax blacklist

FINLAND 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		A2
BUSINESS CLIMATE		A1

POPULATION Millions of persons	5.5
GDP PER CAPITA US Dollars	53,774

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.2	-2.3	3.0	1.8	-0.1
Inflation (yearly average, %)	1.0	0.3	2.2	7.2	6.7
Budget balance (% GDP)	-0.9	-5.5	-2.7	-1.4	-2.2
Current account balance (% GDP)	-0.3	0.6	0.4	-3.6	-1.7
Public debt (% GDP)	64.9	74.7	72.2	69.7	69.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	13%
SWEDEN	10%
UNITED STATES	7%
NETHERLANDS	6%
RUSSIA	5%

Imports of goods by country as a % of total

SWEDEN	17%
GERMANY	16%
RUSSIA	12%
NETHERLANDS	9%
CHINA	5%

Exports of goods by product as a % of total

PAPER AND PAPER MANUFACTURES	9%
SPECIALISED MACHINERY	7%
ROAD VEHICLES	6%
IRON AND STEEL	6%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	6%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	9%
ROAD VEHICLES	9%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	7%
METALLIFEROUS ORES AND METAL SCRAP	6%
OTHER INDUSTRIAL MACHINERY AND PARTS	5%

2023 OUTLOOK

- Finland's economy is set for a slight recession for 2023 due to high energy prices, inflation, and rising interest rates.
- Trade with Russia fell massively due to sanctions, compelling to seek new export markets and sources for imports.
- The position of social-democratic Prime Minister Marin and her government got complicated due to her position on energy, security, immigration and cost-of-living policies, while the opposition parties are gaining popularity.
- Finland's NATO accession timeline is likely to be protracted owing to political demands from Turkey.

➕
- Favourable business climate, strong institutions and high standard of living
- Economic growth not dependent on Russian tourists (Finland has a negative structural tourism service balance)
- Strong ICT-sector
- Finland is part of the Eurozone, but not a member of NATO (ongoing progress of membership application)

➖
- Highly vulnerable to international economic conditions
- Direct neighbour of Russia (common border is around 1,340 km long)
- Dependence of the Finnish banking on the Swedish and Danish financial sectors
- Labour market inflexibility leads to relatively high structural unemployment and shortages in certain areas and sectors

FRANCE 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		A3
BUSINESS CLIMATE		A1

POPULATION Millions of persons	65.4
GDP PER CAPITA US Dollars	45,188

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.8	-8.0	7.0	2.5	0.3
Inflation (yearly average, %)	1.1	0.5	1.6	5.9	5.0
Budget balance (% GDP)	-3.1	-9.0	-6.5	-5.0	-5.6
Current account balance (% GDP)	-0.7	-2.5	-0.8	-2.5	-1.7
Public debt (% GDP)	97.4	115.0	112.8	111.7	112.2

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	14%
ITALY	8%
BELGIUM	8%
SPAIN	8%
UNITED STATES	7%

Imports of goods by country as a % of total

GERMANY	17%
BELGIUM	11%
NETHERLANDS	9%
ITALY	8%
SPAIN	8%

Exports of goods by product as a % of total

ROAD VEHICLES	8%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	7%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	6%
OTHER TRANSPORT EQUIPMENT	6%
MISCELLANEOUS MANUFACTURED ARTICLES	4%

Imports of goods by product as a % of total

ROAD VEHICLES	10%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	6%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	6%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	5%
MISCELLANEOUS MANUFACTURED ARTICLES	5%

2023 OUTLOOK

- Household consumption will slow down markedly, in a context of high inflation, which will put a strain on their purchasing power, despite the limitation of the rise in gas and electricity prices (*energy shield*).
- In a context of high costs (inputs, wages, interest rates) and low demand, business insolvencies will increase.
- While he was re-elected in April 2022, President Macron (LaREM, centre-liberal) did not obtain an absolute majority in the subsequent legislative elections. He will thus be forced to negotiate deals, in particular with the right-wing Republicans, on every reform, auguring greater political instability.

➕
- Quality of infrastructure
- Skilled workforce, dynamic demographics
- Tourism power
- Competitive international groups (aerospace, energy, environment, pharmaceuticals, luxury goods, food processing, retail)
- Global agricultural powerhouse
- High level of savings

➖
- Insufficient number of exporting companies, loss of competitiveness and market shares
- Weakening of the product range, insufficient innovation efforts
- Low employment rate of young people and senior citizens
- Room for improving the efficiency of public spending
- High public debt
- Growing private debt

GABON 🌐

COUNTRY RISK	**C**
BUSINESS CLIMATE	**D**

POPULATION Millions of persons	**2.1**
GDP PER CAPITA US Dollars	**9,482**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.9	-1.9	1.5	2.8	3.7
Inflation (yearly average, %)	2.0	1.3	1.1	3.5	3.2
Budget balance (% GDP)	2.1	-2.2	-1.9	1.2	3.0
Current account balance (% GDP)	-5.0	-6.9	-5.7	-1.4	-2.9
Public debt (% GDP)	59.8	78.3	65.8	52.6	50.8

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**31%**
EURO AREA	**26%**
SOUTH KOREA	**14%**
INDIA	**5%**
UNITED STATES	**4%**

Imports of goods by country as a % of total

EURO AREA	**49%**
CHINA	**15%**
UNITED STATES	**4%**
INDIA	**4%**
UNITED KINGDOM	**3%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**59%**
CORK AND WOOD	**17%**
METALLIFEROUS ORES AND METAL SCRAP	**14%**
CORK AND WOOD MANUFACTURES (EXCL. FURNITURE)	**3%**
ROAD VEHICLES	**1%**

Imports of goods by product as a % of total
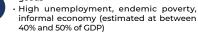
OTHER INDUSTRIAL MACHINERY AND PARTS	**9%**
ROAD VEHICLES	**9%**
MEAT AND MEAT PREPARATIONS	**7%**
IRON AND STEEL	**7%**
SPECIALISED MACHINERY	**7%**

2023 OUTLOOK

- In 2023, Gabon's economy will be mainly supported by oil exports of which the price is still high, followed by manganese and wood.
- The concomitant rise in imported food prices, coupled with high unemployment, will hamper private consumption.
- Gabon will continue its efforts to maintain its budget surplus while its current account deficit is expected to widen again as oil prices ease.
- Faced with a weak opposition, President Ali Bongo Ondimba, in office since 2009, remains favourite for the 2023 elections despite health concerns and his appearance in the Pandora Papers affair.

➕
- Abundant natural resources: 4th largest oil producer in sub-Saharan Africa (2020), 2nd largest manganese producer in the world (2022) and one of the continent's largest producers of tropical wood
- Net carbon absorber
- Under-exploited mining potential: deposits of iron, gold, uranium, diamond, copper, zinc, rare-earth metals, etc.
- Hydroelectric potential
- Member of the CEMAC and the Commonwealth

➖
- Economy heavily dependent on the oil sector
- High cost of production factors linked to inadequate infrastructure (transport and electricity)
- Dependent on imports of food and capital goods
- High unemployment, endemic poverty, informal economy (estimated at between 40% and 50% of GDP)
- Widespread corruption
- Stock of domestic and external arrears not yet cleared

GEORGIA 🌐

COUNTRY RISK	**C**
BUSINESS CLIMATE	**A3**

POPULATION Millions of persons	**3.7**
GDP PER CAPITA US Dollars	**5,014**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.0	-6.8	10.5	9.1	3.8
Inflation (yearly average, %)	4.9	5.2	9.6	12.0	6.3
Budget balance (% GDP)	-2.7	-9.2	-6.5	-3.2	-2.8
Current account balance (% GDP)	-5.5	-12.4	-10.0	-5.8	-6.9
Public debt (% GDP)	40.4	60.2	49.5	42.5	43.5

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**15%**
RUSSIA	**14%**
AZERBAIJAN	**13%**
EURO AREA	**9%**
TURKEY	**8%**

Imports of goods by country as a % of total

TURKEY	**18%**
EURO AREA	**16%**
RUSSIA	**10%**
CHINA	**9%**
UNITED STATES	**6%**

Exports of goods by product as a % of total

METALLIFEROUS ORES AND METAL SCRAP	**23%**
BEVERAGES	**14%**
IRON AND STEEL	**12%**
ROAD VEHICLES	**12%**
VEGETABLES AND FRUITS	**7%**

Imports of goods by product as a % of total

ROAD VEHICLES	**12%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**9%**
METALLIFEROUS ORES AND METAL SCRAP	**7%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**
IRON AND STEEL	**4%**

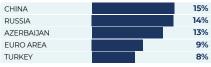## 2023 OUTLOOK

- After having benefitted both from the recovery in tourism and from the impact of the arrival of the Russians who boosted services, construction and agri-food, growth should moderate due to weaker external demand and persistently high inflation which will hamper household consumption.
- After a strong improvement in 2022 due to exceptional inflows from Russia (capital and direct), the current account deficit should widen mainly due to the drop in exports and lower remittances.
- The budget deficit will improve slightly following the government's desire to reduce its expenditure for its budget consolidation project.

➕
- Tourism, agricultural, mineral and hydroelectric potential (near self-sufficiency in electricity)
- Strategic geographical position between Central Asia, Russia, Europe and Turkey
- International support, numerous trade agreements
- Relatively good business environment

➖
- Weak diversification of the economy, low manufacturing activity (9% of GDP in 2020) and low productivity of agriculture (7% of GDP, 20% of the workforce in 2020)
- Structural trade deficit and low export valuation
- Highly dollarised banking system (63% of deposits and 55% of credits in 2020)
- High poverty, informal economy and rural population
- Political instability: pro-Western/pro-Russian division, Abkhazia and South Ossetia occupied by Russian military forces

GERMANY 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**A3**
BUSINESS CLIMATE		**A1**

POPULATION Millions of persons	**83.2**
GDP PER CAPITA US Dollars	**51,238**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.1	-3.7	2.6	1.9	0.2
Inflation (yearly average, %)	1.5	0.5	3.1	7.9	4.5
Budget balance (% GDP)	1.5	-4.3	-3.7	-2.2	-3.1
Current account balance (% GDP)	7.6	7.0	7.4	3.8	4.7
Public debt (% GDP)	58.9	68.0	68.6	65.5	65.3

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	9%
CHINA	8%
FRANCE	7%
NETHERLANDS	7%
POLAND	6%

Imports of goods by country as a % of total

NETHERLANDS	15%
CHINA	8%
POLAND	7%
BELGIUM	6%
ITALY	6%
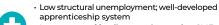
Exports of goods by product as a % of total

ROAD VEHICLES	14%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	9%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	7%
OTHER INDUSTRIAL MACHINERY AND PARTS	7%
SPECIALISED MACHINERY	4%

Imports of goods by product as a % of total

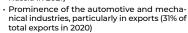|	
ROAD VEHICLES	9%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	9%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	6%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	4%
OTHER INDUSTRIAL MACHINERY AND PARTS	4%

2023 OUTLOOK

- High inflation, supply-chain-bottlenecks, higher financing and production costs, and lower demand from abroad are leading the German economy into a stagnation.
- The current account surplus will recover somewhat due to lower goods imports and an improvement of the trade in services deficit.
- New support measures for households and companies including a gas price cap will increase the public deficit.
- The "traffic-light"-coalition (social democrats, liberals, environmentalist), keeping its pragmatism and compromises, will remain in office.

+
- Strong industrial base (24% of GDP, 2021)
- Low structural unemployment; well-developed apprenticeship system
- Importance of family-owned exporting SMEs (Mittelstand)
- Consensus-orientated politics, institutional system promoting representativeness

–
- Declining working population from 2020 onwards, despite immigration
- Strong dependence on energy imports (e.g. 39% of all German gas imports came from Russia in 2021)
- Prominence of the automotive and mechanical industries, particularly in exports (31% of total exports in 2020)
- Capacity constraints, insufficient investment (especially in internet accessibility) and venture capital limit productivity gains

GHANA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**C**
BUSINESS CLIMATE		**B**

POPULATION Millions of persons	**31.4**
GDP PER CAPITA US Dollars	**2,521**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	6.5	0.5	5.4	3.6	2.5
Inflation (yearly average, %)	7.8	10.5	12.6	31.7	18.0
Budget balance* (% GDP)	-7.3	-15.3	-11.4	-9.2	-7.5
Current account balance (% GDP)	-2.7	-3.0	-3.2	-5.3	-2.5
Public debt** (% GDP)	62.7	79.1	82.1	91.0	94.0

(f): Forecast. *Costs of cleaning up the financial sector, as well as consolidating the energy sector, included.
**Including public enterprise debt, government guarantees, financial sector liabilities and public-private partnerships.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	22%
SWITZERLAND	18%
SOUTH AFRICA	15%
EURO AREA	12%
UNITED ARAB EMIRATES	5%

Imports of goods by country as a % of total

CHINA	16%
EURO AREA	14%
UNITED STATES	10%
UNITED KINGDOM	9%
INDIA	4%

Exports of goods by product as a % of total

GOLD, NON-MONETARY	36%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	30%
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	16%
METALLIFEROUS ORES AND METAL SCRAP	3%
VEGETABLES AND FRUITS	3%

Imports of goods by product as a % of total

ROAD VEHICLES	10%
MANUFACTURES OF METAL	7%
CEREALS AND CEREAL PREPARATIONS	6%
IRON AND STEEL	5%
OTHER INDUSTRIAL MACHINERY AND PARTS	5%

2023 OUTLOOK

- An agreement with the IMF should have been finalised in early 2023, being conditional on a debt restructuring beforehand.
- Fiscal tightening and maintaining high interest rates should reduce deficits but also weigh on domestic demand.
- Protests against the high cost of living can occur in order to put pressure on the government, but should not threaten political stability.
- Since 2019, Cocobod (Ghana) and the Conseil du Café-Cacao (Côte d'Ivoire) have continued to jointly claim "cost of living" and "country of origin" premiums from foreign buyers, without a definitive agreement so far.
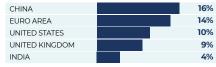
+
- Significant mineral (gold), agricultural (cocoa), oil and gas resources
- Diversified and self-sufficient energy mix
- Major development of mobile telephony and progress in digitalisation
- Stable democracy, active civil society
- Attractive, FDI-friendly business environment

–
- High debt that needs restructuring
- High government deficit resulting from low revenues and poor expenditure control
- Fragility of the banking sector: non-performing loans, exposure to public debt, high interest rates
- Dependence on commodities: gold and oil (70% of exports), cocoa (10%, 30% with other agricultural products, such as cashew nuts)
- Security threats: separatists from Togoland, jihadist infiltration in the north

GREECE 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**A2**	

POPULATION Millions of persons	**10.7**
GDP PER CAPITA US Dollars	**20,263**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.8	-9.0	8.4	4.5	1.2
Inflation (yearly average, %)	0.3	-1.3	1.2	9.8	4.6
Budget balance (% GDP)	1.1	-9.9	-7.5	-4.7	-3.1
Current account balance (% GDP)	-1.5	-8.0	-8.2	-9.1	-8.8
Public debt (% GDP)	180.6	206.3	194.5	174.3	167.5

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

ITALY	**10%**
GERMANY	**7%**
CYPRUS	**6%**
TURKEY	**5%**
BULGARIA	**5%**

Imports of goods by country as a % of total

GERMANY	**11%**
ITALY	**9%**
CHINA	**8%**
RUSSIA	**7%**
IRAQ	**6%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**27%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**7%**
NON-FERROUS METALS	**7%**
VEGETABLES AND FRUITS	**6%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**3%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**22%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**6%**
ROAD VEHICLES	**4%**
GAS, NATURAL AND MANUFACTURED	**4%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**4%**

2023 OUTLOOK

- After a resilient 2022, the economy will endure a sharp slowdown in H1 2023.
- Despite low direct dependence on Russia, high energy prices push imported inflation.
- Exposed to a recession in Europe through the trade channel (Europe = 61% of exports).
- Tensions with Turkey over migration and maritime territorial disputes will intensify as both countries face elections. Afterwards, there is a risk of divided parliament and snap elections.

➕
- Abundant European financial support (NGEU funds = 18% of 2019 GDP)
- World leader in maritime transport
- Recovering tourism sector
- Recovering bank balance sheets
- Rapidly-improving business climate

➖
- Very high public debt
- High dependence on hydrocarbon imports (oil, gas, and coal account for 80% of the energy mix)
- Cumbersome bureaucracy and judicial system
- Poorly diversified industry, overwhelming tourism dependence
- Increasing security concerns vis-à-vis Turkey, a NATO partner

GUATEMALA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**C**	
BUSINESS CLIMATE	**C**	

POPULATION Millions of persons	**18.3**
GDP PER CAPITA US Dollars	**4,688**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.9	-1.5	8.0	3.2	2.4
Inflation (yearly average, %)	3.4	4.8	4.3	6.9	5.8
Budget balance (% GDP)	-2.2	-4.9	-1.9	-1.3	-1.8
Current account balance (% GDP)	2.3	5.5	2.5	0.5	1.1
Public debt (% GDP)	26.5	31.5	30.8	30.1	30.0

(f): Forecast

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**31%**
EL SALVADOR	**13%**
HONDURAS	**10%**
EURO AREA	**9%**
NICARAGUA	**6%**

Imports of goods by country as a % of total

UNITED STATES	**32%**
CHINA	**14%**
MEXICO	**10%**
EURO AREA	**6%**
EL SALVADOR	**4%**

Exports of goods by product as a % of total

VEGETABLES AND FRUITS	**16%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**13%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**11%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**6%**
IRON AND STEEL	**5%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**12%**
ROAD VEHICLES	**7%**
IRON AND STEEL	**5%**
TEXTILE YARN AND RELATED PRODUCTS	**5%**
TELECOM. & SOUND RECORDING APPARATUS	**4%**

2023 OUTLOOK

- Growth would decelerate in 2023. Expatriate remittances are expected to fall along with US activity, penalising private consumption.
- Despite the decline in tax revenues, improved tax collection would keep the government deficit at a moderate level.
- Despite the fall in remittances, the current account surplus would increase with the decrease in imports caused by the weakening of consumption.
- The possible disqualification of candidates for the June 2023 presidential elections would increase political uncertainty already fuelled by protests against government corruption and the lack of a stable majority in Congress.

➕
- Financial support from the US
- Free trade agreements with the United States and the European Union
- High potential for tourism, agriculture (bananas, coffee, sugar), mining, hydroelectricity, geothermal energy
- High foreign exchange reserves (about 7 months of imports)
- Low level of public and external debt, especially in comparison with its regional peers

➖
- Low tax revenues
- Weak infrastructure
- Low skilled labour force
- Corruption affecting the business environment
- Vulnerability to external shocks
- High dependence on remittance flows from expatriates in the US
- Security problems related to drug trafficking
- Social and political instability

GUINEA 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**C**
BUSINESS CLIMATE	**D**

POPULATION Millions of persons	**14.3**
GDP PER CAPITA US Dollars	**1,128**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.6	4.9	4.0	4.6	5.0
Inflation (yearly average, %)	9.5	10.6	11.6	9.0	12.0
Budget balance* (% GDP)	-0.5	-2.9	-2.2	-2.5	-3.0
Current account balance** (% GDP)	-11.5	-13.6	-1.3	-7.0	-8.0
Public debt (% GDP)	38.4	47.0	42.0	39.0	37.5

(f): Forecast. *Grants included. **Official transfers included.

TRADE EXCHANGES

Exports of goods by country as a % of total

INDIA	**57%**
CHINA	**11%**
EURO AREA	**8%**
UNITED ARAB EMIRATES	**6%**
SWITZERLAND	**5%**

Imports of goods by country as a % of total

EURO AREA	**21%**
CHINA	**20%**
INDIA	**14%**
JAPAN	**9%**
UNITED ARAB EMIRATES	**7%**

Exports of goods by product as a % of total

GOLD, NON-MONETARY	**52%**
METALLIFEROUS ORES AND METAL SCRAP	**35%**
MISCELLANEOUS MANUFACTURED ARTICLES	**4%**
GAS, NATURAL AND MANUFACTURED	**2%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**2%**

Imports of goods by product as a % of total

CEREALS AND CEREAL PREPARATIONS	**13%**
ROAD VEHICLES	**12%**
SPECIALISED MACHINERY	**11%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**6%**
VEGETABLES AND FRUITS	**5%**

2023 OUTLOOK

- In 2023, the economy should experience a slight acceleration in growth, driven mainly by the mining sector.
- Household consumption is expected to grow moderately, thanks to the appreciation of the Guinean franc, which will keep inflation in check.
- The trade balance will remain in surplus due to mining exports offsetting purchases of mining equipment, but the primary income account deficit is expected to widen with increased repatriated profits from mining companies.
- The current account deficit will be financed by FDI, mainly from China.
- A military junta criticised by regional bodies and increasingly contested by the street, despite the repression.

➕
- One third of the world's bauxite reserves
- Iron, gold, diamond, uranium and oil deposits still largely unexploited
- Significant hydroelectric potential

➖
- Dependence on mining and energy prices
- Dependence on Chinese demand for bauxite
- Low government revenues (13% of GDP)
- Lack of infrastructure, especially in the electricity and transport sectors
- High poverty (44% of the population)
- Difficult business environment
- Structural weakness in agriculture

GUYANA 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**C**
BUSINESS CLIMATE	**C**

POPULATION Millions of persons	**0.8**
GDP PER CAPITA US Dollars	**9,778**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.4	43.5	23.9	57.8	25.2
Inflation (yearly average, %)	2.1	0.7	3.3	7.6	7.6
Budget balance (% GDP)	-2.8	-7.9	-7.2	-0.7	-0.5
Current account balance (% GDP)	-54.1	-14.5	-25.5	43.8	30.8
Public debt (% GDP)	43.6	51.1	42.9	22.8	20.9

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**41%**
SINGAPORE	**16%**
UNITED ARAB EMIRATES	**7%**
UNITED KINGDOM	**7%**
CANADA	**7%**

Imports of goods by country as a % of total

SINGAPORE	**40%**
UNITED STATES	**20%**
TRINIDAD AND TOBAGO	**8%**
CHINA	**7%**
EURO AREA	**4%**

Exports of goods by product as a % of total

GOLD, NON-MONETARY	**51%**
CEREALS AND CEREAL PREPARATIONS	**15%**
METALLIFEROUS ORES AND METAL SCRAP	**11%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**7%**
BEVERAGES	**3%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**12%**
MANUFACTURES OF METAL	**11%**
OTHER TRANSPORT EQUIPMENT	**9%**
MISCELLANEOUS MANUFACTURED ARTICLES	**9%**
SPECIALISED MACHINERY	**7%**

2023 OUTLOOK

- As the 3rd largest commercially recoverable oil reserve in Latin America and the Caribbean, the country's economic performance will continue to be stellar thanks to rising oil sector output.
- Non-oil GDP will also experience a strong recovery thanks to the dynamism of the mining, construction and services sectors.
- The oil windfall will further strengthen the external and public accounts, and the public debt, of which the ratio is the lowest in the region, will be further reduced.
- Despite still significant corruption, the current government is ideally positioned to use the oil windfall for the socio-economic transformation of the country.

➕
- Attractive prospects for investors in mining, hydroelectric power and agriculture
- Abundant offshore oil and gas reserves, under development since 2020
- Member of the Caribbean Community and Common Market (CARICOM)

➖
- Dependence on natural resources (gold, bauxite, sugar, rice, wood and, most importantly, oil since 2020)
- Inadequate transport, electricity, education and health infrastructure
- Low-skilled local labour force and massive emigration of skilled workers
- Sensitivity to climatic events
- Dependence on international creditors
- High crime rate linked to drug trafficking, in a context of poverty and corruption

HAITI 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	E
BUSINESS CLIMATE	E

POPULATION Millions of persons	11.9
GDP PER CAPITA US Dollars	1,765

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth* (%)	-1.7	-3.3	-1.8	-1.5	-0.1
Inflation (yearly average, %)	17.3	22.9	15.9	26.4	23.1
Budget balance*/** (% GDP)	-1.3	-2.2	-2.5	-3.2	-3.3
Current account balance** (% GDP)	-1.2	1.5	0.7	-1.4	-2.6
Public debt* (% GDP)	27.5	24.4	25.6	27.7	22.4

(f): Forecast. *2021 Fiscal year from 1st October 2022 to 30th September 2023. **Grants included.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	82%
CANADA	5%
MEXICO	4%
EURO AREA	2%
INDIA	2%

Imports of goods by country as a % of total

CHINA	29%
UNITED STATES	21%
INDONESIA	10%
EURO AREA	7%
COLOMBIA	5%

Exports of goods by product as a % of total

ARTICLES OF APPAREL & CLOTHING ACCESSORIES	71%
VEGETABLES AND FRUITS	5%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	3%
TEXTILE YARN AND RELATED PRODUCTS	3%
METALLIFEROUS ORES AND METAL SCRAP	2%

Imports of goods by product as a % of total

CEREALS AND CEREAL PREPARATIONS	22%
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	11%
TEXTILE YARN AND RELATED PRODUCTS	7%
ROAD VEHICLES	6%
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONED	5%

2023 OUTLOOK

- Since the assassination of President Jovenel Moïse (July 2021), the country has been plunged into an economic, political and security crisis.
- The deteriorating political and security situation and the decline in remittances are expected to prolong the recession.
- Due to funding constraints and the low tax base, debt monetisation will continue, fuelling inflation.
- The current account deficit will widen due to a higher import bill and a decline in expatriate remittances.

➕
- Development and reconstruction programmes established with international donors
- Membership in regional organisations (Association of Caribbean States, Organisation of American States, CARICOM, CARIFORUM)
- "Staff Monitored Programme" agreed with the IMF over one year in June 2022 and paving the way for possible financial support before mid-2023

➖
- High vulnerability to natural disasters, including hurricanes and earthquakes
- Low level of development
- Dependence on remittances from Haitian expatriates in the USA and Canada, and on international donations
- Lack of infrastructure, especially energy (70% of the population has no access to electricity)
- Large informal sector
- Political instability, corruption and insecurity

HONDURAS 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	C
BUSINESS CLIMATE	C

POPULATION Millions of persons	10.1
GDP PER CAPITA US Dollars	2,816

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.7	-9.0	12.5	3.1	2.0
Inflation (yearly average, %)	4.4	3.5	4.5	9.0	6.1
Budget balance* (% GDP)	-0.9	-4.6	-2.7	-4.3	-4.2
Current account balance (% GDP)	-1.4	2.7	-4.9	-3.2	-4.0
Public debt* (% GDP)	46.5	50.9	48.1	51.3	44.0

(f): Forecast. *Including all non-finance public sector.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	45%
EURO AREA	19%
EL SALVADOR	6%
GUATEMALA	5%
NICARAGUA	5%

Imports of goods by country as a % of total

UNITED STATES	34%
CHINA	18%
MEXICO	8%
GUATEMALA	6%
EURO AREA	5%

Exports of goods by product as a % of total

ARTICLES OF APPAREL & CLOTHING ACCESSORIES	29%
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	17%
VEGETABLES AND FRUITS	9%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	7%
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONED	6%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	13%
TEXTILE YARN AND RELATED PRODUCTS	9%
ROAD VEHICLES	5%
CEREALS AND CEREAL PREPARATIONS	5%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	5%

2023 OUTLOOK

- In a context of high inflation, and despite increased public investment, the US slowdown will weigh on activity. Subsidies for basic necessities will not allow the central bank to achieve its inflation target (3 to 5%).
- Subsidies to households will limit the reduction of the public deficit. Its financing would depend on multilateral loans (IMF, CABEI).
- Falling remittances and rising energy and food bills will widen the current account deficit.
- Although Xiomara Castro remains popular, the lack of a presidential majority in Congress would hamper her governmental action.

➕
- Privileged relationship with the US (preferential trade agreement, military presence)
- Agricultural resources
- Support from international donors

➖
- Dependence on the US economy (exports, FDI and expatriate remittances)
- Dependence on fuel and grain imports
- High criminality and corruption against a background of poverty, food insecurity and drug trafficking
- High informality of the economy: 70% of the working population is concerned
- High emigration fuelled by insecurity
- Fiscal resources still too low (16.9% of GDP in 2020)
- Unemployment rate still above its pre-pandemic level
- Vulnerable to climatic events such as hurricanes and tropical storms

HONG KONG SAR 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A3**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	**7.4**
GDP PER CAPITA US Dollars	**49,865**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-1.7	-6.5	6.3	-3.2	3.0
Inflation (yearly average, %)	2.9	0.3	1.6	1.9	2.2
Budget balance* (% GDP)	-0.6	-9.2	-0.6	-3.1	0.2
Current account balance (% GDP)	5.9	7.0	11.3	8.0	6.0
Public debt (% GDP)	0.3	1.0	2.1	3.3	4.3

(f): Forecast. *Fiscal year 2023: 1st April 2023 to 31st March 2024.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**60%**
UNITED STATES	**6%**
EURO AREA	**5%**
TAIWAN	**3%**
INDIA	**3%**

Imports of goods by country as a % of total

CHINA	**44%**
TAIWAN	**10%**
SINGAPORE	**8%**
SOUTH KOREA	**6%**
JAPAN	**5%**

Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**44%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**17%**
TELECOM. & SOUND RECORDING APPARATUS	**8%**
GOLD, NON-MONETARY	**5%**
MISCELLANEOUS MANUFACTURED ARTICLES	**4%**

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**43%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**13%**
TELECOM. & SOUND RECORDING APPARATUS	**9%**
MISCELLANEOUS MANUFACTURED ARTICLES	**5%**
GOLD, NON-MONETARY	**4%**

2023 OUTLOOK

- After GDP contracted in 2022, we expect a modest recovery in 2023, helped by the gradual post-COVID reopening.
- However, downside risks to growth include a real estate downturn, rising interest rates, investment weakness, an incomplete reopening, and softening external demand.
- Underlying price pressures are expected to remain mild, though imported inflation, especially in food and energy-related items, would be higher.
- Job market should continue to improve on the revival of domestic economic activities, and tourism.

➕
- Open economy
- High-quality infrastructure
- Top-class global financial centre, airlock between China and the rest of the world
- Healthy banking system
- HKD pegged to USD

➖
- Lack of innovation and diversification of the economy
- Exposure to slowdown in mainland China
- Mismatch between business cycles in the United States and China amid HKD-USD peg
- Real estate sector risks and housing affordability
- Rising income inequality
- Industry has fully relocated to mainland China
- Caught in between US-China tensions

HUNGARY 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A4**	
BUSINESS CLIMATE	**A3**	

POPULATION Millions of persons	**9.7**
GDP PER CAPITA US Dollars	**18,732**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.9	-4.5	7.1	5.2	0.1
Inflation (yearly average, %)	3.4	3.4	5.2	14.8	19.5
Budget balance (% GDP)	-2.0	-7.5	-7.1	-6.0	-4.6
Current account balance (% GDP)	-0.9	-0.9	-4.0	-7.2	-6.0
Public debt (% GDP)	65.3	79.3	76.8	76.9	75.7

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	**27%**
ITALY	**6%**
ROMANIA	**5%**
SLOVAKIA	**5%**
AUSTRIA	**5%**

Imports of goods by country as a % of total

GERMANY	**23%**
CHINA	**8%**
AUSTRIA	**6%**
SLOVAKIA	**6%**
POLAND	**6%**

Exports of goods by product as a % of total

ROAD VEHICLES	**16%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**14%**
TELECOM. & SOUND RECORDING APPARATUS	**7%**
POWER GENERATING MACHINERY AND EQUIPMENT	**6%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**15%**
ROAD VEHICLES	**9%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**6%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**4%**

2023 OUTLOOK

- The economy is expected to be on the verge of recession in 2023, as household consumption will be eroded by high inflation while investments are expected to suffer from high interest rates.
- The relaxation of several price caps by the government led inflation to exceed 20% in late 2022, with double-digit levels likely to remain in 2023.
- The budget deficit is expected to narrow thanks to additional windfall profits and sectoral tax revenues. However, pressure will remain on the expenditure side with costly imported energy.
- The transfers from the EU budget due to the disputed rule-of-law issues are still uncertain.

➕
- Diversified economy
- High quality infrastructure thanks to European funds
- Integrated within the European supply chain
- Trained workforce
- Low corporate taxation
- Generally positive payment behaviour

➖
- Ageing population, low birth rate
- Open economy exposed to European economic trends
- Regional disparities; lack of mobility
- Deficiencies in vocational education
- Poor levels of innovation and R&D, high content of imported inputs in exports
- High corporate debt level (although decreasing)
- The EU rule-of-law dispute

ICELAND 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A3**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	**0.4**
GDP PER CAPITA US Dollars	**69,422**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.4	-6.8	4.4	5.5	1.2
Inflation (yearly average, %)	3.0	2.9	4.5	8.3	6.4
Budget balance (% GDP)	-1.5	-8.9	-7.9	-4.8	-3.1
Current account balance (% GDP)	6.5	1.9	-1.7	-2.7	-1.2
Public debt (% GDP)	68.4	77.4	78.0	75.0	72.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**60%**
UNITED KINGDOM	**9%**
UNITED STATES	**8%**
NORWAY	**3%**
DENMARK	**2%**

Imports of goods by country as a % of total

EURO AREA	**31%**
NORWAY	**10%**
CHINA	**9%**
UNITED STATES	**8%**
DENMARK	**8%**

Exports of goods by product as a % of total

FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**40%**
NON-FERROUS METALS	**39%**
IRON AND STEEL	**3%**
FEEDSTUFF FOR ANIMALS (EXCL. UNMILLED CEREALS)	**2%**
ANIMAL OILS AND FATS	**2%**

Imports of goods by product as a % of total

ROAD VEHICLES	**10%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**8%**
METALLIFEROUS ORES AND METAL SCRAP	**8%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**7%**
OTHER TRANSPORT EQUIPMENT	**5%**

2023 OUTLOOK

- In 2023, the Icelandic economic activity is set to slow down due to a decrease of tourist arrivals and weaker growth of goods exports over winter and early spring.
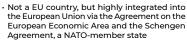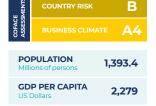- The inflationary pressures (mostly imported) will still weigh on households' purchasing power. However, the central bank has counteracted them by increasing its key interest rates.
- The current account will remain in deficit in 2023 because the services trade surplus will not balance out the trade in goods deficit.

+
- Very high standard of living and low inequality in the society
- Abundant renewable energy (hydropower, 85% of all households are heated with geothermal energy, 100% of the electricity consumption is produced by renewable energy)
- Not a EU country, but highly integrated into the European Union via the Agreement on the European Economic Area and the Schengen Agreement, a NATO-member state

−
- Volcanic and seismic risks
- Small and very open economy: constrained monetary policy
- Concentration of production and exports (aluminum and marine products accounted for 76% of all goods exports in 2021)
- Volatile activity due to dependence on tourist inflows
- Wage growth higher than productivity growth

INDIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**A4**	

POPULATION Millions of persons	**1,393.4**
GDP PER CAPITA US Dollars	**2,279**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.5	-6.6	8.3	6.8	5.9
Inflation (yearly average, %)	3.7	6.6	5.1	6.7	5.0
Budget balance* (% GDP)	-7.5	-12.8	-10.0	-9.9	-9.0
Current account balance (% GDP)	-0.9	0.9	-1.2	-3.5	-2.9
Public debt (% GDP)	75.1	89.2	84.2	84.0	83.8

(f): Forecast. *FY 2023: April 2023-March 2024.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**18%**
EURO AREA	**13%**
UNITED ARAB EMIRATES	**6%**
CHINA	**6%**
BANGLADESH	**4%**

Imports of goods by country as a % of total

CHINA	**15%**
UNITED ARAB EMIRATES	**8%**
EURO AREA	**7%**
UNITED STATES	**7%**
SWITZERLAND	**5%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**14%**
NON METALLIC MINERAL MANUFACTURES	**8%**
IRON AND STEEL	**6%**
TEXTILE YARN AND RELATED PRODUCTS	**6%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**20%**
GOLD, NON-MONETARY	**10%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**6%**
NON METALLIC MINERAL MANUFACTURES	**6%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**5%**

2023 OUTLOOK

- India's growth outlook for 2023 supported by domestic demand, with services rebound, sustained manufacturing growth, and robust credit expansion.
- Global slowdown to weigh on India's export prospects of external-oriented manufacturers and IT services firms.
- Headline inflation moderating, but price pressures broaden to more goods and services. Consumer inflation to remain elevated.
- Current account deficit to narrow as global energy prices moderate, while rising policy rate and subsidy burdens will maintain fiscal pressure.

+
- Diversified growth drivers
- Immense workforce and population with good command of English
- Efficient IT services
- Expatriates' and diaspora's remittances, jewellery, garments, vehicles and medicine exports, tourism, and IT services, contribute positively to the current account
- Low level of external debt and adequate FX reserves

−
- High corporate debt and non-performing loans (NPL)
- Net importer of energy resources
- Lack of adequate infrastructure
- Weak public finances
- Bureaucratic red tape, inefficient justice
- Widespread poverty, inequality, informality
- Military confrontation with China and Pakistan
- Climate impact on agriculture (18% of GDP)

INDONESIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A4**	
BUSINESS CLIMATE	**A4**	

POPULATION Millions of persons	**272.2**
GDP PER CAPITA US Dollars	**4,361**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.0	-2.1	3.7	5.3	5.1
Inflation (yearly average, %)	2.8	2.0	1.6	-2.4	4.4
Budget balance (% GDP)	-2.3	-6.1	-4.6	-3.6	-3.0
Current account balance (% GDP)	-2.7	-0.4	0.3	0.7	-0.8
Public debt (% GDP)	30.6	39.8	41.2	41.0	40.4

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**23%**
UNITED STATES	**11%**
JAPAN	**8%**
EURO AREA	**7%**
INDIA	**6%**

Imports of goods by country as a % of total

CHINA	**25%**
SINGAPORE	**7%**
JAPAN	**7%**
EURO AREA	**6%**
UNITED STATES	**5%**
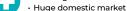
Exports of goods by product as a % of total

COAL, COKE AND BRIQUETTES	**14%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**13%**
IRON AND STEEL	**9%**
METALLIFEROUS ORES AND METAL SCRAP	**4%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**4%**

Imports of goods by product as a % of total

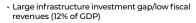|	
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**12%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**6%**
IRON AND STEEL	**6%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**4%**

2023 OUTLOOK

- Growth will continue to be boosted by the reopening of the economy, which allows the recovery in services, especially those related to tourism.
- However, less support from trade is expected as commodity prices normalise and global demand deteriorates.
- While Bank Indonesia (BI) is expected to continue raising rates, inflation will remain sustained following the rise in the subsidised fuel prices in September 2022.
- Investor confidence could be weakened by a reform of the BI that changed its mandate and allows it to finance government borrowing in the event of an economic crisis.

➕
- Diverse natural resources (agriculture, energy, mining)
- Low labour costs and demographic dividend
- Growing tourism industry (6% of GDP in 2019)
- Huge domestic market
- Sovereign bonds rated "Investment Grade" by the three main rating agencies
- Exchange rate flexibility

➖
- Large infrastructure investment gap/low fiscal revenues (12% of GDP)
- Exposure to shifts in Chinese demand
- Market fragmentation: extensive archipelago with numerous islands and ethnic diversity that potentially leads to unrest
- Highly exposed to natural disasters (volcanic eruptions, hurricanes and earthquakes)
- Persistent corruption and lack of transparency

IRAN 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**E**	
BUSINESS CLIMATE	**D**	

POPULATION Millions of persons	**84.8**
GDP PER CAPITA US Dollars	**18,739**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-3.1	3.3	4.7	3.5	2.0
Inflation (yearly average, %)	34.6	36.4	40.1	40	40.0
Budget balance* (% GDP)	-4.5	-5.8	-4.3	-4.0	-3.0
Current account balance (% GDP)	-0.3	-0.1	0.7	1.5	1.5
Public debt** (% GDP)	42.7	44.1	42.4	34.0	32.0

(f): Forecast. *Fiscal year 2023: March 21 2022 to March 20 2023. **General government gross debt.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**34%**
TURKEY	**15%**
AFGHANISTAN	**6%**
TAIWAN	**5%**
RUSSIA	**5%**

Imports of goods by country as a % of total

CHINA	**25%**
EURO AREA	**15%**
UNITED ARAB EMIRATES	**13%**
RUSSIA	**12%**
TURKEY	**9%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**40%**
GAS, NATURAL AND MANUFACTURED	**10%**
PLASTICS IN PRIMARY FORMS	**10%**
VEGETABLES AND FRUITS	**6%**
IRON AND STEEL	**5%**

Imports of goods by product as a % of total

CEREALS AND CEREAL PREPARATIONS	**10%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**8%**
ROAD VEHICLES	**7%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**6%**
IRON AND STEEL	**5%**

2023 OUTLOOK

- The decline in oil prices and external competition will weigh on Iran's growth in 2023.
- The recovery in private consumption will remain limited due to hyperinflation.
- The budget deficit is expected to narrow aided by still high energy prices and cuts in government spending.
- The nuclear agreement would not resume before end-2023 at the earliest, especially as Iran's current higher nuclear activity increases tensions with the West. Growing ties with Russia may also interfere.
- Protests that erupted in September 2022 are another key challenge if they persist and intensify.

➕
- Second largest proven oil and gas reserves in the world
- A strong manufacturing sector
- Low penetrated, large consumer market

➖
- High dependence on oil and gas
- The delayed return to the nuclear deal constrains growth: international sanctions weigh on trade, investment and capital flows
- Limited foreign exchange reserves, existence of multiple exchange rates
- Narrow budgetary margins
- Restricted availability of credit for companies
- High inflation, heavy bureaucracy and corruption

IRAQ 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**E**	
BUSINESS CLIMATE	**E**	

POPULATION Millions of persons	**41.1**
GDP PER CAPITA US Dollars	**5,021**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.8	-15.7	7.7	9.0	4.0
Inflation (yearly average, %)	-0.2	0.6	6.0	6.5	4.5
Budget balance (% GDP)	0.8	-12.8	-0.8	11.0	9.0
Current account balance (% GDP)	0.4	-10.8	7.8	16.0	13.0
Public debt (% GDP)	45.2	84.2	59.1	36.5	35.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**31%**
INDIA	**31%**
EURO AREA	**17%**
SOUTH KOREA	**6%**
UNITED STATES	**4%**

Imports of goods by country as a % of total

TURKEY	**29%**
CHINA	**28%**
EURO AREA	**10%**
INDIA	**5%**
SAUDI ARABIA	**3%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**96%**
GOLD, NON-MONETARY	**3%**
VEGETABLES AND FRUITS	**0%**
IRON AND STEEL	**0%**
NON-FERROUS METALS	**0%**

Imports of goods by product as a % of total

IRON AND STEEL	**7%**
CEREALS AND CEREAL PREPARATIONS	**6%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**6%**
ROAD VEHICLES	**6%**
MISCELLANEOUS MANUFACTURED ARTICLES	**5%**

2023 OUTLOOK

- The slowdown in the oil sector will drag down growth in 2023. Less oil revenues will limit public consumption.
- Inflation is expected to ease in 2023 in line with lower food (and energy) prices.
- The twin surpluses will shrink due to the fall in hydrocarbon prices and slowdown in Iraq's oil production. Public subsidies are likely to increase. The currency peg to dollar will be maintained.
- While the long-awaited election of a president, appointment of a prime minister and formation of a government has reduced political uncertainty, structural economic and political issues are likely to persist.

➕
- Vast oil and gas reserves with low extraction costs
- Potential of investment opportunities in infrastructure and construction sectors
- Young population
- Improving relations with China resulting in new deals in oil and construction sectors

➖
- Economic activity dependent on oil, low diversification
- Persistent protests over social and political issues; fanned by Iran interference
- New government bringing together Sunnis, Kurds and the pro-Iran Shiites, unlikely to resolve the slow implementation of economic reforms
- Tensions between the central government and the Kurdistan regional government over redistribution of oil revenues

IRELAND 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A4**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	**5.0**
GDP PER CAPITA US Dollars	**100,129**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.4	6.2	13.6	11.1	2.8
Inflation (yearly average, %)	0.9	-0.5	2.4	7.8	5.8
Budget balance (% GDP)	0.5	-5.0	-1.7	0.3	1.0
Current account balance (% GDP)	-19.8	-2.7	14.2	8.5	10.9
Public debt (% GDP)	57.0	58.4	55.4	44.5	41.1

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**31%**
UNITED KINGDOM	**11%**
GERMANY	**11%**
BELGIUM	**8%**
CHINA	**7%**

Imports of goods by country as a % of total

UNITED KINGDOM	**19%**
UNITED STATES	**17%**
FRANCE	**10%**
GERMANY	**8%**
CHINA	**7%**

Exports of goods by product as a % of total

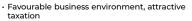|	
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**39%**
ORGANIC CHEMICALS	**16%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
MISCELLANEOUS MANUFACTURED ARTICLES	**5%**
PROFESSIONAL AND SCIENTIFIC INSTRUMENTS	**4%**

Imports of goods by product as a % of total

OTHER TRANSPORT EQUIPMENT	**14%**
ORGANIC CHEMICALS	**10%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**10%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
MISCELLANEOUS MANUFACTURED ARTICLES	**5%**

2023 OUTLOOK

- Growth will fall sharply, due to the decline in household consumption - whose disposable income will be affected by persistent high inflation - and to the recession in its main partners (UK and Eurozone).
- However, the country should once again be one of the most resilient in the region, thanks to the presence of multinationals specialising in less vulnerable sectors.
- Sinn Féin (nationalist) has an irresistible momentum. At the end of 2022, with 36% of the vote, it alone had as many votes as the centrist coalition, which nevertheless seems capable of completing its mandate until 2025.

➕
- Flexible labour and goods markets
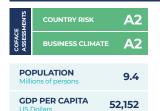- Favourable business environment, attractive taxation
- Presence of multinational companies, particularly from the United States, which account for 22% of employment and 63% of value added in the non-financial business sector
- Presence (through multinationals) in sectors with high value added, including pharmaceuticals, IT and medical equipment

➖
- Dependent on the economic situation and tax regimes of the United States and Europe, particularly the United Kingdom
- Vulnerable to changes in the strategies of foreign companies
- Public and private debt levels still high
- Banking sector still vulnerable to shocks

ISRAEL 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A2**	
BUSINESS CLIMATE	**A2**	

POPULATION Millions of persons	**9.4**
GDP PER CAPITA US Dollars	**52,152**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.2	-1.9	8.6	5.0	3.5
Inflation (yearly average, %)	0.8	-0.6	1.5	4.5	2.5
Budget balance (% GDP)	-3.9	-10.7	-3.8	0.5	-1.0
Current account balance (% GDP)	3.3	5.3	4.2	3.0	3.5
Public debt* (% GDP)	58.8	70.7	68.0	67.0	68.0

(f): Forecast. *General government gross debt.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**27%**
EURO AREA	**22%**
CHINA	**7%**
INDIA	**5%**
UNITED KINGDOM	**4%**

Imports of goods by country as a % of total

EURO AREA	**30%**
CHINA	**12%**
UNITED STATES	**9%**
SWITZERLAND	**7%**
TURKEY	**5%**

Exports of goods by product as a % of total

NON METALLIC MINERAL MANUFACTURES	**15%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**13%**
PROFESSIONAL AND SCIENTIFIC INSTRUMENTS	**10%**
MISCELLANEOUS MANUFACTURED ARTICLES	**6%**
CHEMICAL MATERIALS AND PRODUCTS	**5%**

Imports of goods by product as a % of total

NON METALLIC MINERAL MANUFACTURES	**9%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**9%**
ROAD VEHICLES	**9%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**4%**
TELECOM. & SOUND RECORDING APPARATUS	**4%**

2023 OUTLOOK

- The economy will slow in 2023 mainly due to slower external demand and higher living costs weighing on private consumption.
- Rising interest rates to counter inflation will increase credit costs.
- External position will remain healthy, but the trade deficit will be a drag. Goods exports and tourism will slow due to global slowdown despite resistance from high-tech sector.
- The Likud-led coalition, with the help of the extreme-right, won elections in November 2022. The new government will be able to pass the 2023 budget, ending fiscal uncertainty.

➕
- Very competitive high-tech sector
- More offshore natural gas to be discovered
- Diversified and internationally integrated economy
- High level of international reserves, strong external accounts
- Establishment of diplomatic relations with some Arab countries, supporting investment opportunities

➖
- Dangerous geopolitical environment
- Concentration of exports on Western countries
- Lack of workers in key sectors such as manufacturing and high-tech
- Structural shortage in housing sector
- Fragmented political landscape leading to political instability and frequent snap elections

ITALY 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**A2**	

POPULATION Millions of persons	**59.2**
GDP PER CAPITA US Dollars	**35,473**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	0.3	-9.0	6.7	3.8	-0.2
Inflation (yearly average, %)	0.6	-0.1	1.9	8.6	6.0
Budget balance (% GDP)	-1.6	-9.5	-7.2	-5.3	-4.6
Current account balance (% GDP)	3.2	3.9	3.1	1.0	-0.4
Public debt (% GDP)	134.6	154.9	150.3	146.3	142.7

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	**13%**
FRANCE	**10%**
UNITED STATES	**10%**
SWITZERLAND	**5%**
SPAIN	**5%**

Imports of goods by country as a % of total

GERMANY	**16%**
FRANCE	**8%**
CHINA	**8%**
NETHERLANDS	**6%**
SPAIN	**5%**

Exports of goods by product as a % of total

OTHER INDUSTRIAL MACHINERY AND PARTS	**10%**
ROAD VEHICLES	**7%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**6%**
SPECIALISED MACHINERY	**5%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**5%**

Imports of goods by product as a % of total

ROAD VEHICLES	**8%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**7%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**6%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**5%**
IRON AND STEEL	**5%**

2023 OUTLOOK

- The Italian economy will tip into a recession in the winter of 2022/23.
- Italy has strongly reduced its dependence on Russian gas to 10% of total gas imports (from a pre-war level of 40%).
- Exposed to a recession in German trade.
- Government measures (5.1% of GDP) have been deployed to compensate the effects of the energy crisis.
- A right-wing coalition led by Giorgia Meloni took power in October. Meloni is seeking cooperation with the EU, but it is unclear if this will last as she loses support.
- Given Italy's remarkably high public debt ratio, it is highly sensitive to increases in sovereign yields.

➕
- Recovering tourism industry providing a strong growth pillar
- Increasing efforts to combat tax evasion and reduce informality
- Bank asset quality has significantly improved
- Comparative advantage in high-end food products, textiles and clothing, furniture, machinery
- European support creates opportunity for modernisation

➖
- Public debt still very high
- High reliance on natural gas (43% of primary energy mix in 2021)
- Prevalence of small, low-productivity companies (more than 90% of firms have 10 employees or less)
- Manufacturing sector vulnerable to supply chain and energy crisis
- Strong regional disparities, organised crime still influential in the South

JAMAICA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		C
BUSINESS CLIMATE		A4

POPULATION Millions of persons **2.7**

GDP PER CAPITA US Dollars **5,615**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.1	-10.1	4.6	2.8	2.2
Inflation (yearly average, %)	3.9	5.7	5.9	10.0	6.0
Budget balance* (% GDP)	0.9	-3.1	1.4	-1.3	-0.3
Current account balance (% GDP)	-1.3	-1.7	-2.8	-1.3	1.3
Public debt* (% GDP)	93.9	108.1	92.4	86.3	79.7

(f): Forecast. *Fiscal year 2023 = from April, 1 2023 to March, 31 2024.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	50%
EURO AREA	10%
CANADA	7%
UNITED KINGDOM	4%
ICELAND	4%

Imports of goods by country as a % of total

UNITED STATES	38%
CHINA	9%
EURO AREA	6%
BRAZIL	6%
JAPAN	4%

Exports of goods by product as a % of total

METALLIFEROUS ORES AND METAL SCRAP	44%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	25%
BEVERAGES	7%
VEGETABLES AND FRUITS	6%
MISCELLANEOUS EDIBLE PRODUCTS AND PREPARATIONS	3%

Imports of goods by product as a % of total

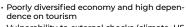| PETROLEUM, PETROL. PROD. & RELATED MATERIALS	21%
ROAD VEHICLES	8%
CEREALS AND CEREAL PREPARATIONS	4%
OTHER INDUSTRIAL MACHINERY AND PARTS	4%
IRON AND STEEL	4%

2023 OUTLOOK

- Activity is expected to decelerate in 2023 as consumption is held back by inflation-driven income compression.
- The rebound in tourism, investments to develop it, but also mining activity, with the resumption of a major bauxite plant planned, will be the main drivers of activity.
- With a comfortable parliamentary majority (49 out of 63 seats), the government is expected to continue fiscal consolidation efforts in 2023, helping to reduce the debt ratio, which will remain high.
- Criminality could justify an extension of the state of emergency declared in 7 out of 13 regions since November 2022.

➕
- Natural resources (bauxite, sugar, banana, coffee) and tourism
- Financial support from multilateral agencies
- Strategic geographical location
- Large diaspora remittances
- Stable democratic framework

➖
- Poorly diversified economy and high dependence on tourism
- Vulnerability to external shocks (climate, US economy, commodities)
- High public debt
- High level of corruption, criminality and largely unskilled labour, affecting the attractiveness of the business climate

JAPAN 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		A2
BUSINESS CLIMATE		A1

POPULATION Millions of persons **125.5**

GDP PER CAPITA US Dollars **39,301**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-0.4	-4.3	2.1	1.1	1.5
Inflation (yearly average, %)	0.5	0.0	-0.2	2.5	2.3
Budget balance* (% GDP)	-3.4	-9.3	-5.9	-6.6	-5.0
Current account balance (% GDP)	3.5	2.9	2.9	1.4	2.0
Public debt* (% GDP)	235.4	254.1	256.9	262.0	260.0

(f): Forecast. *Fiscal year: FY2023 (April 2023 - March 2024).

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	22%
UNITED STATES	18%
EURO AREA	8%
TAIWAN	7%
SOUTH KOREA	7%

Imports of goods by country as a % of total

CHINA	24%
UNITED STATES	11%
EURO AREA	10%
AUSTRALIA	7%
TAIWAN	4%

Exports of goods by product as a % of total
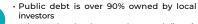
ROAD VEHICLES	18%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	14%
SPECIALISED MACHINERY	9%
OTHER INDUSTRIAL MACHINERY AND PARTS	5%
IRON AND STEEL	5%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	11%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	9%
GAS, NATURAL AND MANUFACTURED	6%
METALLIFEROUS ORES AND METAL SCRAP	6%
TELECOM. & SOUND RECORDING APPARATUS	5%

2023 OUTLOOK

- Japan's growth to get modest boost from consumption as external demand weakens.
- Higher real wage growth, catch-up demand, excess savings, and government financial support to drive consumers.
- Overseas investment income, and services inflows linked to tourism recovery should keep current account in surplus.
- CPI will remain at multi-decade highs. Increased economic costs of ultra-easy policy should push BOJ to consider a gradual move towards policy normalisation.

➕
- Privileged location in a dynamic region
- High level of national savings rate (around 25% of GDP)
- Public debt is over 90% owned by local investors
- Advanced technology products and diversified industrial sector
- Trade agreement with the EU and Transpacific Partnership
- Regional trade agreements (RCEP, CPTPP)

➖
- Rapidly ageing population
- Reduction of the workforce and low immigration contribution, increasing share of precarious workers
- Difficulty in fiscal consolidation and reversing deflationary pressures
- Low growth potential, low productivity of SMEs
- Japan-China-Russia tensions over disputed islands

JORDAN 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	C
BUSINESS CLIMATE	B

POPULATION Millions of persons	10.3
GDP PER CAPITA US Dollars	4,412

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2	-1.6	2.2	2.5	2.3
Inflation (yearly average, %)	0.7	0.4	1.3	3.8	3
Budget balance* (% GDP)	-6	-8.6	-8	-6	-5.5
Current account balance* (% GDP)	-1.7	-5.7	-8.8	-6.7	-5
Public debt (% GDP)	78	88	92	91	90

(f): Forecast. * Grants included.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	26%
INDIA	14%
SAUDI ARABIA	12%
IRAQ	7%
EURO AREA	3%

Imports of goods by country as a % of total

SAUDI ARABIA	15%
CHINA	14%
EURO AREA	13%
UNITED ARAB EMIRATES	7%
UNITED STATES	6%

Exports of goods by product as a % of total

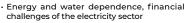|	
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	26%
FERTILISERS, NOT CRUDE	13%
CRUDE FERTILISERS AND CRUDE MINERALS	11%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	7%
INORGANIC CHEMICALS	6%

Imports of goods by product as a % of total

GAS, NATURAL AND MANUFACTURED	11%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	9%
ROAD VEHICLES	8%
TEXTILE YARN AND RELATED PRODUCTS	6%
CEREALS AND CEREAL PREPARATIONS	4%

2023 OUTLOOK

- Growth will moderate despite rising tourism revenues and resilient gold sales, as global sluggishness will reduce phosphate and potash sales, and slow garments exports.
- The central bank will continue to follow the US Fed's tightening due to the currency peg, weighing on private consumption. Inflation will only marginally decrease.
- The reshuffled government will implement the IMF programme to ensure the continuity of international support. Rising tourism revenues and remittances from the GCC and the US will narrow the current account deficit, despite a wider trade deficit.

➕
- Efforts to implement reforms to improve tax collection and reduce subsidies' costs
- Well-developed banking system
- IMF disbursements around USD 2 billion over 2020-2024, and continuous support from GCC and Western countries (USA)
- Expatriates' remittances (8% of GDP) come mostly from Gulf countries
- Tourism accounts for about 20% of GDP
- Important phosphate and potash producer
- Relatively stable political scene and key role in regional stability

➖
- Energy and water dependence, financial challenges of the electricity sector
- Weak manufacturing base
- Dependence on external funding
- Negative spillover from conflictual Iraq and Syria on economy
- High level of public debt stock

KAZAKHSTAN 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	C
BUSINESS CLIMATE	B

POPULATION Millions of persons	19.1
GDP PER CAPITA US Dollars	10,306

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.5	-2.6	3.3	2.6	3.9
Inflation (yearly average, %)	5.3	6.8	8.9	15.0	10.4
Budget balance* (% GDP)	-0.6	-7.0	-5.0	-2.1	-1.9
Current account balance (% GDP)	-4.0	-3.7	-2.0	2.8	1.5
Public debt (% GDP)	19.9	26.4	25.1	24.2	25.4

(f): Forecast. *Including transfers from the NFRK sovereign fund.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	34%
CHINA	19%
RUSSIA	10%
UZBEKISTAN	4%
TURKEY	4%

Imports of goods by country as a % of total

RUSSIA	35%
CHINA	17%
EURO AREA	13%
SOUTH KOREA	12%
UNITED STATES	3%

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	52%
GAS, NATURAL AND MANUFACTURED	10%
NON-FERROUS METALS	9%
IRON AND STEEL	7%
METALLIFEROUS ORES AND METAL SCRAP	7%

Imports of goods by product as a % of total

OTHER INDUSTRIAL MACHINERY AND PARTS	14%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	6%
IRON AND STEEL	6%
MANUFACTURES OF METAL	6%
ROAD VEHICLES	5%

2023 OUTLOOK

- After a slowdown in 2022, growth is expected to pick up in 2023, driven by household consumption, fixed investment, and an expected increase in oil from the Tengiz field.
- The slowdown in inflation, as well as the government's budgetary policy (increase in the minimum wage and retirement pensions) will have a positive impact on household nsumption.
- The current account balance will remain positive, but will deteriorate: the increase in oil exports will be offset by imports of equipment and intermediate goods.
- The budget balance will improve thanks to an increase in tax revenue, but will remain negative.

➕
- Significant oil, gas and mining potential
- The State enjoys a net creditor position and has a well-endowed sovereign wealth fund thanks to hydrocarbon production
- Abundant FDI
- Floating exchange rate
- Member of the Eurasian Economic Union (EAEU) and China's Belt and Road Initiative (BRI)
- Strategically located between Europe, Russia and China

➖
- Highly dependent on Russia, China and on commodities (oil, gas, uranium, iron, steel, copper)
- Inadequate road, port and electricity infrastructure
- Significant non-tariff barriers despite World Trade Organization (WTO) membership
- Banking system still fragile and significant dollarisation
- Weak governance

KENYA 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**B**
BUSINESS CLIMATE	**A4**

POPULATION Millions of persons	**49.8**
GDP PER CAPITA US Dollars	**2,219**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.1	-0.3	7.5	5.3	5.0
Inflation (yearly average, %)	5.2	5.3	6.1	7.3	6.5
Budget balance* (% GDP)	-7.4	-7.0	-8.2	-6.5	-6.0
Current account balance (% GDP)	-5.2	-4.8	-5.5	-6.0	-5.5
Public debt* (% GDP)	59.1	68.0	67.7	67.5	67.0

(f): Forecast. * Fiscal year from July to June; 2023 fiscal year: July 2022-June 2023.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**15%**
UGANDA	**12%**
UNITED STATES	**8%**
PAKISTAN	**7%**
UNITED KINGDOM	**7%**

Imports of goods by country as a % of total

CHINA	**20%**
INDIA	**11%**
EURO AREA	**9%**
UNITED ARAB EMIRATES	**8%**
SAUDI ARABIA	**5%**

Exports of goods by product as a % of total

COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**21%**
CRUDE ANIMAL AND VEGETABLE MATERIALS	**13%**
VEGETABLES AND FRUITS	**11%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**6%**
METALLIFEROUS ORES AND METAL SCRAP	**5%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**14%**
IRON AND STEEL	**7%**
ROAD VEHICLES	**7%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**5%**
CEREALS AND CEREAL PREPARATIONS	**5%**

2023 OUTLOOK

- In 2023, activity will be supported by investment reinforced by political calm and credit, while consumption will be subject to the various influences of inflation, drought, remittances from expatriates and tourism. Exports of tea, coffee and flowers should benefit from favorable prices, but are exposed to the European slowdown.
- The slow budgetary consolidation will continue, which, associated with growth, will make it possible to stabilise debt load, without dispensing with recourse to domestic and multilateral financing.
- The current account deficit will persist, with the reduction in the energy bill and the recovery in tourism being offset by the strength of equipment purchases.

➕
- Seventh-largest African economy
- Diversified agriculture and dynamic services sector (telecommunications and financial services, tourism)
- Mombasa is the largest port in East Africa
- Geothermal and hydroelectrical-generated electricity
- Hydrocarbon deposits in the northwest region of Turkana
- Fast-growing population and emerging middle class

➖
- Hydropower and rain-fed agriculture sensitive to climate
- Weak public resources (17% of GDP) and high public debt
- Bottlenecks due to lack and mismanagement of infrastructure, and skills shortages
- Terrorist risk in the north, near Somalia. Poverty (26% of population) and food insecurity; political and ethnic divisions
- Corruption and faulty governance

KUWAIT 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**A4**
BUSINESS CLIMATE	**A3**

POPULATION Millions of persons	**4.7**
GDP PER CAPITA US Dollars	**28,665**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-0.6	-8.9	1.3	6.5	3.5
Inflation (yearly average, %)	1.1	2.1	3.4	50	2.5
Budget balance* (% GDP)	2.9	-12.9	-0.4	14.0	10.0
Current account balance (% GDP)	12.5	3.2	16.3	29.0	23.0
Public debt (% GDP)	6.9	11.7	8.7	7.0	7.0

(f): Forecast. * Fiscal year 2023 starts on April 1st, 2023 and ends on March 31st, 2024; includes investment income.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED ARAB EMIRATES	**2%**
SAUDI ARABIA	**1%**
INDIA	**1%**
IRAQ	**1%**
CHINA	**1%**

Imports of goods by country as a % of total

CHINA	**16%**
EURO AREA	**15%**
UNITED ARAB EMIRATES	**14%**
UNITED STATES	**8%**
INDIA	**6%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**76%**
GAS, NATURAL AND MANUFACTURED	**8%**
ORGANIC CHEMICALS	**5%**
PLASTICS IN PRIMARY FORMS	**2%**
OTHER TRANSPORT EQUIPMENT	**2%**

Imports of goods by product as a % of total

ROAD VEHICLES	**12%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**7%**
IRON AND STEEL	**6%**
TELECOM. & SOUND RECORDING APPARATUS	**5%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**5%**

2023 OUTLOOK

- Lower oil price and production, negative base effects, and tighter monetary policy will reduce growth.
- Inflation will slow due to monetary tightening, government subsidies and the moderation in imported prices.
- Slower growth, decline in oil revenues, and subsidies will reduce the fiscal surplus. The current account will remain in surplus on the back of oil prices above the external breakeven oil price (~USD 45/barrel).
- Elections of September 2022 are unlikely to resolve the political gridlock. This would make the operating environment less attractive for foreign investors.

➕
- Enormous financial buffers
- One of the world's largest oil producers and exporters
- Strong external and fiscal balances

➖
- Low diversification, high oil dependence and exposure to volatility in global energy prices
- Continuous political gridlock resulting from the standoff between effective legislative opposition and the Emir-appointed cabinet which includes members of the ruling family
- Weak policy making process delays the passing of the debt law which would enable the state to tap markets and withdraw from the sovereign fund
- Small size of the economy, shortage of foreign workforce, while public sector employs 80% of the national one

KYRGYZSTAN 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**D**
BUSINESS CLIMATE		**D**

POPULATION Millions of persons	**6.7**
GDP PER CAPITA US Dollars	**1,283**

Main Economic Indicators	2019	2020	2021	**2022** (f)	**2023** (f)
GDP growth (%)	4.6	-8.6	3.7	6.0	4.5
Inflation (yearly average, %)	1.1	6.3	11.9	14.0	11.1
Budget balance (% GDP)	-0.1	-3.3	-0.4	-5.2	-5.8
Current account balance (% GDP)	-11.9	4.8	-8.7	-12.5	-10.5
Public debt (% GDP)	51.6	67.6	61.1	58.4	59.2

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

RUSSIA	**25%**
KAZAKHSTAN	**23%**
UNITED KINGDOM	**14%**
UZBEKISTAN	**11%**
TURKEY	**5%**

Imports of goods by country as a % of total

RUSSIA	**34%**
CHINA	**26%**
KAZAKHSTAN	**12%**
TURKEY	**6%**
UZBEKISTAN	**6%**

Exports of goods by product as a % of total

GOLD, NON-MONETARY	**46%**
METALLIFEROUS ORES AND METAL SCRAP	**15%**
VEGETABLES AND FRUITS	**6%**
NON METALLIC MINERAL MANUFACTURES	**4%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**3%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**12%**
TEXTILE YARN AND RELATED PRODUCTS	**7%**
IRON AND STEEL	**5%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**
SPECIALISED MACHINERY	**4%**

2023 OUTLOOK

- Growth should slow down, driven by a drop in household consumption and a deterioration in net exports.
- Inflation will remain high, which will hamper household consumption. It will also be affected by lower transfers from Russia.
- The current account balance will improve with a potential recovery in gold exports, but will remain in deficit. The decrease in transfers from Russia will have a negative impact.
- The budget deficit will remain high, following a sustained increase in government spending in 2022 (salaries, pensions) and a reduction in its income (notably linked to gold).

+
- Abundant metal resources
- Tourism and hydroelectric potential
- Strategic position and transit corridor between China, Russia and Europe
- Financial support from multilateral and bilateral donors, particularly from China
- Member of the Eurasian Economic Union (EAEU) and of China's Belt and Road Initiative (BRI)

−
- Small open economy highly dependent on economic fluctuations in Russia (via remittances) and in China and Kazakhstan
- High dependence on gold and agriculture
- Fragile, concentrated and dollarised banking system, while credit is expensive, directed and underdeveloped
- Challenging geography and significant energy dependence
- Deficient infrastructure
- Weak governance and difficult business environment

LAOS 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**D**
BUSINESS CLIMATE		**D**

POPULATION Millions of persons	**7.4**
GDP PER CAPITA US Dollars	**2,513**

Main Economic Indicators	2019	2020	2021	**2022** (f)	**2023** (f)
GDP growth (%)	4.7	-0.4	2.1	2.2	3.1
Inflation (yearly average, %)	3.3	5.1	3.8	22.7	8.5
Budget balance (% GDP)	-3.3	-5.6	-3.6	-5.1	-4.8
Current account balance (% GDP)	-9.1	-4.5	-0.2	-4.5	-5.9
Public debt (% GDP)	62.0	82.7	93.5	107.1	108.9

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

THAILAND	**39%**
CHINA	**32%**
VIETNAM	**9%**
AUSTRALIA	**5%**
EURO AREA	**3%**

Imports of goods by country as a % of total

THAILAND	**57%**
CHINA	**24%**
VIETNAM	**9%**
EURO AREA	**4%**
JAPAN	**2%**

Exports of goods by product as a % of total

ELECTRIC CURRENT	**32%**
METALLIFEROUS ORES AND METAL SCRAP	**11%**
GOLD, NON-MONETARY	**7%**
NON-FERROUS METALS	**6%**
CRUDE RUBBER	**5%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**13%**
ROAD VEHICLES	**8%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
IRON AND STEEL	**5%**
MANUFACTURES OF METAL	**4%**

2023 OUTLOOK

- In 2023, economic growth should remain affected by skyrocketing prices and supply disruptions linked to towering import bill and a lack of foreign exchange.
- Laos' fiscal position will remain weak. Public debt is mainly external and denominated in USD, while the kip has depreciated significantly. Foreign exchange reserves are low.
- The current account is expected to remain in deficit and even widen.
- In this context, there are concerns about debt to China. In addition to trade links, the country is still heavily dependent on Beijing for large infrastructure projects.

+
- Abundant natural resources: minerals, agricultural commodities and forestry
- Expansion of the hydroelectric sector and diversification of the economy (agri-food, electronics, clothing)
- Foreign investment in the commodities and energy sectors
- Regional integration (ASEAN) and WTO membership

−
- Persistent and increasing current account deficit
- Very low foreign exchange reserves
- Significant sovereign risk due to high external debt, especially Chinese-owned external debt
- Sensitive to commodity prices
- Governance shortcomings and major inequalities
- Fragile banking sector
- Dependent on regional economic and geopolitical conditions (landlocked location)
- High levels of corruption

LATVIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A4**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	**1.9**
GDP PER CAPITA US Dollars	**20,546**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.5	-2.2	3.9	1.9	0.2
Inflation (yearly average, %)	2.8	0.2	3.3	17.4	14.7
Budget balance (% GDP)	-0.6	-4.3	-7.0	-7.4	-3.5
Current account balance (% GDP)	-0.6	2.6	-4.2	-6.0	-6.3
Public debt (% GDP)	36.5	41.9	43.6	43.9	44.7

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

LITHUANIA	17%
ESTONIA	11%
RUSSIA	11%
UNITED KINGDOM	7%
GERMANY	7%

Imports of goods by country as a % of total

LITHUANIA	17%
GERMANY	10%
RUSSIA	10%
POLAND	9%
ESTONIA	9%

Exports of goods by product as a % of total

CORK AND WOOD	12%
CORK AND WOOD MANUFACTURES (EXCL. FURNITURE)	6%
TELECOM. & SOUND RECORDING APPARATUS	6%
CEREALS AND CEREAL PREPARATIONS	5%
ROAD VEHICLES	4%

Imports of goods by product as a % of total

ROAD VEHICLES	6%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	5%
IRON AND STEEL	5%
TELECOM. & SOUND RECORDING APPARATUS	5%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	4%

2023 OUTLOOK

- The war-related EU sanctions against Russia and Belarus, the very high price of energy, and the stagnation in the main export partners in Western Europe, will weigh on economic growth in 2023.
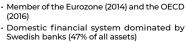- The current account deficit will reach its highest level since 2008 because of the rearrangement of trade flows.
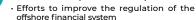- The liberal-conservative party of PM Kariņš won the general election in October 2022. Kariņš' party formed a coalition with the NA and the United List (both are conservative-right parties that are against Russia).

➕
- Member of the Eurozone (2014) and the OECD (2016)
- Domestic financial system dominated by Swedish banks (47% of all assets)
- Efforts to improve the regulation of the offshore financial system
- High level of digitalisation

➖
- Russia was a main trading partner as Latvia is a transit point between the EU and Russia (coastline and ports)
- Except for the Baltics, inadequate land links with the rest of the European Union
- Declining workforce (low birth rate, emigration) and high structural unemployment
- High labour taxation, which hits people on low wages and encourages under-reporting
- Wealth concentrated in the capital, high income inequality

LEBANON 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**D**	

POPULATION Millions of persons	**6,825***
GDP PER CAPITA US Dollars	**3,589***

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-6.9	-25.9	-9.9	-5.4	3.0
Inflation (yearly average, %)	2.9	84.9	154.8	175.0	95.0
Budget balance (% GDP)	-11.0	-4.6	-1.3	-1.0	-0.5
Current account balance (% GDP)	-21.1	-12.0	-20.3	-22.0	-14.0
Public debt (% GDP)	160.0	243.8	201.7	81.0	n.a.

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED ARAB EMIRATES	23%
EURO AREA	10%
SWITZERLAND	9%
CAMEROON	6%
QATAR	5%

Imports of goods by country as a % of total

EURO AREA	31%
TURKEY	11%
CHINA	9%
UNITED STATES	6%
UNITED ARAB EMIRATES	6%

Exports of goods by product as a % of total

GOLD, NON-MONETARY	21%
MISCELLANEOUS MANUFACTURED ARTICLES	14%
VEGETABLES AND FRUITS	8%
NON METALLIC MINERAL MANUFACTURES	7%
METALLIFEROUS ORES AND METAL SCRAP	6%

Imports of goods by product as a % of total
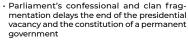
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	26%
ROAD VEHICLES	6%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	6%
NON METALLIC MINERAL MANUFACTURES	4%
MISCELLANEOUS MANUFACTURED ARTICLES	4%

2023 OUTLOOK

- Growth is expected to inch up in 2023 driven by slightly recovering private consumption and tourism, but the overall outlook remains very dull.
- Inflation will ease on high base effect and decline in global commodity prices.
- Current account deficit will decline as economic crisis and foreign currency shortages reduce import demand, while public accounts should remain close to balance given the impossibility to borrow.
- The political deadlock will delay the implementation of deals with the IMF and other donors, which may intensify economic and social tensions.

➕
- Key geopolitical location
- Signature of a maritime border deal with Israel enabling the exploration of offshore gas fields
- New official exchange rate contributing to unification of exchange rates possibly implemented in February 2023

➖
- Defaulting state since March 2020, insolvent financial sector, restricted capital transfers and withdrawals
- Large current account deficit due to imported goods dependence
- Hyperinflation and depreciating currency, high debt stock
- Parliament's confessional and clan fragmentation delays the end of the presidential vacancy and the constitution of a permanent government
- Dilapidated key infrastructures, shortages of electricity, food, and fuel
- Strong social discontent

LESOTHO 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**C**	
BUSINESS CLIMATE	**B**	

POPULATION Millions of persons	**2.1**
GDP PER CAPITA US Dollars	**1,181**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-0.8	-5.6	1.6	1.3	1.1
Inflation (yearly average, %)	5.2	5.0	6.1	8.4	7.0
Budget balance* (% GDP)	-9.9	1.2	-4.6	-6.7	-5.9
Current account balance (% GDP)	-3.0	-1.5	-4.5	-7.7	-8.2
Public debt* (% GDP)	48.5	53.4	54.5	51.5	50.5

(f): Forecast. * Last fiscal year from April 1, 2023 to March 31, 2024

TRADE EXCHANGES

Exports of goods by country as a % of total

SOUTH AFRICA	**41%**
EURO AREA	**29%**
UNITED STATES	**26%**
ESWATINI	**1%**
CANADA	**1%**

Imports of goods by country as a % of total

SOUTH AFRICA	**78%**
CHINA	**9%**
TAIWAN	**5%**
JAPAN	**1%**
INDIA	**1%**

Exports of goods by product as a % of total

ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**43%**
NON METALLIC MINERAL MANUFACTURES	**34%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**4%**
TEXTILE YARN AND RELATED PRODUCTS	**4%**
TEXTILES FIBRES AND THEIR WASTES	**4%**

Imports of goods by product as a % of total

TEXTILE YARN AND RELATED PRODUCTS	**12%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**10%**
CEREALS AND CEREAL PREPARATIONS	**8%**
ROAD VEHICLES	**5%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**4%**

2023 OUTLOOK

- In 2023, growth will be hampered by the slowdown in South Africa and tighter monetary policy.
- While slightly easing in 2023, inflation will remain high in the medium term, due to still-high energy prices and a weaker rand.
- The fiscal deficit is expected to shrink, as tax revenues will be bolstered by improved revenue-mobilisation measures. The import bill will continue weighing on the current account deficit.
- Sam Matekane and his recently founded Revolution for Prosperity party won the October 2022 parliamentary election, but failed to secure a majority, much needed to end the political deadlock.

➕
- Mineral resources (mostly diamonds)
- Significant water resources, hydroelectric potential (LHWP-II Project)
- Relatively developed textile-clothing industry
- Tourism potential
- Well-capitalized banking sector
- Loti pegged to the South African rand

➖
- Heavily dependent on South Africa in terms of power supply, trade and remittances from migrant mine workers (22% of 2019 GDP)
- Agriculture vulnerable to frequent climate events (droughts, floods, storms)
- Fiscal outlook highly subject to volatility in SACU transfers
- Political instability, weak governance
- High poverty and unemployment
- High criminality
- Widespread HIV and significant presence of tuberculosis

LIBERIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**E**	

POPULATION Millions of persons	**5.2**
GDP PER CAPITA US Dollars	**677.356**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-2.5	-3.0	5.0	3.7	4.2
Inflation (yearly average, %)	27.0	17.0	7.8	6.9	8.7
Budget balance* (% GDP)	-4.8	-3.8	-2.4	-5.0	-3.6
Current account balance** (% GDP)	-19.6	-16.4	-17.7	-16.3	-16.5
Public debt (% GDP)	48.5	58.7	53.2	55.1	56.2

(f): Forecast. *Including grants, Fiscal year 2023: from July 1, 2022 to June 30, 2023. **Including official transfers.

TRADE EXCHANGES

Exports of goods by country as a % of total

SWITZERLAND	**36%**
EURO AREA	**21%**
UNITED STATES	**19%**
BANGLADESH	**3%**
MALAYSIA	**1%**

Imports of goods by country as a % of total

CHINA	**29%**
INDIA	**27%**
EURO AREA	**10%**
UNITED STATES	**8%**
CÔTE D'IVOIRE	**6%**

Exports of goods by product as a % of total
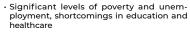
GOLD, NON-MONETARY	**29%**
METALLIFEROUS ORES AND METAL SCRAP	**28%**
OTHER TRANSPORT EQUIPMENT	**22%**
CRUDE RUBBER	**12%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**3%**

Imports of goods by product as a % of total

OTHER TRANSPORT EQUIPMENT	**57%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**23%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**4%**
MANUFACTURES OF METAL	**2%**
ROAD VEHICLES	**1%**

2023 OUTLOOK

- In 2023, Liberia's economic recovery will intensify thanks to exports and high prices of products from forestry, agriculture and especially mining, which also benefits from significant investments.
- Consumption is facing inflation and the recurring threat of a shortage of banknotes but is, among other things, supported by remittances flows from abroad.
- Political and social stability could be put to the test following multiple criticisms of the administration of George Weah. The absence of significant opposition should nevertheless consolidate his re-election in October 2023.

➕
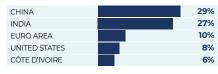- Diverse natural resources (rubber, iron, gold, diamonds, oil)
- Strong agricultural sector (30% of GDP) and forestry sector (11% of GDP)
- Financial support from the international community
- Substantial expatriate remittances (25% of GDP, fifth-largest recipient in the world)
- Member of the Economic Community of West African States (ECOWAS)

➖
- Poor infrastructure
- Dependent on commodity prices
- Important trade deficit
- Significant levels of poverty and unemployment, shortcomings in education and healthcare
- Recent Ebola epidemic, which could reoccur
- Recent and fragile democracy, high levels of corruption
- Difficult business environment

LIBYA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		E
BUSINESS CLIMATE		E

POPULATION Millions of persons	6.7
GDP PER CAPITA US Dollars	5,813

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-11.2	-29.5	28.3	-15.0	15.0
Inflation (yearly average, %)	0.2	2.8	3.7	5.8	2.6
Budget balance (% GDP)	11.9	-22.3	11.3	15.8	22.1
Current account balance (% GDP)	6.7	-8.5	18.1	16.6	24.5
Public debt (% GDP)	110.0	155.0	N.d.	N.d.	N.d.

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	65%
CHINA	11%
UNITED KINGDOM	5%
UNITED ARAB EMIRATES	5%
UNITED STATES	3%

Imports of goods by country as a % of total

EURO AREA	32%
TURKEY	15%
CHINA	12%
UNITED ARAB EMIRATES	9%
EGYPT	5%

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	85%
GAS, NATURAL AND MANUFACTURED	8%
GOLD, NON-MONETARY	4%
METALLIFEROUS ORES AND METAL SCRAP	1%
IRON AND STEEL	1%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	14%
CEREALS AND CEREAL PREPARATIONS	6%
TELECOM. & SOUND RECORDING APPARATUS	5%
ROAD VEHICLES	5%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	4%

2023 OUTLOOK

- The country remains divided between the Government of National Unity (GNU) in Tripolitania and the one supported by Marshal Haftar in Cyrenaica.
- Stemming from the 2020 ceasefire, the GNU has agreed with Turkey to a military agreement against permits to explore for oil in disputed waters.
- Petroleum production in the central "oil crescent" was blocked in 2022, amid a dispute over revenue sharing. It will hardly increase in 2023.
- Political and security instability weighs on near-term prospects.
- Little investment is expected. However, an USD 8 billion offshore gas project with Italy's Eni is discussed at the end of 2022.

➕
- Oil and gas reserves (the largest in Africa)
- Very low external debt
- Large foreign exchange reserves, sovereign wealth fund
- Strategic positioning in the Mediterranean, proximity to Europe

➖
- Extreme dependence on hydrocarbons (48% of GDP)
- Economic and financial fragmentation, overlapping political and tribal divisions that foster insecurity
- Division of the country: West-East split, active armed groups, foreign interventions (Turkey, Russia...), insecurity
- Fezzan vulnerable to the proliferation of trafficking (human, weapon, drugs) and animosity between Tuaregs and Toubou
- Corruption, poor governance, mediocre public services
- Damaged health, education and electricity infrastructure

LITHUANIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		A4
BUSINESS CLIMATE		A1

POPULATION Millions of persons	2.8
GDP PER CAPITA US Dollars	23,386

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.6	0.0	6.0	2.5	0.4
Inflation (yearly average, %)	2.3	1.2	4.7	19.7	13.3
Budget balance (% GDP)	0.5	-7.0	-1.0	-1.9	-4.4
Current account balance (% GDP)	3.5	7.3	1.1	-4.3	-2.2
Public debt (% GDP)	35.8	46.3	43.7	38.1	40.9

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

RUSSIA	11%
LATVIA	9%
GERMANY	8%
POLAND	8%
UNITED STATES	6%

Imports of goods by country as a % of total

GERMANY	13%
POLAND	12%
RUSSIA	12%
LATVIA	8%
NETHERLANDS	5%

Exports of goods by product as a % of total

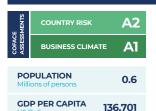|	
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	9%
FURNITURE AND PARTS THEREOF	7%
ROAD VEHICLES	5%
CHEMICAL MATERIALS AND PRODUCTS	5%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	4%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	11%
ROAD VEHICLES	8%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	5%
OTHER INDUSTRIAL MACHINERY AND PARTS	4%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	4%

2023 OUTLOOK

- Lithuania is set for only modest economic growth in 2023, as the new EU sanctions force it to reallocate and diversify its foreign trade.
- Lithuania was one of the first countries to stop energy imports from Russia, thanks to the LNG-terminal on the coast in Klaipeda.
- Inflation reached one of the highest levels in the EU in 2022, which will continue to hamper private household consumption in 2023.
- Public deficit will increase due to higher costs for support measures and refugees.
- The government of PM Šimonytė gained support due to its hawkish stance against Russia, but lost it again due to the inflation.

➕
- In normal times, sound public and external accounts
- Banking system dominated by three Scandinavian institutions
- Diversification of energy supply (Klaipeda gas terminal, shale gas potential, electricity links with Poland and Sweden)
- Member of the EU, the Eurozone and NATO

➖
- Before the war, Russia was the main trading partner of Lithuania
- Tight labour market: shrinking workforce (emigration of skilled young people) and high structural unemployment
- Large informal economy (22% of GDP)
- High income disparity between the capital and the regions, particularly in the northeast, where poverty persists
- Limited value added of exports (mineral products, agri-food, electrical equipment)

LUXEMBOURG 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A2**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	**0.6**
GDP PER CAPITA US Dollars	**136,701**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.3	-0.8	5.1	2.2	0.9
Inflation (yearly average, %)	1.7	0.8	2.5	6.3	2.8
Budget balance (% GDP)	2.2	-3.4	0.8	-0.1	-1.7
Current account balance (% GDP)	3.4	4.6	4.7	6.2	5.4
Public debt (% GDP)	22.4	24.5	24.5	24.1	26.4

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	**27%**
FRANCE	**16%**
BELGIUM	**12%**
NETHERLANDS	**6%**
ITALY	**4%**

Imports of goods by country as a % of total

BELGIUM	**33%**
GERMANY	**27%**
FRANCE	**13%**
NETHERLANDS	**6%**
UNITED STATES	**3%**

Exports of goods by product as a % of total

IRON AND STEEL	**17%**
ROAD VEHICLES	**7%**
NON-FERROUS METALS	**6%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**6%**
MISCELLANEOUS MANUFACTURED ARTICLES	**5%**

Imports of goods by product as a % of total

ROAD VEHICLES	**12%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**6%**
METALLIFEROUS ORES AND METAL SCRAP	**5%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**4%**
MISCELLANEOUS MANUFACTURED ARTICLES	**4%**

2023 OUTLOOK

- Household consumption will slow down sharply, in a context of high inflation, which will put a strain on their purchasing power, despite the 1-point reduction in VAT and the limitation of the rise in gas and electricity prices (*Solidaritéitspak 2.0*).
- The financial sector will be affected by the very uncertain environment.
- The Grand Duchy is vulnerable since, before the war, it imported 40% of its gas from Russia and its gas market is integrated with Belgium.
- According to a poll conducted in mid-2022, the ruling coalition would emerge stronger from the parliamentary elections scheduled for autumn 2023 (+ 1 seat compared to 2018).

➕
- Fiscal stability
- Skilled multilingual workforce
- High-quality infrastructure; business-friendly regulation
- Major international financial centre
- High standard of living

➖
- Heavily dependent on the financial sector
- Economy vulnerable to Eurozone economic conditions
- Long-term budgetary impact of population ageing

MADAGASCAR 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**C**	
BUSINESS CLIMATE	**C**	

POPULATION Millions of persons	**28.2**
GDP PER CAPITA US Dollars	**507**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.4	-7.1	3.5	2.5	4.0
Inflation (yearly average, %)	5.6	4.2	6.2	9.0	6.0
Budget balance (% GDP)	-1.4	-4.0	-6.3	-6.3	-5.8
Current account balance (% GDP)	-2.3	-5.4	-4.9	-5.4	-5.1
Public debt (% GDP)	38.5	50.8	53.1	53.8	53.9

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**32%**
UNITED STATES	**19%**
CHINA	**14%**
JAPAN	**9%**
CANADA	**5%**

Imports of goods by country as a % of total

CHINA	**23%**
EURO AREA	**13%**
INDIA	**9%**
OMAN	**9%**
UNITED ARAB EMIRATES	**5%**

Exports of goods by product as a % of total

COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**32%**
NON-FERROUS METALS	**22%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**15%**
METALLIFEROUS ORES AND METAL SCRAP	**7%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**5%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**15%**
TEXTILE YARN AND RELATED PRODUCTS	**11%**
CEREALS AND CEREAL PREPARATIONS	**7%**
ROAD VEHICLES	**7%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**5%**

2023 OUTLOOK

- The recovery will be driven by high mineral and agricultural export prices, rising consumption and investment spending on infrastructure, but will remain below the pre-COVID-19 pace due to the rising import bill, high inflation and a tourism recovery constrained by the international context.
- Although shrinking, the twin deficits will remain large and will still be mostly financed by international aid and foreign direct investment.
- The presidential election will take place in November 2023 and could exacerbate tensions and the fragility of the country in a complicated social context.

➕
- Large mineral reserves (nickel, gold, titanium, cobalt and precious stones)
- Agricultural potential: world's largest producer of vanilla
- Positive development of tourism before the pandemic (tourism share: 16.1% of GDP in 2019)
- External public debt mainly in the form of concessional loans (93% of total in 2021)

➖
- Dependence on agriculture/livestock (25% of GDP in 2020)
- Vulnerable to climatic hazards and natural disasters
- High poverty, with 79% of the population living below the extreme poverty line
- High dependence on foreign aid
- Inadequate road, water and electricity networks
- High corruption
- Chronic political instability (crises in 1972, 1991, 2002 and 2009)

MALAWI 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**D**
BUSINESS CLIMATE	**D**

POPULATION Millions of persons	**21.5**
GDP PER CAPITA US Dollars	**559**

2023 OUTLOOK

- Already marked before the war in Ukraine, food insecurity worsens in 2022-23 with food inflation and higher fertilizer prices, despite the release of 20,000 T of Russian fertilizer confiscated by the EU.
- The IMF released USD 88 million via its "food emergency"credit window, but no traditional scheme is expected in the absence of debt restructuring.
- The United States announced in October 2022 a USD 350 million loan for rural development.
- Financing difficulties and unsustainable debt have led Lilongwe to let electricity, fuel and maize prices slip, raising fears of unrest.

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.4	0.9	2.2	0.9	2.5
Inflation (yearly average, %)	11.5	7.6	11.5	21.2	15.2
Budget balance*/** (% GDP)	-4.5	-8.2	-8.9	-7.1	-8.0
Current account balance (% GDP)	-12.6	-13.8	-12.2	-12.1	-12.9
Public debt* (% GDP)	45.3	54.8	63.9	73.3	74.5

(f): Forecast. *Fiscal year 2023: from July 1, 2022 to June 30, 2023. **Grants included.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**30%**
KENYA	**14%**
INDIA	**10%**
SOUTH AFRICA	**6%**
UNITED STATES	**4%**

Imports of goods by country as a % of total

SOUTH AFRICA	**21%**
CHINA	**17%**
UNITED ARAB EMIRATES	**10%**
INDIA	**7%**
UNITED KINGDOM	**6%**

Exports of goods by product as a % of total

TOBACCO AND TOBACCO MANUFACTURES	**44%**
SUGAR, SUGAR PREPARATIONS AND HONEY	**12%**
VEGETABLES AND FRUITS	**12%**
OIL SEEDS AND OLEAGINOUS FRUITS	**9%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**7%**

Imports of goods by product as a % of total
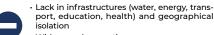
MISCELLANEOUS MANUFACTURED ARTICLES	**9%**
ROAD VEHICLES	**8%**
FERTILISERS, NOT CRUDE	**6%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**5%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**

➕
- Natural resources (tobacco, tea, coffee, sugar, soybeans, uranium)
- Growing service sector
- Active civil society

➖
- Economy dominated by subsistence agriculture (75% of jobs, but only 23% of GDP), vulnerable to climatic hazards and input prices
- Food insecurity, extreme poverty (70% of population in 2020)
- Lack in infrastructures (water, energy, transport, education, health) and geographical isolation
- Widespread corruption
- Heavy public debt fuelled by a high deficit
- Extreme weakness of foreign exchange reserves fuelled by a massive deficit in trade in goods (fertilisers, fuel, medicines) and services, despite remittances from expatriates and international aid

MALAYSIA 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**A4**
BUSINESS CLIMATE	**A3**

POPULATION Millions of persons	**32.7**
GDP PER CAPITA US Dollars	**11,408**

2023 OUTLOOK

- After a strong rebound in 2022, growth will slow amid fading external demand affecting export performance.
- Domestic activity will remain robust, with private consumption being the main driver of growth, supported by the reopening of the economy and a manageable inflation. Public investment, notably in infrastructure, will also support economic activity.
- The fiscal policy will remain supportive to growth, leading to a very limited reduction in budget deficit.
- Political uncertainty remains after 2022 election as the new Prime Minister, Anwar Ibrahim, faces a fragmented parliament.

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.4	-5.5	3.1	8.0	4.0
Inflation (yearly average, %)	0.7	-1.1	2.5	3.4	2.9
Budget balance (% GDP)	-2.0	-4.6	-5.5	-5.8	-5.6
Current account balance (% GDP)	3.5	4.2	3.8	1.7	2.3
Public debt* (% GDP)	57.1	67.7	69.0	69.9	71.4

(f): Forecast. *Excluding 1MDB and state-owned enterprises.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**15%**
SINGAPORE	**14%**
UNITED STATES	**11%**
EURO AREA	**7%**
HONG KONG	**6%**

Imports of goods by country as a % of total

CHINA	**23%**
SINGAPORE	**9%**
UNITED STATES	**8%**
TAIWAN	**8%**
JAPAN	**7%**
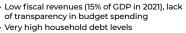
Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**30%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**9%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**5%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**5%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**5%**

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**26%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**10%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**4%**
NON-FERROUS METALS	**3%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**3%**

➕
- Diversified exports
- Large domestic demand mitigates external headwinds
- Dynamic services sector
- Investment supported by the expansion of the local financial market and access to FDIs
- Exchange rate flexibility
- High per capita income
- Air travel hub

➖
- Budget income dependent on performances in the oil and gas sector (18% of revenues)
- Low fiscal revenues (15% of GDP in 2021), lack of transparency in budget spending
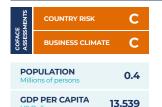- Very high household debt levels
- Erosion of price competitiveness due to increasing labour costs
- Political uncertainties and instability
- Persistent regional disparities
- Ethnic and religious disputes

MALDIVES 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**C**
BUSINESS CLIMATE	**C**

POPULATION Millions of persons	**0.4**
GDP PER CAPITA US Dollars	**13,539**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	6.9	-33.5	37.0	8.7	6.1
Inflation (yearly average, %)	1.3	-1.6	0.2	4.3	4.4
Budget balance (% GDP)	-6.7	-23.5	-16.6	-11.2	-8.4
Current account balance (% GDP)	-26.6	-35.5	-8.8	-15.0	-12.3
Public debt (% GDP)	62.1	114.3	99.7	-	-

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

THAILAND	**46%**
EURO AREA	**21%**
UNITED KINGDOM	**7%**
INDIA	**4%**
JAPAN	**4%**

Imports of goods by country as a % of total

OMAN	**13%**
UNITED ARAB EMIRATES	**13%**
CHINA	**13%**
INDIA	**12%**
SINGAPORE	**10%**

Exports of goods by product as a % of total

FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**84%**
GAS, NATURAL AND MANUFACTURED	**6%**
METALLIFEROUS ORES AND METAL SCRAP	**4%**
FEEDSTUFF FOR ANIMALS (EXCL. UNMILLED CEREALS)	**1%**
GOLD, NON-MONETARY	**1%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**17%**
VEGETABLES AND FRUITS	**6%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**5%**
TELECOM. & SOUND RECORDING APPARATUS	**4%**

2023 OUTLOOK

- Favourable growth prospects on solid tourism recovery, but vulnerable to any new COVID-19 variant emergence.
- Rising interest rates will put pressure on debt sustainability amid Maldives' high public-debt-to-GDP ratio and limited FX reserves solicited by the peg of the currency to the dollar.
- Current account will remain under pressure on high import prices, and inflation will therefore stay elevated in 2023. The public deficit should decrease thanks to the increase in revenue from taxes on tourist activities.
- Incumbent Ibrahim "Ibu" Solih is in a strong position to be re-elected in the 2023 presidential election.

➕
- Good relationship with both regional powers: China and India
- Expanding tourism potential in uninhabited islands
- Improving transport infrastructure
- Improving relations with the West, reliable support from multilateral institutions

➖
- Extraordinary dependence on tourism
- Geographical isolation
- Precarious public finances and high external vulnerabilities
- Extraordinary exposure to climate risk (rising sea level)
- Low human capital limits diversification potential

MALI 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**
BUSINESS CLIMATE	**D**

POPULATION Millions of persons	**20.9**
GDP PER CAPITA US Dollars	**918**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.8	-1.24	3.0	2.5	5.0
Inflation (yearly average, %)	-3.0	0.5	3.8	8.0	3.0
Budget balance* (% GDP)	-0.7	-4.1	-3.5	-3.4	-2.8
Current account balance** (% GDP)	-7.5	-2.3	-10.0	-7.8	-7.0
Public debt (% GDP)	40.6	47.4	51.8	55.0	54.0

(f): Forecast. *Including grants. **Including official transfers.

TRADE EXCHANGES

Exports of goods by country as a % of total

SOUTH AFRICA	**41%**
SWITZERLAND	**32%**
AUSTRALIA	**8%**
BANGLADESH	**4%**
CÔTE D'IVOIRE	**4%**

Imports of goods by country as a % of total

SENEGAL	**45%**
CHINA	**13%**
EURO AREA	**12%**
CÔTE D'IVOIRE	**7%**
INDIA	**3%**

Exports of goods by product as a % of total

GOLD, NON-MONETARY	**89%**
TEXTILES FIBRES AND THEIR WASTES	**4%**
LIVE ANIMALS OTHER THAN FISH, CRUSTACEANS & MOLLUSCS	**1%**
OIL SEEDS AND OLEAGINOUS FRUITS	**1%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**1%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**25%**
ROAD VEHICLES	**6%**
NON METALLIC MINERAL MANUFACTURES	**6%**
CEREALS AND CEREAL PREPARATIONS	**4%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**4%**

2023 OUTLOOK

- The economy is expected to grow again in 2023 due to the lifting of ECOWAS sanctions and an increase in agricultural production
- Inflation is expected to ease in line with inter-national prices and the tightening of monetary conditions by the CBWAS.
- The debt resulting from infrastructure invest-ments and agricultural development should stabilise.
- The external deficit will be reduced thanks to the moderation of private consumption, but also to the fall in energy prices and the increase in exports (gold, cotton).
- Political fragility and insecurity illustrated by the succession of military juntas and terrorist groups.

➕
- Important natural resources in agriculture (cotton) and mining (gold, bauxite, iron)
- International assistance
- Expatriate remittances (5.7% of GDP in 2022)
- Member of the West African Economic and Monetary Union (WAEMU)

➖
- Economy vulnerable to climatic hazards and commodity price fluctuations
- Widespread poverty
- Geographical isolation
- Security situation worsened by the presence of jihadist groups in a large part of the country
- Dependence on international aid
- Poor business environment (political instabi-lity, insecurity)
- Lack of transparency in the gold industry

MALTA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A3**	
BUSINESS CLIMATE	**A4**	

POPULATION Millions of persons	**0.5**
GDP PER CAPITA US Dollars	**33,667**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.7	-8.3	10.3	5.5	2.3
Inflation (yearly average, %)	1.5	0.8	0.7	6.0	3.8
Budget balance (% GDP)	0.4	-9.5	-7.9	-5.6	-4.6
Current account balance (% GDP)	7.7	-2.9	-4.9	-3.1	-2.2
Public debt (% GDP)	40.6	53.4	56.4	58.6	59.2

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	13%
ITALY	9%
FRANCE	6%
JAPAN	5%
SINGAPORE	4%

Imports of goods by country as a % of total

ITALY	23%
FRANCE	7%
CANADA	7%
SPAIN	6%
GERMANY	6%

Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	29%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	14%
MISCELLANEOUS MANUFACTURED ARTICLES	13%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	12%
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	5%

Imports of goods by product as a % of total

OTHER TRANSPORT EQUIPMENT	28%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	28%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	6%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	3%
OTHER INDUSTRIAL MACHINERY AND PARTS	2%

2023 OUTLOOK

- Growth supported by recovering tourism, demand will remain resilient due tight labor market (unemployment at 3% in mid-2022) inducing higher wage growth.
- Low direct exposure to Russia, which, along with energy subsidies, are keeping inflation low.
- Overwhelming dependence to imported oil is exposure to volatility.
- Removed from the FATF money laundering grey list. However, scrutiny from the EU will continue to weigh on investment.
- Despite the eroding popularity of the ruling Labour Party, it is expected to finish its mandate (2027).

➕
- At the crossroads between the Suez Canal and Gibraltar, major Mediterranean transhipment hub
- Public debt held by residents
- Emerging tech hub (online gambling, Blockchain, AI)
- Productive, English-speaking, growing and high-income workforce, low taxation
- Resurging tourism industry

➖
- Sizeable incoming/outgoing financial flows (offshore finance, online gambling industry, citizenship by investment programme)
- Poor road infrastructure
- Inadequate higher education; shortage of skilled domestic labour
- Slow legal process; cronyism and corruption

MAURITANIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**C**	
BUSINESS CLIMATE	**C**	

POPULATION Millions of persons	**4.2**
GDP PER CAPITA US Dollars	**2,333**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.4	-0.9	2.4	4.0	4.7
Inflation (yearly average, %)	2.3	2.2	3.7	7.1	7.4
Budget balance* (% GDP)	2.5	2.7	2.7	-2.0	-2.3
Current account balance (% GDP)	-10	-6.7	-9.4	-11.0	-10.0
Public debt** (% GDP)	55.6	55.8	51.6	50.0	51.0

(f): Forecast. *Grants included. **Including debts to the Central Bank and Kuwait.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	41%
EURO AREA	26%
CANADA	10%
JAPAN	7%
AUSTRALIA	4%

Imports of goods by country as a % of total

EURO AREA	38%
UNITED ARAB EMIRATES	14%
CHINA	6%
TURKEY	6%
MOROCCO	5%

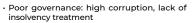**Exports of goods by product as a** % of total

METALLIFEROUS ORES AND METAL SCRAP	51%
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	23%
GOLD, NON-MONETARY	19%
FEEDSTUFF FOR ANIMALS (EXCL. UNMILLED CEREALS)	4%
ANIMAL OILS AND FATS	1%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	11%
ROAD VEHICLES	6%
TEXTILE YARN AND RELATED PRODUCTS	5%
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	5%
CEREALS AND CEREAL PREPARATIONS	5%

2023 OUTLOOK

- Economic growth supported by the mining sector (iron and gold), agriculture, fishing and, from the end of 2023, natural gas shared with Senegal. Investments in the processing of agricultural and fish products could increase.
- A slight public deficit has emerged, due to unfavourable iron prices and fuel subsidies.
- Current account deficit linked to imports of equipment for the exploitation of the gas field and financed mainly by FDI.
- A new, very inclusive electoral system and anti-corruption efforts.
- Possible deterioration of relations with Mali, improvement with Senegal, good relations with the Gulf States.

➕
- A much lower risk of terrorism than its Sahelian neighbours
- Support from donor countries and international organisations
- Some macroeconomic stability, even in a difficult context
- Mineral resources (iron ore, gold, copper, natural gas) and fisheries
- Potential in renewable energies
- Relatively large domestic budgetary resources

➖
- Poor governance: high corruption, lack of insolvency treatment
- Poorly diversified economy, vulnerable to commodity prices and weather
- Low inclusive growth, high poverty (44% of the population) and high unemployment
- Very little arable land, more than 2/3 of the country is deserts
- Persistent community divisions: discrimination against the Haratine population

MAURITIUS 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**A3**	

POPULATION Millions of persons	**1.3**
GDP PER CAPITA US Dollars	**8,827**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.9	-14.6	3.7	7.0	5.0
Inflation (yearly average, %)	0.5	2.5	3.2	10.8	7.5
Budget balance* (% GDP)	-3.2	-11.8	-19.7	-9.0	-5.6
Current account balance (% GDP)	-5.4	-9.2	-13.7	-13.5	-8.1
Public debt (% GDP)	66.2	84.6	99.2	92.4	88.1

(f) Forecast. *Fiscal year from 1 July to 30 June. Last FY 23/24.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**33%**
SOUTH AFRICA	**14%**
UNITED KINGDOM	**9%**
UNITED STATES	**8%**
MADAGASCAR	**8%**

Imports of goods by country as a % of total

EURO AREA	**18%**
CHINA	**17%**
INDIA	**14%**
SOUTH AFRICA	**10%**
UNITED ARAB EMIRATES	**8%**

Exports of goods by product as a % of total

ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**21%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**15%**
SUGAR, SUGAR PREPARATIONS AND HONEY	**9%**
TEXTILE YARN AND RELATED PRODUCTS	**7%**
MISCELLANEOUS MANUFACTURED ARTICLES	**4%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**14%**
ROAD VEHICLES	**6%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**4%**
NON METALLIC MINERAL MANUFACTURES	**4%**

2023 OUTLOOK

- After the impact of the pandemic and a rebound in 2022, tourism (mainly upmarket) should stabilise at a satisfactory level in 2023, despite the European sluggishness.
- Despite the increase in social benefits and the decline in unemployment, imported inflation will weigh on purchasing power.
- The current account deficit is expected to narrow thanks to tourism, free trade agreements with India and China supporting transhipment, and financial services benefitting from the removal of "tax haven" lists.
- As Port Louis favours local financing of its public deficit, the prospect of a possible foreign exchange crisis is averted, but not that of over indebtedness.

➕
- Stable democratic institutions and excellent business climate
- Strategic location between Africa and Asia
- Developing offshore financial sector
- Free trade agreements with China and India
- Bilingual (English and French)

➖
- Stable democratic institutions and excellent business climate
- Strategic location between Africa and Asia
- Developing offshore financial sector
- Free trade agreements with China and India
- Bilingual (English and French)

MEXICO 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**A4**	

POPULATION Millions of persons	**129**
GDP PER CAPITA US Dollars	**10,062**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-0.2	-8.1	4.8	3.0	1.0
Inflation (yearly average, %)	3.6	3.4	5.7	7.9	6.5
Budget balance (% GDP)	-1.6	-2.9	-2.9	-3.5	-4.0
Current account balance (% GDP)	-0.3	2.5	-0.4	-1.2	-1.5
Public debt (% GDP)	46.7	53.1	52.3	50.5	52.0

(f) Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**81%**
EURO AREA	**4%**
CANADA	**3%**
CHINA	**2%**
SOUTH KOREA	**1%**

Imports of goods by country as a % of total

UNITED STATES	**44%**
CHINA	**20%**
EURO AREA	**8%**
SOUTH KOREA	**4%**
JAPAN	**3%**

Exports of goods by product as a % of total

ROAD VEHICLES	**23%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**11%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**8%**
TELECOM. & SOUND RECORDING APPARATUS	**6%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**5%**

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**14%**
ROAD VEHICLES	**7%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**6%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**6%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**5%**

2023 OUTLOOK

- GDP growth will lose steam in 2023, pulled down by weaker US activity affecting manufacturing and consumption (via lower remittances from expatriates), and tighter credit conditions.
- Conversely, public expenditure is likely to accelerate somewhat, with higher social expenditures and resources for president Obrador's key infrastructure projects.
- Consultations requested by the US and Canada under the USMCA trade deal over Mexico's energy policy will extend into 2023. If an agreement is not reached, a resolution panel could be requested, which could prompt retaliatory tariffs.

➕
- Geographic proximity to the US economy
- Membership of USMCA and many other agreements
- Substantial industrial base
- Prudent fiscal and monetary policies
- Free-floating exchange rate
- Adequate foreign exchange reserves
- Large population and relatively low labour cost

➖
- High dependence on the US economy
- Rising criminality linked to drug cartels and trafficking, high corruption level surfing on poverty and inequality
- Weaknesses in transport, health and education
- High informality in the economy (55%) and the job market
- Narrow tax base, with tax revenues representing 13% of GDP, depleted sovereign funds

MOLDOVA ⊕

COFACE ASSESSMENTS		
COUNTRY RISK	C	
BUSINESS CLIMATE	B	

POPULATION Millions of persons	2.6
GDP PER CAPITA US Dollars	5,285

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.6	-8.3	13.9	-5.0	1.5
Inflation (yearly average, %)	4.8	3.8	5.1	30.0	15.0
Budget balance (% GDP)	-1.4	- 5.2	-2.6	-5.5	-6.0
Current account balance (% GDP)	-9.3	-6.7	-11.6	-13.0	-12.0
Public debt (% GDP)	28.8	36.6	33.1	35.9	38.2

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

ROMANIA	27%
EURO AREA	25%
TURKEY	10%
RUSSIA	9%
SWITZERLAND	4%

Imports of goods by country as a % of total

EURO AREA	24%
RUSSIA	15%
CHINA	12%
ROMANIA	12%
UKRAINE	9%

Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	17%
CEREALS AND CEREAL PREPARATIONS	12%
VEGETABLES AND FRUITS	10%
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	9%
OIL SEEDS AND OLEAGINOUS FRUITS	8%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	9%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	7%
ROAD VEHICLES	6%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	5%
TEXTILE YARN AND RELATED PRODUCTS	4%

2023 OUTLOOK

- The economy will struggle to recover from a recession caused by higher energy and fertiliser prices, power cuts (reduced Russian gas supplies) and the collapse of trade with Russia and Ukraine. However, the slowdown in inflation will ease the strain on household consumption.
- The current account balance, still very negative, will be financed by the IMF and the EU.
- The public external debt (mainly with international organisations) will increase, in order to provide support to the population whose living conditions have deteriorated sharply in 2022, leading to protest from pro-Russian against a pro-European government.

➕
- Agricultural potential (wine, fruit, vegetables, sunflower, wheat)
- Association and free trade agreements with the EU (2014, extended to Transnistria in 2016)
- EU candidate status since 2022
- International financial support
- Relatively inexpensive labour
- Managed floating currency regime

➖
- Europe's poorest country, high emigration (1 million emigrants out of 3.4 million inhabitants)
- Large informal sector, low productivity
- Corruption, weak governance, oligarchic system and cronyism
- Credit not very developed (20% of GDP in 2020)
- Dependence on transfers from expatriate workers and on Russian gas
- Separatism in Transnistria
- Tensions between supporters of a rapprochement with the European Union and those with Russia

MONGOLIA ⊕

COFACE ASSESSMENTS		
COUNTRY RISK	D	
BUSINESS CLIMATE	C	

POPULATION Millions of persons	3.4
GDP PER CAPITA US Dollars	4,483

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.6	-4.6	1.6	2.0	5.5
Inflation (yearly average, %)	7.3	3.7	7.1	14.6	10.5
Budget balance (% GDP)	1.0	-9.3	-3.1	-4.5	-2.7
Current account balance (% GDP)	-15.2	-5.1	-12.8	-20.5	-14.9
Public debt (% GDP)	66.8	83.4	67.7	74.2	75.7

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	82%
SWITZERLAND	9%
SINGAPORE	3%
SOUTH KOREA	2%
RUSSIA	1%

Imports of goods by country as a % of total

CHINA	36%
RUSSIA	29%
EURO AREA	8%
JAPAN	7%
SOUTH KOREA	5%

Exports of goods by product as a % of total

METALLIFEROUS ORES AND METAL SCRAP	47%
COAL, COKE AND BRIQUETTES	28%
GOLD, NON-MONETARY	12%
TEXTILES FIBRES AND THEIR WASTES	3%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	3%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	17%
ROAD VEHICLES	16%
SPECIALISED MACHINERY	5%
IRON AND STEEL	5%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	4%

2023 OUTLOOK

- In 2023, economic growth is expected to accelerate as private consumption continues to recover, the easing of China's border restrictions boosts trade, and foreign investment inflows, particularly in the mining sector.
- Despite lower fiscal deficit expected in 2023, sovereign risk remain very high in a context of elevated imported inflation, rising interest rates and depleting FX reserves.
- Current account deficit will remain wide but large FDI inflow, notably in mining, should cover it.
- As a landlocked country highly dependent on Russian supply, especially in energy, Mongolia did not distance itself from the Kremlin.

➕
- Development of colossal mining resources (coal, copper, gold)
- Strategic geographical position between China and Europe/Russia
- Potential for diversification of production, including agribusiness, and tourism
- Important donor support (4.8% of GDP in 2019)

➖
- Small economy vulnerable to changes in commodity prices and Chinese demand
- Landlocked country
- Internal political dissensions
- Massive land degradation, 90% of the vast grasslands prone to desertification
- Alarming level of corruption and fragile governance
- Risks associated with rising inequalities due to less inclusive mining development
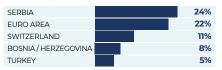- Insufficient foreign exchange reserves to absorb external shocks

MONTENEGRO 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		C
BUSINESS CLIMATE		A4

POPULATION Millions of persons	0.6
GDP PER CAPITA US Dollars	9,433

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.1	-15.2	12.4	3.2	2.0
Inflation (yearly average, %)	0.4	-0.2	2.4	6.4	3.0
Budget balance (% GDP)	-2.9	-10.0	-1.7	-5.0	-4.6
Current account balance (% GDP)	-14.3	-25.0	-13.7	-11.7	-12.1
Public debt (% GDP)	78.8	107.3	86.8	74.4	70.6

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

SERBIA	24%
EURO AREA	22%
SWITZERLAND	11%
BOSNIA / HERZEGOVINA	8%
TURKEY	5%

Imports of goods by country as a % of total

EURO AREA	33%
SERBIA	20%
CHINA	10%
CROATIA	6%
BOSNIA / HERZEGOVINA	5%

Exports of goods by product as a % of total

NON-FERROUS METALS	19%
ELECTRIC CURRENT	15%
METALLIFEROUS ORES AND METAL SCRAP	14%
CORK AND WOOD	8%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	5%

Imports of goods by product as a % of total
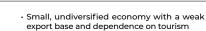
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	8%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	6%
ROAD VEHICLES	6%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	4%
MISCELLANEOUS MANUFACTURED ARTICLES	4%
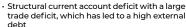
2023 OUTLOOK

- Faced with a poorly diversified economy and emigration due to poverty, the government is promoting social measures, benefiting the purchasing power of households in 2023.
- Construction remains a growth driver, thanks to the infrastructure and accommodation needs of a dynamic tourism sector.
- Structurally in deficit due to the trade deficit, the current account would stabilise in 2023 thanks to tourism, despite a drop in expatriate remittances and the increase in imports.
- Torn between Serbia and the EU, Montenegro is struggling to find a governing majority.
- There are delays in cleaning up the accounts and public enterprises.

➕
- Growing tourism
- EU application supported by economic reforms (Europe Now programme)
- Use of the euro to avoid exchange rate crises

➖
- Small, undiversified economy with a weak export base and dependence on tourism
- Structural current account deficit with a large trade deficit, which has led to a high external debt
- Corruption, informal economy, emigration and unemployment
- Use of the euro may lead to asymmetric shocks, with no early prospect of participating in European governance

MOROCCO 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		B
BUSINESS CLIMATE		A4

POPULATION Millions of persons	36.3
GDP PER CAPITA US Dollars	3,934

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.9	-7.2	7.9	1.0	3.5
Inflation (yearly average, %)	0.2	0.7	1.3	6.0	5.0
Budget balance (% GDP)	-3.6	-7.1	-5.9	-5.3	-5.1
Current account balance (% GDP)	-3.4	-1.2	-2.3	-4.3	-4.1
Public debt (% GDP)	60.3	72.2	68.9	70.3	70.1

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	55%
BRAZIL	5%
INDIA	5%
UNITED KINGDOM	3%
UNITED STATES	3%

Imports of goods by country as a % of total

EURO AREA	44%
CHINA	12%
UNITED STATES	6%
TURKEY	6%
RUSSIA	3%

Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	16%
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	12%
ROAD VEHICLES	11%
FERTILISERS, NOT CRUDE	11%
VEGETABLES AND FRUITS	11%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	9%
ROAD VEHICLES	9%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	8%
TEXTILE YARN AND RELATED PRODUCTS	6%
CEREALS AND CEREAL PREPARATIONS	5%

2023 OUTLOOK

- Agriculture is still suffering from a lack of water (30% rainfall deficit in mid-November 2022), especially irrigated export crops.
- Tourism rebounds since 2022 as COVID-19 recedes and restrictions are lifted.
- Fuelled by energy and food imports and the depreciation of the dirham, inflation is hitting households despite social measures.
- The increase in public spending should be offset by better tax collection, while the slight rise in policy rates should have little effect on the public deficit.
- Rabat is doubling its military budget since 2021, to build a defence industry supported by Israel.

➕
- Favourable geographical position, close to the European market
- Strategy to move upmarket and diversify production in industry
- Political stability and commitment to reform
- Growing integration into the African market
- Support from the international community, especially Europe
- Significant and emerging market

➖
- Economy dependent on agriculture (12% of GDP and 30% of the population), and therefore on climate and water availability
- Competition from other Mediterranean countries such as Turkey or Egypt
- Social and regional disparities, between cities and the countryside, and widespread poverty
- High unemployment, especially among young people, and low participation of women in the labour market
- Low productivity and competitiveness

MOZAMBIQUE 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**D**	

POPULATION Millions of persons	**32.1**
GDP PER CAPITA US Dollars	**492**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.3	-1.2	2.3	3.9	4.7
Inflation (yearly average, %)	2.8	3.1	5.7	9.8	8.5
Budget balance* (% GDP)	-0.4	-5.4	-4.8	-3.6	-4.3
Current account balance (% GDP)	-19.2	-27.6	-23.8	-34.8	-37.5
Public debt* (% GDP)	107.5	120	106.4	102.5	102.6

(f): Forecast. *Grants included.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**19%**
SOUTH AFRICA	**17%**
INDIA	**16%**
CHINA	**10%**
UNITED KINGDOM	**7%**

Imports of goods by country as a % of total

SOUTH AFRICA	**26%**
CHINA	**11%**
EURO AREA	**10%**
INDIA	**9%**
UNITED ARAB EMIRATES	**8%**

Exports of goods by product as a % of total

COAL, COKE AND BRIQUETTES	**22%**
NON-FERROUS METALS	**20%**
METALLIFEROUS ORES AND METAL SCRAP	**9%**
ELECTRIC CURRENT	**8%**
GAS, NATURAL AND MANUFACTURED	**7%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**19%**
IRON AND STEEL	**5%**
METALLIFEROUS ORES AND METAL SCRAP	**5%**
CEREALS AND CEREAL PREPARATIONS	**5%**
ROAD VEHICLES	**4%**

2023 OUTLOOK
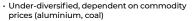
- While agriculture, exports (including LNG since late 2022) and the resumption of LNG projects will support growth, it will be moderated by still-high inflation and monetary tightening.
- Despite efforts of fiscal consolidation, debt servicing, defence spending, the public-sector wage bill and subsidies to support the most vulnerable will keep the deficit high. Debt sustainability remains at risk.
- The situation in the Cabo Delgado province remains precarious (TotalEnergies could lift the force majeure in Q1 2023), as authorities struggle to contain the Islamist insurgency. Further delays to LNG projects would enhance risks on external financing.

➕
- Favourable geographical location: long coastline, proximity to the South African market
- Significant mineral (coal) and agricultural resources, and hydroelectric potential
- Huge offshore gas fields, massive investments in LNG megaprojects and new export opportunities

➖
- Under-diversified, dependent on commodity prices (aluminium, coal)
- Inadequate transport and port infrastructure, which constrains the country's commodity export capacities
- Banking system constrained by government financing needs
- Unstable political and security environment
- Weak governance
- Difficult climatic conditions

MYANMAR 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**E**	

POPULATION Millions of persons	**53.6**
GDP PER CAPITA US Dollars	**1,217**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth* (%)	6.8	3.2	-17.9	2.0	3.3
Inflation* (yearly average, %)	8.6	5.7	3.6	16.2	13.3
Budget balance* (% GDP)	-3.9	-5.6	-7.8	-7.8	-7.2
Current account balance* (% GDP)	-2.8	-3.4	-1.4	1.7	-1.3
Public debt* (% GDP)	38.8	39.3	62.3	62.5	63.7

(f): Forecast. *In fiscal years. Although Myanmar's budget year changed from October-September to April-March starting from April 2022, here, fiscal years end in September. Fiscal year 2023: 1 October 2022 - 30 September 2023.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**29%**
THAILAND	**23%**
EURO AREA	**12%**
JAPAN	**6%**
INDIA	**6%**

Imports of goods by country as a % of total

CHINA	**29%**
SINGAPORE	**19%**
THAILAND	**14%**
INDONESIA	**8%**
MALAYSIA	**6%**
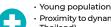
Exports of goods by product as a % of total

ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**26%**
GAS, NATURAL AND MANUFACTURED	**21%**
VEGETABLES AND FRUITS	**13%**
CEREALS AND CEREAL PREPARATIONS	**9%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**5%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**19%**
TEXTILE YARN AND RELATED PRODUCTS	**11%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**6%**
SPECIALISED MACHINERY	**5%**
IRON AND STEEL	**5%**

2023 OUTLOOK

- The strong relationship with Russia alienates, even more, Myanmar's relations with the West.
- GDP will continue to recover slowly in FY2023 as the negative effects of the military coup would persist, while the economic difficulties that emerged following the war in Ukraine will likely remain.
- The public debt, which has surged since the coup d'état, will continue to rise.
- Since the putsch, deficits of the current account are likely not entirely financed because of a hit in foreign investments. This leads to depleting international reserves, triggering liquidity issues.

➕
- Abundant commodities, hydroelectricity opportunities
- Young population
- Proximity to dynamic economies (India, China, Thailand)
- High potential of the primary sector (agriculture)
- Great potential for tourism
- Availability of low-cost labour

➖
- Isolation resulting from the coup d'état
- Corruption is highly endemic and the business environment is poor
- Large ethnic diversities leading to tensions
- Blacklisted by the Financial Action Task Force for terrorism and crime finance
- Inefficient central bank, submitted to the government
- Lack of diversification and infrastructure (electricity, refining, education, healthcare)
- Underdeveloped financial sector
- Country highly exposed to natural disasters

NAMIBIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		C
BUSINESS CLIMATE		A4

POPULATION Millions of persons	2.6
GDP PER CAPITA US Dollars	4,826

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-0.8	-8.0	2.7	3.9	2.7
Inflation (yearly average, %)	3.7	2.2	3.6	6.1	4.9
Budget balance* (% GDP)	-5.2	-8.2	-8.7	-7.9	-6.3
Current account balance (% GDP)	-1.8	2.8	-9.6	-10.8	-7.5
Public debt (% GDP)	62.4	70.0	73.2	76.5	78.0

(f): Forecast. *Fiscal year from April 1 to March 30. Last fiscal year FY 23/24.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	36%
SOUTH AFRICA	15%
BOTSWANA	8%
BELGIUM	6%
SPAIN	5%

Imports of goods by country as a % of total

SOUTH AFRICA	38%
ZAMBIA	19%
CHINA	6%
CONGO DR	4%
EURO AREA	4%

Exports of goods by product as a % of total

NON-FERROUS METALS	25%
NON METALLIC MINERAL MANUFACTURES	18%
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	13%
METALLIFEROUS ORES AND METAL SCRAP	9%
GOLD, NON-MONETARY	8%

Imports of goods by product as a % of total

NON-FERROUS METALS	12%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	9%
METALLIFEROUS ORES AND METAL SCRAP	8%
ROAD VEHICLES	7%
NON METALLIC MINERAL MANUFACTURES	5%

2023 OUTLOOK

- Diamond mining and tourism recovery will support growth, but uncertainty on agricultural production, limited fiscal space and monetary tightening will weigh on the outlook.
- While stronger export performance will partly offset high imports costs, weaker SACU receipts and a potential drop in European ODA, the current account deficit will remain significant.
- Despite an erosion of its popularity, SWAPO remains dominant in the run-up to the 2024 elections. Netumbo Nandi-Ndaitwah has been appointed vice-president of the party. She is likely to succeed Geingob who has reached the two-term limit.

➕
- Significant mineral resources (diamonds, uranium, copper) and fisheries
- Good transport infrastructure
- Good governance and stable democracy since independence in 1990
- Tourism potential
- Namibian dollar pegged to the rand

➖
- Dependent on the mining sector and on South Africa
- High unemployment, persistent inequalities, tensions over land ownership, high prevalence of AIDS
- Agricultural sector exposed to climatic hazards
- High public debt limits fiscal space

NEPAL 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		C
BUSINESS CLIMATE		B

POPULATION Millions of persons	29.7
GDP PER CAPITA US Dollars	1,209

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	6.7	-2.4	4.2	5.8	4.9
Inflation (yearly average, %)	4.6	6.2	3.6	6.3	6.1
Budget balance (% GDP)	-5.0	-5.4	-4.0	-3.5	-5.0
Current account balance (% GDP)	-6,9	-1,0	-7.8	-12.9	-8.1
Public debt (% GDP)	33.1	42.4	45.8	49.1	50.5

(f): Forecast. All data are for fiscal years. FY 2023: 16 July 2022- 15 July 2023.

TRADE EXCHANGES

Exports of goods by country as a % of total

INDIA	78%
UNITED STATES	8%
EURO AREA	4%
UNITED KINGDOM	1%
TURKEY	1%

Imports of goods by country as a % of total

INDIA	60%
CHINA	15%
ARGENTINA	3%
UNITED ARAB EMIRATES	3%
INDONESIA	2%

Exports of goods by product as a % of total

FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	28%
TEXTILE YARN AND RELATED PRODUCTS	23%
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	10%
VEGETABLES AND FRUITS	7%
IRON AND STEEL	6%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	12%
IRON AND STEEL	12%
ROAD VEHICLES	6%
CEREALS AND CEREAL PREPARATIONS	5%
SPECIALISED MACHINERY	4%

2023 OUTLOOK

- Growth will slow slightly as private demand is affected by rising interest rates and still high commodity prices.
- Nevertheless, tourism-related services will continue to recover and industrial production will be driven by hydroelectricity.
- The large current account deficit, covered by international financing and foreign reserves, will narrow as imports moderate and tourism recovers.
- After elections in December 2022, which resulted in a hung parliament, Pushpa Kamal Dahal was appointed Prime Minister for the third time.

➕
- Expatriate remittance flows (24% of GDP in 2020) support household consumption
- Financial and technical support from India and China
- Tourism potential
- Recipient of vast sums of regional aid (in particular from the Asian Development Bank) and international aid
- Huge potential capacity in hydroelectricity

➖
- Landlocked, poor accessibility, dependence on Indian ports
- Lack of infrastructure, electricity and fuel shortages, undiversified export basket (clothing and agriculture)
- Heavy dependence on the Indian economy through imports (65% of total imports), exports (57% of total exports) and a currency peg
- Political instability

NETHERLANDS 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	A2
BUSINESS CLIMATE	A1

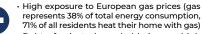| POPULATION Millions of persons	17.5
GDP PER CAPITA US Dollars	57,997

2023 OUTLOOK

- In 2023, the Dutch economy will suffer from lower demand from Western Europe (exports as well as re-exports) and muted private consumption.
- A price cap on energy prices and the increase in minimum wage should support private households but also increase the public deficit noticeably.
- The government is losing a lot of its popular support over the new rules to reduce nitrogen-based emissions as well as a possible extension, or even ramping up, of gas-extraction in Groningen, despite the already announced exit due to earthquakes.

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.0	-3.9	4.9	4.2	1.1
Inflation (yearly average, %)	2.6	1.3	2.7	10.0	4.0
Budget balance (% GDP)	1.8	-3.7	-2.6	-1.0	-3.6
Current account balance (% GDP)	6.9	5.1	7.2	4.8	4.8
Public debt (% GDP)	48.5	54.7	52.4	47.3	47.7

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	24%
BELGIUM	11%
FRANCE	9%
UNITED KINGDOM	6%
ITALY	5%

Imports of goods by country as a % of total

CHINA	17%
GERMANY	15%
BELGIUM	8%
UNITED STATES	7%
RUSSIA	4%

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	10%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	6%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	5%
SPECIALISED MACHINERY	5%
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	5%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	12%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	8%
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	6%
TELECOM. & SOUND RECORDING APPARATUS	5%
ROAD VEHICLES	5%

＋
- Port activity (Rotterdam is Europe's number one port)
- Establishment of home-grown international companies working with a dense network of SMEs
- Diversified and flexible exports (services have a share of 39% in total exports' turnover), external accounts in surplus
- High quality infrastructure (including digital) and high living standards

－
- Exposure to the European economy, especially Germany and Belgium (together 7% of GDP in 2021 including re-exports)
- High exposure to European gas prices (gas represents 38% of total energy consumption, 71% of all residents heat their home with gas)
- Debt of private households is very high (222% of disposable income in 2021)
- Ageing population, pension system under pressure

NEW ZEALAND 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	A2
BUSINESS CLIMATE	A1

POPULATION Millions of persons	5.1
GDP PER CAPITA US Dollars	48,317

2023 OUTLOOK

- The economy is set to decelerate further in 2023 amid high inflation and rising interest rates.
- Private consumption will be constrained by elevated inflation, declining housing prices and high level of household indebtedness.
- After higher public expenses during the fiscal year ending in June 2022, the government is set to return to the path of fiscal consolidation. Public debt remains relatively low compared with most developed economies.
- The current account deficit is expected to remain high but is traditionally financed by large financial and capital inflows.

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.9	-2.1	5.6	2.3	1.8
Inflation (yearly average, %)	1.6	1.7	3.9	6.8	4.1
Budget balance* (% GDP)	-2.9	-7.2	-1.3	-2.7	-1.6
Current account balance (% GDP)	-2.9	-0.8	-6.0	-7.7	-6.0
Public debt (% GDP)	31.8	43.2	50.8	56.6	58.6

(f): Forecast. *Fiscal year 2023: July 2022-June 2023.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	32%
AUSTRALIA	12%
UNITED STATES	11%
JAPAN	6%
EURO AREA	5%

Imports of goods by country as a % of total

CHINA	24%
EURO AREA	14%
AUSTRALIA	11%
UNITED STATES	9%
JAPAN	6%

Exports of goods by product as a % of total

DAIRY PRODUCTS AND BIRDS' EGGS	27%
MEAT AND MEAT PREPARATIONS	14%
CORK AND WOOD	8%
VEGETABLES AND FRUITS	6%
MISCELLANEOUS EDIBLE PRODUCTS AND PREPARATIONS	5%

Imports of goods by product as a % of total

ROAD VEHICLES	14%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	8%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	5%
MISCELLANEOUS MANUFACTURED ARTICLES	5%
OTHER INDUSTRIAL MACHINERY AND PARTS	5%

＋
- Proximity to Asia and Australia
- Attractive tourist destination
- Large and competitive agricultural sector (world's leading exporter of dairy products)
- Contained public debt
- High quality of life
- Excellent business environment

－
- Island nation
- Reliance on foreign investment
- High household and corporate debt levels (especially in agriculture)
- Reliance on Chinese demand
- Shortage of skilled labour
- Lack of R&D and low labour productivity growth compared with other OECD countries

NICARAGUA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**C**	

POPULATION Millions of persons	**6.5**
GDP PER CAPITA US Dollars	**2,141**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-3.7	-2.0	10.3	4.0	1.5
Inflation (yearly average, %)	5.4	3.7	4.9	10.3	8.0
Budget balance* (% GDP)	-0.3	-2.1	-1.7	-1.6	-0.6
Current account balance (% GDP)	6.0	4.0	-2.2	-3.2	-2.8
Public debt* (% GDP)	50.2	57.8	56.9	58.1	56.1

(f): Forecast. *Including only central government, which also covers Social Security.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**54%**
MEXICO	**11%**
EL SALVADOR	**6%**
EURO AREA	**5%**
HONDURAS	**5%**

Imports of goods by country as a % of total

UNITED STATES	**25%**
CHINA	**12%**
EURO AREA	**11%**
MEXICO	**9%**
GUATEMALA	**7%**

Exports of goods by product as a % of total

ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**26%**
GOLD, NON-MONETARY	**13%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**10%**
MEAT AND MEAT PREPARATIONS	**10%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**8%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**12%**
TEXTILE YARN AND RELATED PRODUCTS	**10%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**8%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**6%**
MISCELLANEOUS MANUFACTURED ARTICLES	**5%**

2023 OUTLOOK

- Household support measures, agricultural and mining exports will drive more modest growth in 2023.
- Lower remittances from the US will weigh on household consumption, while manufacturing exports to the continent will fall.
- Tight fiscal policy will continue. Deficits in public enterprises and the social security system will remain high, with the risk of aggravating under investment by the public sector.
- Weakened foreign exchange reserves, tightening US sanctions and withdrawal from the Organisation of American States would increase dependence on Chinese external financing.

➕
- Mineral (gold), agricultural (coffee, sugar, meat) and fishery (shellfish) resources
- Membership of the Central America/USA and Central America/EU free trade areas

➖
- High vulnerability to natural disasters
- Increased social tensions since the 2018 anti-austerity protests
- Poor business environment and institutional weaknesses: concentration of power in the executive and the Sandinista party, corruption
- US-dependent economy (dollarisation, investment, trade, remittances)
- Diplomatic isolation from the international community since the disputed 2018 presidential election (Western sanctions)

NIGER 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**D**	

POPULATION Millions of persons	**25.1**
GDP PER CAPITA US Dollars	**595**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.9	3.6	1.4	6.7	7.3
Inflation (yearly average, %)	-2.5	2.8	3.8	4.0	3.0
Budget balance* (% GDP)	-3.6	-5.3	-5.8	-6.5	-4.6
Current account balance* (% GDP)	-12.24	-13.5	-13.8	-15.6	-13.9
Public debt (% GDP)	39.8	45.0	52.0	54.0	53.0

(f): Forecast. *Including grants.

TRADE EXCHANGES

Exports of goods by country as a % of total

BURKINA FASO	**72%**
EURO AREA	**10%**
MALI	**8%**
NIGERIA	**3%**
CHAD	**1%**

Imports of goods by country as a % of total

EURO AREA	**23%**
CHINA	**22%**
THAILAND	**18%**
UNITED STATES	**7%**
INDIA	**4%**

Exports of goods by product as a % of total

GOLD, NON-MONETARY	**43%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**15%**
METALLIFEROUS ORES AND METAL SCRAP	**12%**
OIL SEEDS AND OLEAGINOUS FRUITS	**7%**
INORGANIC CHEMICALS	**5%**
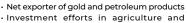
Imports of goods by product as a % of total

CEREALS AND CEREAL PREPARATIONS	**12%**
ROAD VEHICLES	**8%**
OTHER TRANSPORT EQUIPMENT	**7%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**6%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**5%**

2023 OUTLOOK

- Growth will remain strong in 2023. Infrastructure construction will continue to be supported, notably by the oil boom. The recovery in the agricultural sector will boost consumption.
- Inflation should remain moderate thanks to the restrictive policy of the Central Bank of West African States.
- A budget deficit financed by international aid will be significantly reduced thanks to IMF-supported fiscal consolidation, despite social and security emergencies.
- The trade deficit should narrow, mainly on the back of oil exports
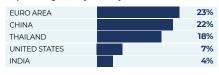- Insecurity due to terrorist groups and political fragility due to social discontent.

➕
- Seventh largest producer of uranium in 2021
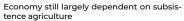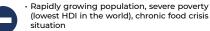- Net exporter of gold and petroleum products
- Investment efforts in agriculture and infrastructure
- Member of the West African Economic and Monetary Union (WAEMU) and the Economic Community of West African States (ECOWAS)
- Financial support from multilateral creditors

➖
- Economy vulnerable to climate shocks and fluctuations in commodity prices
- Economy still largely dependent on subsistence agriculture
- Rapidly growing population, severe poverty (lowest HDI in the world), chronic food crisis situation
- Defective system for collecting taxes and customs duties
- Endemic corruption and importance of the informal sector
- Difficult security situation and terrorist attacks

NIGERIA 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**D**
BUSINESS CLIMATE	**D**

POPULATION Millions of persons	**211.4**
GDP PER CAPITA US Dollars	**2,089**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.2	-1.8	3.6	3.2	2.8
Inflation (yearly average, %)	11.4	13.2	17.0	19.0	16.0
Budget balance (% GDP)	-4.7	-5.6	-6.0	-5.5	-4.5
Current account balance (% GDP)	-3.3	-4.0	-0.4	1.0	1.3
Public debt* (% GDP)	29.2	34.5	36.6	37.5	39.0

(f): Forecast. *Including state, local authority and public enterprise debt, borrowing from central bank, and arrears.

TRADE EXCHANGES

Exports of goods by country as a % of total

INDIA	**27%**
EURO AREA	**26%**
CHINA	**9%**
UNITED STATES	**5%**
CANADA	**4%**

Imports of goods by country as a % of total

CHINA	**23%**
EURO AREA	**15%**
UNITED STATES	**9%**
INDIA	**5%**
UNITED KINGDOM	**3%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**75%**
GAS, NATURAL AND MANUFACTURED	**13%**
OTHER TRANSPORT EQUIPMENT	**4%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**1%**
METALLIFEROUS ORES AND METAL SCRAP	**1%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**25%**
ROAD VEHICLES	**7%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**6%**
CEREALS AND CEREAL PREPARATIONS	**4%**
TEXTILE YARN AND RELATED PRODUCTS	**4%**

2023 OUTLOOK

- Growth will slow in 2023. Domestic demand will stagnate due to inflation and higher credit prices. The contribution of foreign trade will be positive thanks to increased oil sales and reduced purchases of refined products. While agriculture and agribusiness will suffer from the October 2022 floods, the digital economy will thrive.
- The public deficit will be reduced with the ending of fuel subsidies after the general elections of February 2023.
- Import restrictions and obstacles to the repatriation of profits will not prevent the gap between the official and parallel exchange rates from persisting.

+
- First African economy and population
- Significant hydrocarbon resources (10th in the world for proven oil reserves, 9th for gas)
- Large agricultural potential (5th world producer of cocoa) and mining (gold, barite, tin, zinc)
- Rapid development of fintech and film industry
- Low external public debt relative to GDP

–
- Debt service exceeding tax revenue (8% of GDP)
- Dependence on oil (80% of exports, 50% of tax revenue)
- Oil production subject to theft and sabotage
- Inadequate oil refining and gas transportation
- Reduced manufacturing activity (10% of GDP)
- Deficient electricity and transport infrastructure weighing on agriculture
- Unemployment, poverty, insecurity

NORTH MACEDONIA 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**C**
BUSINESS CLIMATE	**A4**

POPULATION Millions of persons	**2.1**
GDP PER CAPITA US Dollars	**6,714**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.2	-4.5	4.0	2.5	2.3
Inflation (yearly average, %)	0.8	1.2	3.2	11.4	8.0
Budget balance (% GDP)	-2.2	-8.3	-5.4	-5.2	-4.3
Current account balance (% GDP)	-3.3	-3.4	-3.5	-8.0	-5.0
Public debt (% GDP)	40.4	51.8	53.2	53.8	54.5

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**24%**
SENEGAL	**17%**
DOMINICAN REPUBLIC	**7%**
INDONESIA	**7%**
ETHIOPIA	**6%**

Imports of goods by country as a % of total

CHINA	**92%**
DOMINICAN REPUBLIC	**2%**
HONDURAS	**2%**
PAPUA NEW GUINEA	**2%**
GUINEA	**1%**

Exports of goods by product as a % of total

CHEMICAL MATERIALS AND PRODUCTS	**22%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**16%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**12%**
IRON AND STEEL	**9%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**7%**

Imports of goods by product as a % of total

NON-FERROUS METALS	**20%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**8%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**5%**
NON METALLIC MINERAL MANUFACTURES	**5%**
TEXTILE YARN AND RELATED PRODUCTS	**5%**

2023 OUTLOOK

- Modest GDP growth is expected to continue in 2023, after benefitting from a significant increase in investment in 2022.
- Inflation should remain high, which will hamper household consumption. The moderation of transfers received by households could also impact their consumption.
- The current account deficit will decrease, following a drop in domestic demand, but also a drop in energy costs.
- The budget balance will improve, after a reduction in government support measures (and spending in general, with fiscal consolidation), while public debt will increase.

+
- Association and Stabilisation Agreement with the EU, candidate for membership since 2003
- Integration into the European manufacturing chain
- Wage competitiveness
- Support from European donors
- High remittances from expatriate workers (16,2% of GDP)
- Pegging of the denar to the euro

–
- Low employment rate (47%), high structural unemployment and lack of productivity
- Large informal economy
- High degree of euroisation (47.4% of bank deposits and 41.8% of credit)
- Insufficient transport, energy, health and education infrastructure
- Shaky and polarised political landscape
- Insufficient progress in the fight against corruption, organised crime, and improvement of the rule of law

NORWAY 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A1**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	5.4
GDP PER CAPITA US Dollars	89,042

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.1	-1.9	4.0	3.4	2.4
Inflation (yearly average, %)	2.2	1.3	3.5	5.8	5.3
Budget balance* (% GDP)	6.5	-2.6	9.7	16.0	16.0
Current account balance (% GDP)	3.8	1.1	15.0	30.0	31.0
Public debt (% GDP)	40.3	45.9	43.2	36.0	32.0

(f): Forecast. *The public budget includes withdrawals from the Sovereign Wealth Fund.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**47%**
UNITED KINGDOM	**21%**
SWEDEN	**8%**
CHINA	**6%**
UNITED STATES	**3%**

Imports of goods by country as a % of total

EURO AREA	**32%**
CHINA	**13%**
SWEDEN	**11%**
UNITED STATES	**6%**
UNITED KINGDOM	**5%**

Exports of goods by product as a % of total

GAS, NATURAL AND MANUFACTURED	**36%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**30%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**8%**
NON-FERROUS METALS	**5%**
OTHER TRANSPORT EQUIPMENT	**2%**

Imports of goods by product as a % of total

ROAD VEHICLES	**13%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**6%**
MANUFACTURES OF METAL	**5%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**5%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**

2023 OUTLOOK

- Since the start of the war in Ukraine, the Norwegian gas and oil exports have been critical to European energy security and this will continue in 2023.
- The average inflation rate is relatively low compared to the Scandinavian and Western European neighbours. However, wages are noticeably increasing.
- The current account surplus reached record high due to a strong demand for energy products in combination with soaring energy prices.
- Fiscal conditions are supported by the sovereign wealth fund benefits. Therefore, the total budget surplus remains the highest in decades.

+
- Huge oil and natural gas deposits, the energy sector accounts for 17% of GDP, 19% of investments and 52% of exports
- High standard of living
- Largest sovereign wealth fund in the world (around 365% of mainland GDP in 2021, the fund owns almost 1.5% of all shares in the world)
- Norway has a preferential access to the EU market and is a NATO member state

−
- Structural budget deficit when excluding oil and gas revenues
- High private household debt (108% of nominal GDP in 2021)
- Significant labour costs and shortage of skilled workers
- Exposure to climate risk (such as significant drought in 2022, which put at risk hydroelectric power stations' operations, particularly in the south)

OMAN 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**C**	
BUSINESS CLIMATE	**A4**	

POPULATION Millions of persons	4.5
GDP PER CAPITA US Dollars	18,966

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-1.1	-3.2	3.0	5.5	3.5
Inflation (yearly average, %)	0.1	-0.9	1.5	4.0	2.5
Budget balance (% GDP)	-4.8	-16.1	-3.2	6.0	3.0
Current account balance (% GDP)	-4.5	-17	-6.1	6.0	4.0
Public debt (% GDP)	52.5	69.7	62.9	45.0	40.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED ARAB EMIRATES	**18%**
SAUDI ARABIA	**8%**
UNITED STATES	**8%**
INDIA	**6%**
CHINA	**5%**

Imports of goods by country as a % of total

UNITED ARAB EMIRATES	**36%**
CHINA	**7%**
EURO AREA	**7%**
INDIA	**7%**
QATAR	**6%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**39%**
GAS, NATURAL AND MANUFACTURED	**10%**
IRON AND STEEL	**7%**
ORGANIC CHEMICALS	**7%**
FERTILISERS, NOT CRUDE	**6%**
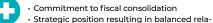
Imports of goods by product as a % of total
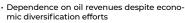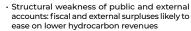
ROAD VEHICLES	**11%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**9%**
IRON AND STEEL	**7%**
METALLIFEROUS ORES AND METAL SCRAP	**7%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**

2023 OUTLOOK

- Declining hydrocarbon output and revenues, tightened financial conditions, and stagnant government spending will weigh on growth.
- However, decelerating inflation and recovering tourism will sustain private consumption, while investments by government-related entities will also contribute positively.
- Lower hydrocarbon revenues and sticky expenditures will shrink the fiscal surplus. The same goes for the current account as lower hydrocarbon receipts and sustained remittances outflows will not be balanced by higher tourism revenues and lower interest payments due to debt repayments.

+
- Potential for development of tourism
- Rising foreign population, reaching pre-pandemic level
- Commitment to fiscal consolidation
- Strategic position resulting in balanced relations with regional and international actors. Improving relations with the neighbours will help to amplify economic integration

−
- Dependence on oil revenues despite economic diversification efforts
- Structural weakness of public and external accounts: fiscal and external surpluses likely to ease on lower hydrocarbon revenues
- Low financial buffers (lean Sovereign Wealth fund), still high level of debt resulting in large external financial needs

PAKISTAN 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**D**
BUSINESS CLIMATE	**C**

POPULATION Millions of persons	**222.6**
GDP PER CAPITA US Dollars	**1,564**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth* (%)	3.1	-0.9	5.7	6.0	3.5
Inflation* (yearly average, %)	6.7	10.7	8.9	12.2	18.0
Budget balance* (% GDP)	-7.8	-7.0	-6.1	-5.8	-4.2
Current account balance* (% GDP)	-4.2	-1.5	-0.8	-4.6	-3.0
Public debt* (% GDP)	86.1	87.6	71.8	72.4	69.1

(f): Forecast. *Fiscal year 2023: 1st July 2022- 30th June 2023.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**23%**
UNITED STATES	**21%**
CHINA	**10%**
UNITED KINGDOM	**7%**
UNITED ARAB EMIRATES	**4%**

Imports of goods by country as a % of total

CHINA	**28%**
UNITED ARAB EMIRATES	**10%**
INDONESIA	**6%**
EURO AREA	**6%**
UNITED STATES	**5%**

Exports of goods by product as a % of total

TEXTILE YARN AND RELATED PRODUCTS	**32%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**29%**
CEREALS AND CEREAL PREPARATIONS	**8%**
VEGETABLES AND FRUITS	**3%**
NON-FERROUS METALS	**3%**

Imports of goods by product as a % of total
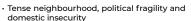
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**17%**
GAS, NATURAL AND MANUFACTURED	**6%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**6%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**5%**
ROAD VEHICLES	**5%**

2023 OUTLOOK
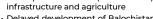
- Growth to slow on high inflation, floods, and efforts to stabilise the economy through fixing fiscal and external imbalances. Heightened macroeconomic stability risks amid high inflation pressure.
- External financing needs have increased due to floods. While IMF programme provides hope of a step-up in other multilateral and bilateral funding sources, suspension due to non-compliance is a risk.
- Political instability to persist, with former PM Imran Khan gaining popularity after recent assassination attempt.

➕
- Large domestic market benefitting from remittance inflows
- Large and inexpensive labour force
- Development of economic corridors with China and Central Asia, door to the Indian Ocean
- A major player in Islamic finance
- Mineral potential
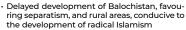
➖
- Tense neighbourhood, political fragility and domestic insecurity
- Large informal sector and low tax revenues
- Large and inefficient SOE sector
- Inadequate education (40% illiterate), health, infrastructure and agriculture
- Delayed development of Balochistan, favouring separatism, and rural areas, conducive to the development of radical Islamism
- Energy dependency, deficient electricity production

PANAMA 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**B**
BUSINESS CLIMATE	**A4**

POPULATION Millions of persons	**4.3**
GDP PER CAPITA US Dollars	**14,664**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.0	-17.9	15.3	7.5	3.5
Inflation (yearly average, %)	-0.3	-1.6	1.6	3.1	3.4
Budget balance (% GDP)	-3.6	-6.1	-4.2	-3.5	-2.7
Current account balance (% GDP)	-5.0	2.3	-2.9	-4.1	-3.3
Public debt (% GDP)	42.2	65.6	58.4	56.0	54.9

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**32%**
EURO AREA	**18%**
JAPAN	**13%**
SOUTH KOREA	**10%**
INDIA	**5%**

Imports of goods by country as a % of total

UNITED STATES	**25%**
CHINA	**12%**
EURO AREA	**7%**
MEXICO	**5%**
COSTA RICA	**4%**

Exports of goods by product as a % of total

METALLIFEROUS ORES AND METAL SCRAP	**49%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**9%**
OTHER TRANSPORT EQUIPMENT	**7%**
VEGETABLES AND FRUITS	**4%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**4%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**28%**
OTHER TRANSPORT EQUIPMENT	**10%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**6%**
ROAD VEHICLES	**4%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**4%**

2023 OUTLOOK

- Growth will decelerate in 2023. Household consumption will continue to support activity, driven by subsidies and falling unemployment, but the sharp slowdown in global trade will weigh on re-exports and logistics. Gold and copper exports will increase and investment will be resilient.
- Increased revenues (mining royalties and canal tolls) and reduced recurrent expenditure will reduce the government deficit in 2023.
- Mining exports and tourism will reduce the current account deficit.
- Social tensions remain, fuelled by inflation and the slow pace of the fight against corruption and clientelism.

➕
- Interoceanic Canal (10% of world maritime traffic, 16% of world transport capacity)
- Colón Free Zone, the second largest import-export platform in the world
- Dollarised monetary and financial system, facilitating access to capital markets
- Regional banking and financial centre served by an excellent telecommunications network
- Tourism potential

➖
- Highly exposed to the North and South American economic situation
- Low tax revenues (tax collection of 13.7% of GDP against 23% of GDP on average in Latin America)
- Gaps in education and professional training
- Large socio-economic disparities between the Canal Zone and the rest of the country (GINI coefficient of 49.8)
- Corruption, favouritism and clientelism
- Majority of informal jobs

PAPUA NEW GUINEA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**C**	

POPULATION Millions of persons	**9.0**
GDP PER CAPITA US Dollars	**3,050**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.5	-3.5	1.2	3.6	5.0
Inflation (yearly average, %)	3.9	4.9	4.5	6.5	5.2
Budget balance (% GDP)	-4.4	-8.6	-6.6	-5.5	-4.2
Current account balance (% GDP)	22.0	20.2	22.9	24.0	21.0
Public debt (% GDP)	40.2	47.1	50.9	49.9	49.3

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	17%
JAPAN	16%
AUSTRALIA	12%
EURO AREA	11%
SINGAPORE	10%

Imports of goods by country as a % of total

AUSTRALIA	31%
CHINA	22%
SINGAPORE	12%
MALAYSIA	7%
TAIWAN	5%

Exports of goods by product as a % of total

GAS, NATURAL AND MANUFACTURED	23%
GOLD, NON-MONETARY	18%
METALLIFEROUS ORES AND METAL SCRAP	18%
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	11%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	8%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	16%
OTHER INDUSTRIAL MACHINERY AND PARTS	11%
ROAD VEHICLES	9%
SPECIALISED MACHINERY	8%
MANUFACTURES OF METAL	6%

2023 OUTLOOK

- The resource sector is expected to continue to drive growth, but disruptions in the mining sector and on supply, as well as a deterioration of the health situation, are downside risks.
- Inflation to moderate on easing pressure on supply chains, and fading price impact of election-related spending.
- Current account surplus to remain large due to high commodity prices and subdued imports, but large debt repayments contributed to FX shortages.
- Fiscal deficit is projected to narrow on expected fiscal consolidation.

➕
- Abundant natural resources: ore, hydrocarbons, agricultural, seafood products, and timber
- Plans to develop new gas fields and build liquefied natural gas production units, as well as new mines
- 15% of the world's tropical rainforests
- Financial support from multilateral and bilateral partners
- Member of the Commonwealth and the Asia-Pacific Economic Cooperation forum

➖
- Highly exposed to natural and climatic disasters
- Weak infrastructure network
- Weak budgetary resources (15% of GDP)
- Dependence on commodity exports
- Significant governance shortcomings
- Low literacy rate, lack of skilled labour, rural poverty, tribal conflicts

PARAGUAY 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**B**	

POPULATION Millions of persons	**7.4**
GDP PER CAPITA US Dollars	**5,279**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-0.4	-0.8	4.1	-0.5	4.5
Inflation (yearly average, %)	2.8	1.8	4.8	9.8	6.6
Budget balance (% GDP)	-2.9	-6.1	-3.7	-3.0	- 2.3
Current account balance (% GDP)	-0.5	2.1	-0.3	-4.0	0.5
Public debt (% GDP)	22.9	33.8	34.6	36.6	34.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

BRAZIL	34%
ARGENTINA	25%
CHILE	9%
RUSSIA	7%
EURO AREA	3%

Imports of goods by country as a % of total

CHINA	30%
BRAZIL	24%
ARGENTINA	9%
UNITED STATES	7%
EURO AREA	6%

Exports of goods by product as a % of total

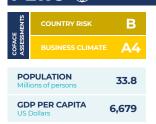| OIL SEEDS AND OLEAGINOUS FRUITS	31%
MEAT AND MEAT PREPARATIONS	16%
ELECTRIC CURRENT	15%
CEREALS AND CEREAL PREPARATIONS	8%
FEEDSTUFF FOR ANIMALS (EXCL. UNMILLED CEREALS)	8%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	13%
TELECOM. & SOUND RECORDING APPARATUS	11%
ROAD VEHICLES	8%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	6%
FERTILISERS, NOT CRUDE	4%

2023 OUTLOOK

- In 2023, activity should be mainly led by agriculture, which was strongly affected by a severe drought in 2022.
- The easing of weather woes will also contribute to the rebound of transport and power generation.
- The current account should switch back into surplus in 2023, as the trade balance returns into positive territory.
- The fiscal deficit will narrow mostly due to the rebound in activity.
- Despite the weak political capital of the incumbent president, his long-dominant conservative Partido Colorado should nominate his successor in the 2023 elections.

➕
- Well-developed agricultural sector (soybeans and beef)
- Abundant hydroelectric resources
- Prudent fiscal and monetary policies

➖
- Poor infrastructure (river transport, roads, power lines)
- Defective health and education services
- Low fiscal resources (17% of GDP)
- Dependent on the agricultural sector and a handful of trading partners, notably Brazil and Argentina
- Weak governance (corruption and cronyism)
- Large informal market (40% of GDP)
- Vulnerable to climate conditions

PERU 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		B
BUSINESS CLIMATE		A4

POPULATION Millions of persons	33.8
GDP PER CAPITA US Dollars	6,679

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.2	-11.0	13.6	2.5	1.7
Inflation (yearly average, %)	2.1	1.8	4.0	7.9	6.0
Budget balance (% GDP)	-1.6	-8.9	-2.5	-2.5	-3.0
Current account balance (% GDP)	-1.0	0.8	-2.5	-4.0	-2.0
Public debt (% GDP)	26.6	34.6	35.9	35.0	36.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	32%
UNITED STATES	13%
EURO AREA	11%
SOUTH KOREA	5%
JAPAN	5%
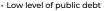
Imports of goods by country as a % of total

UNITED STATES	23%
CHINA	16%
EURO AREA	9%
ARGENTINA	6%
BRAZIL	5%

Exports of goods by product as a % of total

METALLIFEROUS ORES AND METAL SCRAP	36%
GOLD, NON-MONETARY	15%
VEGETABLES AND FRUITS	10%
NON-FERROUS METALS	9%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	4%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	13%
ROAD VEHICLES	8%
CEREALS AND CEREAL PREPARATIONS	6%
OTHER INDUSTRIAL MACHINERY AND PARTS	5%
IRON AND STEEL	5%

2023 OUTLOOK

- GDP will lose some steam in 2023, amid the delayed impact of tighter credit conditions, still sticky inflation, and assuming some easing in mineral and agricultural commodity prices (decelerating exports growth).
- In addition to deteriorated financing conditions, recurrent social protests and blockades around mining fields and the political gridlock should affect private fixed investments.
- The external shortfall should narrow, notably owing to a moderation in profit repatriation.

➕
- Membership of the Pacific Alliance, Andean Community, and Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)
- Mineral, energy, agricultural, and fishery resources (including copper, gold, zinc, mineral fuels, fish, coffee, tea & spices)
- Low level of public debt
- Independence of the central bank and strong foreign exchange reserves
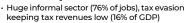
➖
- Dependent on commodities and demand from China
- Underdevelopment of credit (47% of GDP)
- Inadequate infrastructure, healthcare, and educational systems
- Huge informal sector (76% of jobs), tax evasion keeping tax revenues low (16% of GDP)
- Regional disparities feeding popular discontent
- Weak political environment

PHILIPPINES 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		B
BUSINESS CLIMATE		B

POPULATION Millions of persons	110.2
GDP PER CAPITA US Dollars	3,576

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	6.1	-9.5	5.7	7.1	5.0
Inflation (yearly average, %)	2.4	2.4	3.9	5.8	4.2
Budget balance (% GDP)	-3.4	-7.6	-8.6	-7.6	-6.8
Current account balance (% GDP)	-0.8	3.2	-1.8	-5.0	-4.5
Public debt (% GDP)	37.0	51.6	57.0	59.3	61.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	16%
CHINA	15%
JAPAN	14%
HONG KONG	13%
EURO AREA	10%

Imports of goods by country as a % of total

CHINA	23%
JAPAN	10%
SOUTH KOREA	8%
INDONESIA	7%
UNITED STATES	7%

Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	47%
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	11%
METALLIFEROUS ORES AND METAL SCRAP	4%
VEGETABLES AND FRUITS	4%
NON-FERROUS METALS	4%

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	21%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	9%
ROAD VEHICLES	6%
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	5%
IRON AND STEEL	5%

2023 OUTLOOK

- Growth will decelerate in 2023, dragged by higher interest rates, sustained inflation and poor export prospects.
- Despite a higher budget, the fiscal deficit should narrow thanks to revenue enhancement measures and the expiration of COVID-related tax reliefs.
- The current account deficit will persist as expatriates' remittances and rising tourism receipts will not offset the wide trade deficit. International reserves could therefore be pressured but are at an adequate level.
- Ferdinand Marcos Jr, elected in 2022, should continue to maintain balanced ties with China and the U.S, despite tensions between the latter.

➕
- Large population that is young (50% is under 25), qualified and with good fluency in English
- Diverse geographic and sectoral origins of expatriate workers' remittances (9% of GDP in 2021)
- Thriving Business Process Outsourcing (BPO) sector
- Poverty reduction, although slowed by the pandemic

➖
- Inadequate infrastructure levels, low fiscal revenues (around 16% of GDP)
- Governance shortcomings and high corruption perception
- High levels of income inequality, underemployment leading to expatriation
- Terrorism in the south of the country
- Strict bank secrecy and casinos that facilitate money laundering
- Exposed to natural disasters (typhoons)

POLAND 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A4**	
BUSINESS CLIMATE	**A2**	

POPULATION Millions of persons	**37.8**
GDP PER CAPITA US Dollars	**17,946**

2023 OUTLOOK

- Poland's economy will record weak growth in 2023 as inflation is expected to remain very high with rising production costs passed down to consumers, while increased interest rates have led to tighter financial conditions.
- The public deficit will increase due to measures aimed at reducing the impact of high energy prices on the economy.
- Next parliamentary elections are scheduled for autumn 2023, with latest polls indicating another victory for the right-wing party Law and Justice (PiS). Externally, the relationship with the European Commission remains tense, making the disbursement of EU recovery funds still uncertain.

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.5	-2.0	6.8	4.4	1.0
Inflation (yearly average, %)	2.1	3.7	5.2	14.5	11.4
Budget balance (% GDP)	-0.7	-6.9	-1.8	-4.8	-5.3
Current account balance (% GDP)	0.8	3.3	-0.1	-3.4	-3.3
Public debt (% GDP)	45.7	57.2	53.8	51.8	52.4

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	**29%**
CZECH REPUBLIC	**6%**
FRANCE	**6%**
UNITED KINGDOM	**5%**
ITALY	**5%**

Imports of goods by country as a % of total

GERMANY	**26%**
CHINA	**11%**
NETHERLANDS	**6%**
RUSSIA	**6%**
ITALY	**5%**

Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**10%**
ROAD VEHICLES	**9%**
MISCELLANEOUS MANUFACTURED ARTICLES	**6%**
MANUFACTURES OF METAL	**5%**
FURNITURE AND PARTS THEREOF	**5%**

Imports of goods by product as a % of total
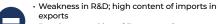
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**8%**
ROAD VEHICLES	**8%**
IRON AND STEEL	**5%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**5%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**

➕
- Market of 38 million people
- Proximity to Western European markets
- Price competitiveness; qualified and cheap labour force
- Integrated into the German production chain
- Diversified economy (agriculture, variety of industries, services)
- Resilient financial sector

➖
- Inadequate level of investment; domestic savings rate too low
- Weakness in R&D; high content of imports in exports
- Developmental lag of Eastern regions
- Structural unemployment, low level of female employment
- The EU rule-of-law dispute

PORTUGAL 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A3**	
BUSINESS CLIMATE	**A2**	

POPULATION Millions of persons	**10.3**
GDP PER CAPITA US Dollars	**24,296**

2023 OUTLOOK

- Activity will slow down significantly in 2023, due to the sharp deceleration in households' consumption, who will see their purchasing power decline due to high inflation, and whose confidence was, at the end of 2022, at its lowest since the financial crisis and the pandemic.
- Being isolated from the rest of the continent (limited gas interconnection between the Peninsula and France), the country will have to reduce its energy consumption less. In addition, gas prices are relatively lower (MIBGAS market), although still well above historical levels.
- Tourism, which had returned to its 2019 level by the summer of 2022, should remain buoyant.

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.7	-8.4	4.9	6.5	0.5
Inflation (yearly average, %)	0.3	-0.1	0.9	7.6	5.9
Budget balance (% GDP)	0.1	-5.8	-2.9	-1.9	-1.7
Current account balance (% GDP)	0.1	-1.2	-1.2	-1.5	-1.3
Public debt (% GDP)	116.6	134.9	125.5	115.9	110.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

SPAIN	**27%**
FRANCE	**13%**
GERMANY	**11%**
UNITED STATES	**6%**
UNITED KINGDOM	**5%**

Imports of goods by country as a % of total

SPAIN	**33%**
GERMANY	**12%**
FRANCE	**7%**
NETHERLANDS	**5%**
ITALY	**5%**

Exports of goods by product as a % of total

ROAD VEHICLES	**13%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**5%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**5%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**5%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**4%**

Imports of goods by product as a % of total
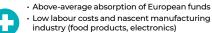
ROAD VEHICLES	**9%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**8%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
IRON AND STEEL	**4%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**4%**

➕
- Potential in renewable energy (hydroelectric, wind and photovoltaic)
- Above-average absorption of European funds
- Low labour costs and nascent manufacturing industry (food products, electronics)
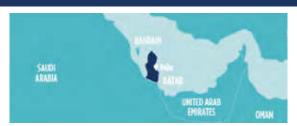- Comparatively stable governance
- Increasingly attractive to foreign talent
- Buoyant tourism industry

➖
- Underdeveloped manufacturing sector with low-to-medium range added value
- Slow-functioning legal system
- Poor quality of bank portfolios, high bad debt rates
- Deepening infrastructure gap

QATAR 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		A4
BUSINESS CLIMATE		A3

POPULATION Millions of persons	2.6
GDP PER CAPITA US Dollars	68,622

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	0.7	-3.6	1.6	5.0	3.0
Inflation (yearly average, %)	-0.7	-2.7	2.3	3.5	3.0
Budget balance (% GDP)	4.9	1.3	4.4	10.0	9.0
Current account balance (% GDP)	2.4	-2.0	14.7	22.0	20.0
Public debt (% GDP)	62.1	72.6	58.4	47.0	43.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	15%
JAPAN	14%
INDIA	13%
SOUTH KOREA	13%
EURO AREA	8%

Imports of goods by country as a % of total

EURO AREA	20%
CHINA	16%
UNITED STATES	12%
INDIA	6%
UNITED KINGDOM	6%

Exports of goods by product as a % of total

GAS, NATURAL AND MANUFACTURED	55%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	28%
PLASTICS IN PRIMARY FORMS	4%
FERTILISERS, NOT CRUDE	2%
NON-FERROUS METALS	2%

Imports of goods by product as a % of total

POWER GENERATING MACHINERY AND EQUIPMENT	7%
OTHER INDUSTRIAL MACHINERY AND PARTS	7%
ROAD VEHICLES	7%
MISCELLANEOUS MANUFACTURED ARTICLES	6%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	5%

2023 OUTLOOK

- The Qatari economy will continue to expand in 2023 albeit at a slower pace due to global stagnation risks, lower fixed investments and hydrocarbon revenues.
- Fiscal and current account surpluses should shrink in line with reduced oil and gas prices, despite moderate growth in production.
- Higher tourism inflows as Qatar, after the World Cup, will host the Asia Cup and the World Horticultural Expo in 2023.
- Very limited threats to political stability. Qatar has established balanced diplomatic relations with various countries including Egypt, Turkey and Iran. Yet, further improvement of ties with Iran may create tensions with the other Gulf States and the US.

➕
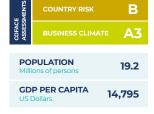- World's 3rd largest natural gas reserves, sizeable oil reserves
- Low public debt, strong public accounts
- Domestic social and political stability
- High per capita income
- Business-friendly environment
- Predictable monetary policy

➖
- Small economy, mostly dependent on hydrocarbons in terms of growth, fiscal and external balances
- Exposure to volatility in energy prices

ROMANIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		B
BUSINESS CLIMATE		A3

POPULATION Millions of persons	19.2
GDP PER CAPITA US Dollars	14,795

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.1	-3.7	5.1	5.8	2.0
Inflation (yearly average, %)	3.8	2.6	5.1	13.5	11.2
Budget balance (% GDP)	-4.3	-9.3	-7.1	-6.2	-5.2
Current account balance (% GDP)	-4.9	-5.0	-7.5	-9.1	-8.8
Public debt (% GDP)	35.3	47.3	48.9	47.9	47.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	21%
ITALY	11%
FRANCE	6%
HUNGARY	6%
POLAND	4%

Imports of goods by country as a % of total

GERMANY	20%
ITALY	9%
HUNGARY	7%
CHINA	6%
POLAND	6%

Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	16%
ROAD VEHICLES	15%
OTHER INDUSTRIAL MACHINERY AND PARTS	7%
CEREALS AND CEREAL PREPARATIONS	5%
IRON AND STEEL	5%

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	11%
ROAD VEHICLES	9%
OTHER INDUSTRIAL MACHINERY AND PARTS	5%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	5%
IRON AND STEEL	5%

2023 OUTLOOK

- The Romanian economy is set to slow down in 2023 due to high inflation, tighter financial conditions and economic slowdown of trade partners.
- The fiscal consolidation should be undermined by the nearing electoral cycle of 2024 as strong support measures will be favoured.
- The prime ministership rotation (May 2023) can harm the political reform continuity as both centre-left and centre-right coalition parties have specific goals.
- NATO continues to bolster its military presence in the Black Sea region and deploy a multinational battlegroup to Romania.

➕
- Strategic partner in the context of the Ukraine war
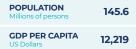- Important agricultural potential: wheat, barley, colza, etc.
- Limited energy dependence thanks to local coal, oil, gas and uranium, 57% of electricity from renewables
- Diversified and competitive industry thanks to cheap labour
- Well integrated within the Eurozone through trade and investment linkages, but not a member State

➖
- Twin fiscal and current-account deficits
- Second lowest GDP per capita in the EU
- Large underground economy
- Slow administrative and legal processes, corruption, bureaucracy, poor management of the workforce and procurement

RUSSIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**D**	

POPULATION Millions of persons	**145.6**
GDP PER CAPITA US Dollars	**12,219**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.2	-2.7	4.7	-3.5	-3.3
Inflation (yearly average, %)	4.5	3.4	6.7	13.8	7.0
Budget balance (% GDP)	3.7	-3.8	0.8	-2.4	-3.1
Current account balance (% GDP)	3.9	2.2	6.9	11.8	9.3
Public debt (% GDP)	13.7	19.2	17.0	17.8	18.2

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**31%**
CHINA	**14%**
TURKEY	**5%**
BELARUS	**5%**
UNITED KINGDOM	**5%**

Imports of goods by country as a % of total

EURO AREA	**26%**
CHINA	**25%**
UNITED STATES	**6%**
BELARUS	**5%**
SOUTH KOREA	**4%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**45%**
IRON AND STEEL	**7%**
NON-FERROUS METALS	**6%**
GAS, NATURAL AND MANUFACTURED	**5%**
COAL, COKE AND BRIQUETTES	**4%**

Imports of goods by product as a % of total

ROAD VEHICLES	**9%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**7%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
TELECOM. & SOUND RECORDING APPARATUS	**5%**
SPECIALISED MACHINERY	**5%**

2023 OUTLOOK

- Russia will remain in recession in 2023 as its economy will suffer from the increasing range of Western sanctions and decoupling from the Western economy.
- Monetary policy has been markedly relaxed in response to declining inflation and depressed demand. Capital controls, combined with falling trade volumes and the dynamics of the current account have supported the rouble. Yet, inflation will remain high, eroding real wage growth.
- Investment will be depressed by lacking Western capital and government spending on domestic security and defence.
- Rising war expenditure will keep the fiscal balance in deficit.

➕
- Abundant natural resources (oil, gas, wood, cereals and metals)
- Market size and skilled labour force
- Increasing cooperation links with neighbouring China
- Low debt level, but the macroeconomic stability is under pressure due to sanctions

➖
- Harsh and numerous sanctions imposed on the country after it invaded Ukraine
- Dependence on hydrocarbon (39% of GDP) prices
- Declining demographics
- No trade agreements beyond the neighbourhood
- No access to ice-free seas except for the Black sea
- Dependence on foreign technology
- Weak infrastructure aggravated by the lack of investment

RWANDA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**A4**	

POPULATION Millions of persons	**13.0**
GDP PER CAPITA US Dollars	**854**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	9.5	-3.4	10.9	7.8	7.2
Inflation* (yearly average, %)	2.4	7.7	0.8	13.9	8.3
Budget balance** (% GDP)	-9.2	-10.4	-7.9	-7.5	-6.9
Current account balance (% GDP)	-11.9	-12.1	-10.9	-12.6	-13.5
Public debt (% GDP)	56.8	72.4	73.3	73.5	75.5

(f): Forecast. *Urban inflation, main gauge of inflation. **Fiscal year from 1st July - 30th June. Last fiscal year 23/24.

TRADE EXCHANGES

Exports of goods by country as a % of total

CONGO DR	**38%**
UNITED ARAB EMIRATES	**28%**
TANZANIA	**6%**
EURO AREA	**4%**
UNITED KINGDOM	**3%**

Imports of goods by country as a % of total

CHINA	**19%**
TANZANIA	**13%**
EURO AREA	**9%**
UNITED ARAB EMIRATES	**8%**
INDIA	**8%**

Exports of goods by product as a % of total

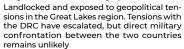|	
GOLD, NON-MONETARY	**34%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**13%**
METALLIFEROUS ORES AND METAL SCRAP	**12%**
MISCELLANEOUS EDIBLE PRODUCTS AND PREPARATIONS	**6%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**5%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**8%**
GOLD, NON-MONETARY	**8%**
CEREALS AND CEREAL PREPARATIONS	**7%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**6%**
TELECOM. & SOUND RECORDING APPARATUS	**5%**

2023 OUTLOOK

- The growth outlook remains strong thanks to momentum in industry and services, and the recovery of the tourism industry.
- The current account deficit will widen due to still high prices of food and energy, as well as increased imports of intermediate and capital goods.
- The fiscal deficit should improve slightly as fiscal consolidation measures (optimising non-wage spending, tax reforms) continue to be implemented. Increasing public debt is a concern.
- The legislative elections, scheduled for September 2023, will confirm the RPF and Kagame's hold on the domestic political environment.

➕
- Geological potential: cassiterite, coltan, gold, precious stones
- High value-added tourism potential
- Developing industrial and financial base
- One of the most favourable business environments on the African continent
- Significant progress in governance and relative political stability

➖
- Agriculture exposed to climate risks
- Highly dependent on commodity prices and international aid
- Large twin deficits and high public debt
- Landlocked and exposed to geopolitical tensions in the Great Lakes region. Tensions with the DRC have escalated, but direct military confrontation between the two countries remains unlikely
- High demographic pressure, population density among the highest in Africa

SAUDI ARABIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**B**	

POPULATION Millions of persons	**35.5**
GDP PER CAPITA US Dollars	**23,507**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	0.3	-4.1	3.2	7.0	4.0
Inflation (yearly average, %)	-2.1	3.4	3.1	3.0	2.0
Budget balance (% GDP)	-4.4	-11.2	-2.3	5.5	4.0
Current account balance (% GDP)	4.8	-3.2	5.3	16.0	12.0
Public debt (% GDP)	22.5	32.4	30.0	25.0	25.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**18%**
JAPAN	**10%**
INDIA	**10%**
EURO AREA	**9%**
SOUTH KOREA	**8%**

Imports of goods by country as a % of total

CHINA	**20%**
UNITED STATES	**10%**
UNITED ARAB EMIRATES	**8%**
INDIA	**5%**
GERMANY	**5%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**66%**
PLASTICS IN PRIMARY FORMS	**12%**
ORGANIC CHEMICALS	**7%**
GAS, NATURAL AND MANUFACTURED	**3%**
FERTILISERS, NOT CRUDE	**1%**
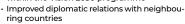
Imports of goods by product as a % of total

ROAD VEHICLES	**9%**
TELECOM. & SOUND RECORDING APPARATUS	**6%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**6%**
OTHER TRANSPORT EQUIPMENT	**6%**
IRON AND STEEL	**5%**
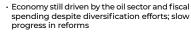
2023 OUTLOOK

- After strong growth in 2022, activity will moderate in 2023 because of lower oil prices, tighter monetary policy and base effect impact.
- Inflation should ease in 2023 as the central bank will follow the Fed's policy tightening due to the currency peg.
- Lower energy prices, the OPEC decision to cut oil production, and lower Asian demand, will drag down the current account surplus; and weigh on the fiscal surplus, which should encourage the government into fiscal consolidation in 2023.
- The relations with the US will remain resilient despite some occasional disagreements, but the Kingdom should remain skeptic towards the Iran nuclear deal.

⊕
- Swing oil producer, leading role in OPEC
- Strong financial buffers
- Intensified economic diversification efforts within the Vision 2030 programme
- Improved diplomatic relations with neighbouring countries
- Young population and rising inclusion of women into the workforce

⊖
- Economy still driven by the oil sector and fiscal spending despite diversification efforts; slow progress in reforms
- Oil revenues still key driver of the economy, despite higher diversification
- Dependence on foreign workers
- Persistent tensions with Iran, geopolitical uncertainties

SENEGAL 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**	
BUSINESS CLIMATE	**B**	

POPULATION Millions of persons	**17.2**
GDP PER CAPITA US Dollars	**1,607**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.6	1.3	5.1	4.5	7.5
Inflation (yearly average, %)	0.6	2.5	2.1	7.0	5.0
Budget balance* (% GDP)	-3.9	-6.4	-6.3	-6.2	-4.5
Current account balance (% GDP)	-7.9	-10.9	-13.3	-13.2	-8.8
Public debt (% GDP)	63.6	69.2	73.2	75.1	71.4

(f): Forecast. *Grants included.

TRADE EXCHANGES

Exports of goods by country as a % of total

MALI	**20%**
SWITZERLAND	**15%**
EURO AREA	**11%**
INDIA	**10%**
CHINA	**7%**

Imports of goods by country as a % of total

EURO AREA	**32%**
CHINA	**10%**
INDIA	**7%**
RUSSIA	**6%**
NIGERIA	**5%**

Exports of goods by product as a % of total
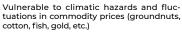
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**21%**
GOLD, NON-MONETARY	**17%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**11%**
INORGANIC CHEMICALS	**8%**
OIL SEEDS AND OLEAGINOUS FRUITS	**6%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**20%**
CEREALS AND CEREAL PREPARATIONS	**8%**
ROAD VEHICLES	**5%**
IRON AND STEEL	**5%**
TEXTILE YARN AND RELATED PRODUCTS	**4%**

2023 OUTLOOK

- In 2023, the launch of the Grand-Tortue Ahmeyin and Sangomar hydrocarbon fields and the resumption of tourism should support exports, thus growth and the current account balance.
- Since July 2022, President Macky Sall has had only a small majority.
- Despite the aid, food and energy inflation will continue to fuel social tensions, reinforced by growing insecurity at the Malian border.
- Associated with Western countries on security issues in the Sahel, Senegal is not alienating emerging partners such as China and Russia, which supplies fertilisers.

⊕
- Offshore hydrocarbon deposits to come online in 2023
- CFA franc pegged to the euro
- IMF-supported pro-business reforms and infrastructure investments (Emerging Senegal Plan)
- Strong track record of political stability

⊖
- Vulnerable to climatic hazards and fluctuations in commodity prices (groundnuts, cotton, fish, gold, etc.)
- Food importer (~30% net self-sufficiency), despite agriculture providing 17% of GDP and employing 80% of the population
- Ineffective state intervention, leading to bureaucracy and high debt
- Large current account deficit

SERBIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**C**	
BUSINESS CLIMATE	**A4**	

POPULATION Millions of persons	**6.9**
GDP PER CAPITA US Dollars	**9,178**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	4.3	-0.9	7.5	2.5	1.3
Inflation (yearly average, %)	2.0	1.6	4.1	12.0	9.5
Budget balance (% GDP)	-0.2	-8.0	-4.1	-3.8	-2.7
Current account balance (% GDP)	-6.9	-4.1	-4.3	-9.0	-8.3
Public debt (% GDP)	51.9	57.0	56.5	54.5	53.4

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**39%**
BOSNIA / HERZEGOVINA	**7%**
ROMANIA	**6%**
HUNGARY	**5%**
RUSSIA	**4%**

Imports of goods by country as a % of total

EURO AREA	**39%**
CHINA	**13%**
RUSSIA	**5%**
TURKEY	**5%**
HUNGARY	**4%**
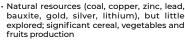
Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**12%**
VEGETABLES AND FRUITS	**5%**
IRON AND STEEL	**5%**
METALLIFEROUS ORES AND METAL SCRAP	**5%**
CEREALS AND CEREAL PREPARATIONS	**4%**

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**6%**
ROAD VEHICLES	**5%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**4%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**4%**

2023 OUTLOOK

- The Serbian economy is set to continue to slow down in 2023 due to still high inflation, lower demand from its main European trading partners, and increased borrowing costs, which will weigh on consumption, exports and private investment.
- A two-year EUR 2.4 billion stand-by arrangement with the IMF was signed late 2022 and requires a fiscal consolidation to be achieved, which will be challenging amid an economic slowdown.
- The ruling conservative-nationalist SNS party and the country President Vučić won the snap elections in April 2022.

➕
- Stabilisation and Association Agreement with the EU allowing 93% of Serbian products to enter without customs duties
- Public sector reform in coordination with the IMF
- Natural resources (coal, copper, zinc, lead, bauxite, gold, silver, lithium), but little explored; significant cereal, vegetables and fruits production
- Expanding automotive industry

➖
- Energy dependence on Russia, Serbia still does not impose EU sanctions on Russia
- The EU accession progress remains constrained by EU concerns over the rule of law, the Kosovo status and ties with Russia
- Slow judicial proceedings, customs harassment, corruption, lack of transparency in the government
- Large informal sector

SIERRA LEONE 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**D**	

POPULATION Millions of persons	**8.1**
GDP PER CAPITA US Dollars	**509**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.3	-2.0	4.1	2.4	3.3
Inflation (yearly average, %)	14.8	13.4	11.9	25.9	26.8
Budget balance (% GDP)	-3.1	-5.8	-7.3	-3.8	-2.6
Current account balance* (% GDP)	-14.3	-6.8	-14.9	-8.5	-7.7
Public debt (% GDP)	72.5	76.3	79.3	81.8	78.1

(f): Forecast. * Including grants.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**34%**
EURO AREA	**13%**
SOMALIA	**12%**
SOUTH KOREA	**8%**
ROMANIA	**5%**

Imports of goods by country as a % of total

CHINA	**18%**
EURO AREA	**18%**
TURKEY	**9%**
INDIA	**8%**
UNITED STATES	**6%**

Exports of goods by product as a % of total

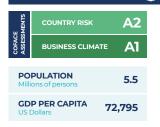|	
METALLIFEROUS ORES AND METAL SCRAP	**50%**
CORK AND WOOD	**12%**
NON METALLIC MINERAL MANUFACTURES	**9%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**5%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**5%**

Imports of goods by product as a % of total

CEREALS AND CEREAL PREPARATIONS	**16%**
ROAD VEHICLES	**8%**
SPECIALISED MACHINERY	**5%**
IRON AND STEEL	**5%**
MANUFACTURES OF METAL	**5%**

2023 OUTLOOK

- Despite inflationary headwinds, the economy is expected to grow in 2023 thanks to strong external demand for commodities and the influx of investment in the mining and agricultural sectors whose increased activity, together with expatriate remittances, will support robust private consumption.
- The country can count on foreign aid and the IMF support to finance its reforms in order to improve its budgetary. FDI will remain the main source of financing for the large external deficit.
- The 2023 general elections are coming in a fragile political and social climate due to strong rivalry between the two main parties and corruption.

➕
- Significant mining resources (diamonds, gold, iron ore, aluminium, and tantalite)
- Coffee, rice, cocoa and palm oil production
- Financial support from international institutions (IMF, World Bank, African Development Bank)
- Tourism potential
- Significant port activity that is set to expand

➖
- Vulnerable to weather conditions
- Highly dependent on commodity prices
- Corruption, inadequate protection of property rights
- Hard for small and medium-sized enterprises to access credit
- Inadequate infrastructure, failing health system
- Risk of renewed Ebola outbreak
- Extreme poverty and high unemployment

SINGAPORE 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A2**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	**5.5**
GDP PER CAPITA US Dollars	**72,795**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.1	-4.1	7.6	3.5	2.0
Inflation (yearly average, %)	0.6	-0.2	2.3	6.1	5.5
Budget balance* (% GDP)	0.2	-10.8	-0.9	-0.5	-0.5
Current account balance (% GDP)	14.5	16.8	18.1	17.5	14.0
Public debt (% GDP)	128.2	152.0	159.9	141.1	140.0

(f): Forecast. *Fiscal year 2023: from 1st April 2023 - 31st March 2024.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**15%**
HONG KONG	**13%**
MALAYSIA	**9%**
UNITED STATES	**9%**
EURO AREA	**7%**

Imports of goods by country as a % of total

CHINA	**12%**
MALAYSIA	**12%**
TAIWAN	**10%**
UNITED STATES	**9%**
EURO AREA	**8%**

Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**27%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**14%**
ORGANIC CHEMICALS	**5%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**5%**
SPECIALISED MACHINERY	**4%**

Imports of goods by product as a % of total
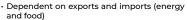
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**23%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**18%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**5%**
GOLD, NON-MONETARY	**5%**
POWER GENERATING MACHINERY AND EQUIPMENT	**4%**

2023 OUTLOOK

- Outlook for trade has weakened amid deteriorating global demand conditions. This will constrain growth in Singapore's export-oriented sectors, including electronics and chemicals.
- Continued recovery in tourism-related activities, such as air travel, accommodation, entertainment and recreation, will provide support to the economy.
- Labour market prospects will weaken amid expected economic slowdown, leading to a rising unemployment rate.
- Inflation is expected to remain elevated and above trend as import prices stay high. MAS will likely tighten monetary policy further in 2023.

+
- High non-price competitiveness
- High value-added industry (new technologies, finance, chemicals, pharmaceuticals)
- Major goods transport and trading hub (air and sea), financial centre
- Large FDI inflows thanks to the advantageous tax regime, political stability and excellent business climate
- Asia's leading exporter of capital through sovereign wealth funds

−
- Dependent on exports and imports (energy and food)
- Skilled labour and housing shortages, ageing population
- Vulnerable to the structural slowdown of the Chinese economy and US-China geopolitical tensions

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SLOVAKIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A4**	
BUSINESS CLIMATE	**A2**	

POPULATION Millions of persons	**5.5**
GDP PER CAPITA US Dollars	**21,053**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.6	-4.4	3.0	1.6	0.3
Inflation (yearly average, %)	2.7	1.9	3.2	12.8	13.5
Budget balance (% GDP)	-1.2	-5.4	-5.5	-4.3	-6.2
Current account balance (% GDP)	-2.9	-0.3	-2.0	-6.1	-5.3
Public debt (% GDP)	48.2	59.8	63.1	60.7	61.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	**22%**
CZECH REPUBLIC	**12%**
POLAND	**8%**
HUNGARY	**7%**
FRANCE	**7%**

Imports of goods by country as a % of total

GERMANY	**19%**
CZECH REPUBLIC	**17%**
POLAND	**8%**
AUSTRIA	**8%**
HUNGARY	**7%**

Exports of goods by product as a % of total

ROAD VEHICLES	**32%**
TELECOM. & SOUND RECORDING APPARATUS	**9%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**6%**
IRON AND STEEL	**6%**

Imports of goods by product as a % of total

ROAD VEHICLES	**15%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**10%**
TELECOM. & SOUND RECORDING APPARATUS	**7%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**5%**

2023 OUTLOOK

- Slovakia is set for only modest economic growth in 2023, as high inflation is eroding purchasing power and will weigh on consumption. Exports should slow down, with lower demand from Western Europe and higher interest rates will weigh on investments.
- Inflation will increase further in 2023 as regulated energy prices for households will rise sharply in January.
- Public spending will increase noticeably.
- After the liberal SAS left the right wing coaltition and a successful vote of no confidence against the government, it remains open if Slovakia will hold a snap-election.

+
- Member of the Eurozone and the NATO
- Production platform for the European automotive and electronics industries
- Satisfactory public debt level
- Robust financial system dominated by foreign groups

−
- Small and open economy dependent on European investment and markets
- Strong sectorial concentration of exports: automotive and consumer electronics
- Regional development inequalities: the east is lagging behind (infrastructure and training)
- Insufficient research and development, exports relying on assembly activities (low value-added)
- Shortage of skilled labour and high long-term unemployment

SLOVENIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A3**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	**2.1**
GDP PER CAPITA US Dollars	**29,298**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.6	-2.2	9.6	4.8	0.3
Inflation (yearly average, %)	1.6	-0.1	1.9	8.8	7.9
Budget balance (% GDP)	0.6	-7.7	-4.7	-3.6	-5.4
Current account balance (% GDP)	5.9	7.6	3.8	-0.1	0.8
Public debt (% GDP)	65.4	79.6	74.5	71.1	71.9

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

GERMANY	**16%**
SWITZERLAND	**11%**
ITALY	**11%**
CROATIA	**7%**
AUSTRIA	**6%**

Imports of goods by country as a % of total

GERMANY	**13%**
CHINA	**12%**
ITALY	**10%**
SWITZERLAND	**9%**
AUSTRIA	**8%**

Exports of goods by product as a % of total

MEDICINAL AND PHARMACEUTICAL PRODUCTS	**17%**
ROAD VEHICLES	**9%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**4%**
MANUFACTURES OF METAL	**3%**

Imports of goods by product as a % of total
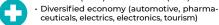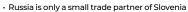
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**12%**
ROAD VEHICLES	**7%**
ORGANIC CHEMICALS	**7%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**6%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**4%**

2023 OUTLOOK
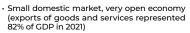
- Slovenia's economy is set for only modest growth in 2023, due to the lack of demand from Western Europe and higher interest rates.
- Inflation should remain high and keep weighing on the consumption and investment behaviour.
- Public deficit will increase due to state support measures for households.
- After the general election in 2022, Slovenia exchanged its right-wing populist government for a social-liberal one. Political newcomers newly founded the major coalition party. Therefore, its durability is questionable.

➕
- Member of the NATO (since 2004), the Eurozone (2007) and the OECD (2010)
- Diversified economy (automotive, pharmaceuticals, electrics, electronics, tourism)
- Russia is only a small trade partner of Slovenia
- Integrated in the European production chain

➖
- Small domestic market, very open economy (exports of goods and services represented 82% of GDP in 2021)
- In winter 2022/23, very dependent on energy imports from abroad and due to the domestic hydro-power plants, dependent on the weather
- Ageing population and demographic growth at a standstill, resulting in labour shortage
- Inefficient state-owned companies
- Slow administrative and judicial procedures

SOUTH AFRICA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**C**	
BUSINESS CLIMATE	**A4**	

POPULATION Millions of persons	**60.1**
GDP PER CAPITA US Dollars	**6,965**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	0.3	-6.3	4.9	2.2	1.4
Inflation (yearly average, %)	4.1	3.3	4.6	6.9	5.7
Budget balance* (% GDP)	-6.3	-10.6	-5.5	-4.9	-5.2
Current account balance (% GDP)	-2.6	2.0	3.7	0.1	-1.5
Public debt*/** (% GDP)	56.2	70.7	69.9	71.4	72.5

(f): Forecast. *Fiscal year from 1st April to 31st March. Last fiscal year FY 23/24. **Excluding state guarantees on public enterprise debt (7% of GDP in 2020/2021) and the future take-over of a portion of Eskom's debt.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**19%**
CHINA	**11%**
UNITED STATES	**10%**
JAPAN	**7%**
UNITED KINGDOM	**7%**

Imports of goods by country as a % of total

EURO AREA	**21%**
CHINA	**21%**
UNITED STATES	**7%**
INDIA	**6%**
SAUDI ARABIA	**4%**

Exports of goods by product as a % of total

METALLIFEROUS ORES AND METAL SCRAP	**24%**
NON-FERROUS METALS	**22%**
ROAD VEHICLES	**10%**
IRON AND STEEL	**8%**
COAL, COKE AND BRIQUETTES	**7%**

Imports of goods by product as a % of total

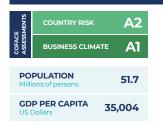|	
ROAD VEHICLES	**9%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**8%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**6%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**6%**
SPECIALISED MACHINERY	**5%**

2023 OUTLOOK

- While agriculture and financial services should remain resilient, industries will continue to suffer from load-shedding. Domestic demand should be constrained by inflation and monetary tightening. Measures to solve the power crisis have been taken, but their short-term impact is limited.
- The combination of higher expenditure and lower revenue collection could hamper the authorities' strategy to rebuild much-needed fiscal space.
- After surviving a misconduct scandal, Cyril Ramaphosa secured the leadership of the ANC ahead of the 2024 elections. However, with its popularity declining, the ANC could fail to win an absolute majority for the first time since 1994.

➕
- Regional power with a large, youthful population
- Rich in natural resources (gold, coal, rare metals, etc.)
- Developed financial market
- Floating exchange rate regime, central bank independence
- Healthy banking system
- Public debt mostly in rand and long maturity
- Solid institutions and independent judiciary

➖
- Unreliable electricity supply due to the mismanagement of Eskom, a state-owned power utility
- Poverty, growing inequalities, high unemployment, social risk (crime, strikes)
- Inefficient public spending, corruption
- Lack of foreign direct investment
- Ageing and inadequate infrastructure

SOUTH KOREA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A2**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	**51.7**
GDP PER CAPITA US Dollars	**35,004**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.2	-0.7	4.1	2.6	2.0
Inflation (yearly average, %)	0.4	0.5	2.5	5.1	3.7
Budget balance (% GDP)	0.4	-2.2	0.0	-1.8	0.1
Current account balance (% GDP)	3.6	4.6	4.9	3.0	2.5
Public debt (% GDP)	42.1	48.7	51.3	54.1	54.4

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	25%
UNITED STATES	15%
VIETNAM	9%
EURO AREA	7%
HONG KONG	6%

Imports of goods by country as a % of total

CHINA	23%
UNITED STATES	12%
EURO AREA	10%
JAPAN	9%
AUSTRALIA	5%

Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	24%
ROAD VEHICLES	10%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	7%
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	6%
IRON AND STEEL	5%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	14%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	13%
GAS, NATURAL AND MANUFACTURED	8%
METALLIFEROUS ORES AND METAL SCRAP	5%
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	4%

2023 OUTLOOK
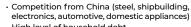
- Export (36% of GDP) downturn and rising interest rates would constrain South Korea's GDP growth through the export channel, and weak Chinese demand.
- Private consumption expected to maintain its recovery but may be held back by rising inflation, wealth effects and elevated household debt.
- Expected smaller trade surplus to narrow the current account surplus, increasing KRW vulnerability.
- Interest rates expected to go higher as central bank prioritises price and financial stability.

➕
- Diversified industrial base
- Leader in high-end electronics
- High private and public R&D spending
- Good educational system
- Diversified FDIs in Asia

➖
- Competition from China (steel, shipbuilding, electronics, automotive, domestic appliances)
- High level of household debt
- Ageing population
- High youth unemployment
- Net commodity importer
- Overrepresentation of chaebols in the economy
- Geopolitical tensions with North Korea and Japan

SPAIN 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A3**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	**47.4**
GDP PER CAPITA US Dollars	**30,090**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.0	-11.3	5.5	4.7	1.0
Inflation (yearly average, %)	0.8	-0.3	3.1	8.4	5.0
Budget balance (% GDP)	-3.9	-10.3	-6.9	-4.2	-4.5
Current account balance (% GDP)	2.1	0.8	1.0	0.9	1.0
Public debt (% GDP)	98.2	120.4	118.3	113.1	111.5

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

FRANCE	16%
GERMANY	10%
ITALY	8%
PORTUGAL	8%
UNITED KINGDOM	6%

Imports of goods by country as a % of total

GERMANY	13%
FRANCE	11%
CHINA	9%
ITALY	7%
NETHERLANDS	7%

Exports of goods by product as a % of total

ROAD VEHICLES	14%
VEGETABLES AND FRUITS	6%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	5%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	5%
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	4%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	9%
ROAD VEHICLES	9%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	6%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	5%
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	5%

2023 OUTLOOK

- The sharp slowdown in household consumption, in a context of inflation higher than wage increases, will hamper the rebound in GDP, which will remain below its end-2019 level.
- Being isolated from the rest of the continent (weak gas interconnection with France), the country will have to reduce its gas consumption less and prices are relatively lower (MIBGAS market).
- According to polls conducted at the end of 2022, the main opposition party (PP, right-wing) would come out on top in the general elections at the end of 2023. Although it would narrowly win an absolute majority in the event of a hypothetical alliance with Vox (far right), the outcome of the election is highly uncertain.

➕
- Strong comparative advantage in renewable energy (solar, wind)
- Important reforms (labour market, banking sector, bankruptcy law, etc.)
- Increasing financial support from European institutions
- Important private-sector deleveraging (pre-pandemic)
- Manufacturing sector has shown reinvention capacity in recent times

➖
- High private and public debt, highly negative international investment position
- Dual labour market, high structural unemployment
- Large quota of small, low-productivity companies
- High exposure to pandemic-sensitive sectors
- Fragmented and polarised political landscape, territorial unity threatened by the Catalan independence movement

SRI LANKA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**B**	

POPULATION Millions of persons	**22.2**
GDP PER CAPITA US Dollars	**4,016**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.3	-3.6	3.3	-8.0	-3.5
Inflation (yearly average, %)	4.3	4.6	6.0	45.0	19.0
Budget balance (% GDP)	-7.5	-12.1	-11.6	-	-
Current account balance (% GDP)	-2.2	-1.3	-3.8	-3.5	-3.6
Public debt (% GDP)	82.6	95.7	115.0	137.0	-

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**24%**
EURO AREA	**21%**
UNITED KINGDOM	**7%**
INDIA	**7%**
CANADA	**2%**

Imports of goods by country as a % of total

CHINA	**23%**
INDIA	**22%**
EURO AREA	**6%**
UNITED ARAB EMIRATES	**6%**
MALAYSIA	**4%**

Exports of goods by product as a % of total

ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**43%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**14%**
RUBBER MANUFACTURES	**6%**
VEGETABLES AND FRUITS	**4%**
TEXTILE YARN AND RELATED PRODUCTS	**4%**

Imports of goods by product as a % of total
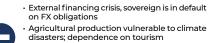
TEXTILE YARN AND RELATED PRODUCTS	**15%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**13%**
IRON AND STEEL	**5%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**4%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**4%**
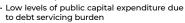
2023 OUTLOOK

- Dire economic outlook on balance of payments and debt crises. Timing of external debt restructuring highly uncertain. IMF assistance requires Sri Lanka to implement on agreed actions.
- Income and job losses combined with rapid inflation and higher interest rates will weigh on private consumption and investment.
- Political instability remains high, as President Wickremasinghe's administration is perceived to lack legitimacy and governing capacity.
- Severe shortages of essential goods (food, fuel) sustain a humanitarian and economic crisis.

+
- Diversified agricultural production (tea, rice, coconuts, rubber)
- Strategically located at the centre of trade routes between Asia and the Middle East
- Indian, Chinese and Japanese interests
- Successes in education, health and poverty reduction

–
- External financing crisis, sovereign is in default on FX obligations
- Agricultural production vulnerable to climate disasters; dependence on tourism
- Low levels of public capital expenditure due to debt servicing burden
- Ethnic tensions between Singhalese and Tamils

SUDAN 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**E**	
BUSINESS CLIMATE	**E**	

POPULATION Millions of persons	**45.5**
GDP PER CAPITA US Dollars	**772**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-2.5	-3.6	-0.3	0.5	2.6
Inflation (yearly average, %)	57.0	269.0	318.0	250.0	100.0
Budget balance (% GDP)	-10.8	-5.9	-0.3	-2.2	-1.8
Current account balance (% GDP)	-15.6	-17.5	-7.4	-6.4	-7.5
Public debt (% GDP)	200.0	263.0	182.0	190.0	155.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED ARAB EMIRATES	**30%**
MACAO	**24%**
SAUDI ARABIA	**15%**
EGYPT	**10%**
INDIA	**5%**

Imports of goods by country as a % of total

MACAO	**21%**
UNITED ARAB EMIRATES	**13%**
INDIA	**8%**
EURO AREA	**7%**
EGYPT	**6%**

Exports of goods by product as a % of total

GOLD, NON-MONETARY	**27%**
LIVE ANIMALS OTHER THAN FISH, CRUSTACEANS & MOLLUSCS	**16%**
VEGETABLES AND FRUITS	**13%**
OIL SEEDS AND OLEAGINOUS FRUITS	**10%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**8%**

Imports of goods by product as a % of total

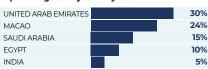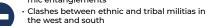|	
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**9%**
MANUFACTURES OF METAL	**7%**
CEREALS AND CEREAL PREPARATIONS	**7%**
SUGAR, SUGAR PREPARATIONS AND HONEY	**6%**
IRON AND STEEL	**6%**

2023 OUTLOOK

- In June 2022, in the absence of a return to civilian rule, the Paris Club suspended debt reduction and restructuring.
- Debt monetisation has fuelled hyperinflation. Port blockades and civil servants' strikes are paralysing the country.
- In a political stalemate, the military cracks down on civilian protests, relying on the exhaustion of the movement. However, a preliminary agreement with civilians was signed in December 2022.
- Confirmed in November 2022, the presence of the paramilitary group Wagner in the gold mining operation confirms Moscow's support in terms of equipment and military training.

+
- Gold and oil resources, Red Sea ports
- Geographical and economic proximity to the Gulf countries
- Agriculture and livestock breeding improve their productivity thanks to Gulf investors
- Renegotiation with South Sudan of fees paid for its oil through Sudanese pipelines, as well as with Israel

–
- Political instability, weak legitimacy of the military authorities following the coup in 2021 in the face of the opposition and the Islamists, gold smuggling, corruption, military-economic entanglements
- Clashes between ethnic and tribal militias in the west and south
- Poverty, high unemployment, food insecurity
- Unsustainable external debt, aggravated by suspension of international aid and low foreign exchange reserves
- Hyperinflation

SURINAME 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**D**	
BUSINESS CLIMATE	**C**	

POPULATION Millions of persons	**0.6**
GDP PER CAPITA US Dollars	**4,681**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.1	-15.9	-3.5	1.3	2.3
Inflation (yearly average, %)	4.4	34.9	59.1	47.6	27.2
Budget balance (% GDP)	-21.9	-12.1	-7.6	-3.7	0.5
Current account balance (% GDP)	-11.3	9.1	5.8	-2.0	-0.9
Public debt (% GDP)	85.2	146.1	125.7	134.0	117.1

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED ARAB EMIRATES	**40%**
SWITZERLAND	**24%**
EURO AREA	**12%**
TRINIDAD AND TOBAGO	**5%**
BRAZIL	**4%**

Imports of goods by country as a % of total

UNITED STATES	**25%**
EURO AREA	**21%**
TRINIDAD AND TOBAGO	**13%**
CHINA	**9%**
JAPAN	**3%**

Exports of goods by product as a % of total

GOLD, NON-MONETARY	**77%**
CORK AND WOOD	**5%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**4%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**3%**
CEREALS AND CEREAL PREPARATIONS	**2%**

Imports of goods by product as a % of total
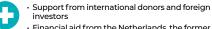
SPECIALISED MACHINERY	**11%**
ROAD VEHICLES	**9%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**7%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**6%**
MANUFACTURES OF METAL	**4%**

2023 OUTLOOK

- Despite strong gold exports and rising private investment, boosted by new hydrocarbon discoveries, the recovery will remain sluggish, with very high inflation weighing on the import bill and consumption.
- The accounts will be consolidated by mining revenues and international aid, as the country has been granted IMF financing and debt rescheduling in exchange for the implementation of consolidation measures and structural reforms.
- The country would like to obtain more flexibility from its partners in their implementation, arguing that the price is too expensive for the population and that oil revenues are still to come.

➕
- Mineral resources (gold, oil, gas, bauxite) and agricultural (rice, bananas), forestry (wood) and hydroelectric potential
- Ecuadorian forest covering 95% of the country
- Support from international donors and foreign investors
- Financial aid from the Netherlands, the former colonial power, and expatriate remittances (4.3% of GDP in 2020)
- Active member of the Caribbean Community (CARICOM)

➖
- Poorly diversified economy
- Weight of the informal economy (30% of GDP)
- Management difficulties in public enterprises
- Unsustainable public debt since 2020
- Insufficient transport infrastructure
- Difficult business climate, inefficient judiciary
- Vulnerable banking sector: high share of non-performing loans and low profitability
- Limited access to credit
- Lack of skilled labour

SWEDEN 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**A2**	
BUSINESS CLIMATE	**A1**	

POPULATION Millions of persons	**10.5**
GDP PER CAPITA US Dollars	**60,816**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.0	-2.3	5.0	3.0	0.8
Inflation (yearly average, %)	1.8	0.5	2.2	8.3	7.6
Budget balance (% GDP)	0.6	-2.8	-0.1	0.2	-0.2
Current account balance (% GDP)	5.4	5.9	5.4	3.3	3.3
Public debt (% GDP)	35.2	40.0	36.3	31.4	28.7

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

NORWAY	**11%**
GERMANY	**10%**
UNITED STATES	**8%**
DENMARK	**8%**
FINLAND	**7%**

Imports of goods by country as a % of total

GERMANY	**17%**
NORWAY	**10%**
NETHERLANDS	**10%**
DENMARK	**7%**
CHINA	**7%**

Exports of goods by product as a % of total

ROAD VEHICLES	**12%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**6%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**6%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**5%**
PAPER AND PAPER MANUFACTURES	**5%**

Imports of goods by product as a % of total

ROAD VEHICLES	**10%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**8%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
TELECOM. & SOUND RECORDING APPARATUS	**5%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**

2023 OUTLOOK

- The Swedish economy is set for a slowdown in 2023 due to high inflation, and rising interest rates, leading to moderating domestic and external demand.
- The rising interest rates weigh on the construction sector as financing conditions become tighter and input costs remain high.
- A conservative coalition made of three parties and led by the centre-right Moderates Party leader Ulf Kristersson will lead the government. Given its minority situation, it will need the backing of far-right Sweden Democrats.

➕
- Very favourable business climate
- Very diversified economy, specialised in high-tech products (automotive, aviation, telecommunications, nuclear power)
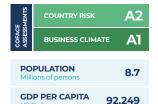- Solid public and external accounts, low debt
- High standard of living
- Positive demographical development due to immigration

➖
- Not a NATO member yet, membership progress is ongoing
- Highly dependent on global demand (exports of goods and services = 46.3% of GDP in 2021)
- Tensions on the real estate market due to elevated debt levels and sizeable overvaluation relative to incomes and rents
- Substantial household debt (203% of personal disposable income in 2021)

SWITZERLAND 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		A2
BUSINESS CLIMATE		A1

POPULATION Millions of persons	8.7
GDP PER CAPITA US Dollars	92,249

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.1	-2.4	4.2	2.0	0.7
Inflation (yearly average, %)	0.4	-0.7	0.6	2.8	2.3
Budget balance (% GDP)	1.3	-3.1	-0.5	-0.3	0.2
Current account balance (% GDP)	3.9	0.4	7.9	8.0	7.5
Public debt (% GDP)	40.1	43.8	41.2	42.3	42.7

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	38%
UNITED STATES	17%
CHINA	9%
INDIA	8%
UNITED KINGDOM	4%

Imports of goods by country as a % of total

EURO AREA	45%
UNITED KINGDOM	11%
UNITED STATES	7%
CHINA	6%
UNITED ARAB EMIRATES	3%

Exports of goods by product as a % of total

MEDICINAL AND PHARMACEUTICAL PRODUCTS	27%
GOLD, NON-MONETARY	23%
ORGANIC CHEMICALS	7%
PHOTO APPARATUS, OPTICAL GOODS, WATCHES AND CLOCKS	7%
MISCELLANEOUS MANUFACTURED ARTICLES	6%

Imports of goods by product as a % of total
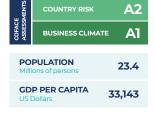
GOLD, NON-MONETARY	29%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	13%
MISCELLANEOUS MANUFACTURED ARTICLES	6%
ROAD VEHICLES	5%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	4%

2023 OUTLOOK

- Slowdown of activity due to an adverse regional context (stagnation in the Eurozone).
- The country is vulnerable since, before the war, it imported 40% of its gas from Russia and has no storage capacity.
- Inflation is expected to remain more moderate than in the rest of the region, thanks in particular to a strong Swiss franc.
- According to polls conducted at the end of 2022, the political landscape would remain relatively unchanged after the October 2023 federal elections: the nationalist conservatives (SVP, 26%) would win by a wide margin ahead of the Socialist Party (16%) and the Liberal Democrats (LDP, 16%).

➕
- Political, economic and social stability and consensus; role of direct democracy
- Close relations with the EU
- International financial centre, headquarters of international groups and organisations
- Limited sensitivity of exports to foreign exchange due to the emphasis on high technology and quality
- Very strong public and external accounts
- European crossroads with excellent communication network

➖
- Small, open economy (foreign trade = 116% of GDP) and landlocked
- Swiss franc as a safe-haven currency
- High housing prices with rising vacancy rates
- Exposure of banks to real estate (85% of domestic loans), two of which account for half of domestic assets
- Demographic ageing compensated by immigration

TAIWAN 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		A2
BUSINESS CLIMATE		A1

POPULATION Millions of persons	23.4
GDP PER CAPITA US Dollars	33,143

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.1	3.4	6.5	3.1	2.2
Inflation (yearly average, %)	0.6	-0.2	1.8	3.0	2.2
Budget balance (% GDP)	0.1	-1.0	-0.2	-1.4	-1.9
Current account balance (% GDP)	10.6	14.1	14.7	13.0	11.0
Public debt (% GDP)	33.9	33.5	31.2	29.5	29.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	28%
UNITED STATES	15%
HONG KONG	14%
JAPAN	7%
SINGAPORE	6%

Imports of goods by country as a % of total

CHINA	22%
JAPAN	15%
UNITED STATES	10%
SOUTH KOREA	8%
AUSTRALIA	4%

Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	44%
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	9%
PLASTICS IN PRIMARY FORMS	4%
MANUFACTURES OF METAL	3%
PROFESSIONAL AND SCIENTIFIC INSTRUMENTS	3%

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	28%
SPECIALISED MACHINERY	8%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	8%
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	4%
PROFESSIONAL AND SCIENTIFIC INSTRUMENTS	4%

2023 OUTLOOK

- Taiwan's electronics and components export sector to struggle in 2023 amid global electronics correction and general slowdown in goods trade.
- Domestic activity and tourism to show stronger recovery and provide support to overall economic activity.
- Consumer inflation to ease, though core CPI may prove stickier. Central bank should continue rate hikes in H1 23.
- US-China strategic competition, and cross-straits relations remain key risk, but Taiwan's tech dominance should be sustained in medium-term.

➕
- Robust external financial position
- Support for R&D through public expenditure
- 4th largest electronics producer in the world
- Diversified FDI portfolio in Asia

➖
- Strained cross-straits relations
- Concentration in technology sector and on Chinese demand
- Weak wage growth, low labour productivity and brain drain
- Lack of competitiveness in the services sector
- Infrastructure gap compared with other advanced Asian economies
- Ageing population
- Diplomatic isolation

TAJIKISTAN 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	D
BUSINESS CLIMATE	D

POPULATION Millions of persons	9.7
GDP PER CAPITA US Dollars	906

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	7.5	4.5	5.0	7.0	5.5
Inflation (yearly average, %)	7.8	8.6	9.5	6.9	6.5
Budget balance (% GDP)	-2.1	-4.3	-0.7	-2.4	-2.7
Current account balance (% GDP)	-2.3	4.3	8.4	-1.4	-2.4
Public debt (% GDP)	43.1	50.4	44.4	39.5	40.6

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

KAZAKHSTAN	23%
SWITZERLAND	23%
TURKEY	15%
UZBEKISTAN	8%
EURO AREA	7%

Imports of goods by country as a % of total

RUSSIA	30%
KAZAKHSTAN	19%
CHINA	16%
UZBEKISTAN	8%
EURO AREA	5%
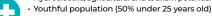
Exports of goods by product as a % of total

NON-FERROUS METALS	18%
GOLD, NON-MONETARY	18%
METALLIFEROUS ORES AND METAL SCRAP	17%
TEXTILES FIBRES AND THEIR WASTES	14%
ELECTRIC CURRENT	5%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	8%
ROAD VEHICLES	8%
CEREALS AND CEREAL PREPARATIONS	7%
GAS, NATURAL AND MANUFACTURED	7%
IRON AND STEEL	7%

2023 OUTLOOK

- Growth is expected to slow, driven by a slowdown in household consumption and a deterioration in net exports.
- Inflation will remain high, which will hamper household consumption. It will also be affected by lower transfers from Russia (58% of total transfers representing a third of GDP in 2021).
- The current account deficit will deteriorate in 2023, due to a higher trade balance deficit (metals exports would not compensate energy imports) and lower transfers.
- The deficit will be higher in 2023, due to the slowdown in economic activity (lower tax revenues).

➕
- Plentiful natural resources (mineral resources, cotton, hydroelectricity)
- Hydroelectric, agricultural and tourism potential
- Youthful population (50% under 25 years old)
- Financial support from multilateral and bilateral donors, including China
- Member of China's Belt and Road Initiative (BRI)

➖
- High dependence on Russia, and China
- High dependence on commodities, under-diversified economy
- Weak and concentrated banking system; credit is dollarised
- High poverty
- Limited role of the private sector, weak FDI
- Proximity of Afghanistan and conflict with Kirgizstan
- Poor governance

TANZANIA 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	C
BUSINESS CLIMATE	C

POPULATION Millions of persons	59.7
GDP PER CAPITA US Dollars	1,177

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	7.0	4.8	4.9	4.8	4.5
Inflation (yearly average, %)	3.4	3.3	3.7	4.3	4.2
Budget balance */** (% GDP)	-2.0	-1.9	-3.9	-2.8	-3.3
Current account balance (% GDP)	-2.6	-1.8	-1.9	-4.5	-4.3
Public debt* (% GDP)	39.0	38.0	39.7	42.2	42.1

(f): Forecast. *Fiscal year from 1st July - 30th June. 2023 data: FY22-23. **Grants included.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED ARAB EMIRATES	16%
INDIA	16%
SOUTH AFRICA	14%
SWITZERLAND	8%
KENYA	6%

Imports of goods by country as a % of total

CHINA	25%
UNITED ARAB EMIRATES	12%
INDIA	11%
EURO AREA	7%
SAUDI ARABIA	6%

Exports of goods by product as a % of total

GOLD, NON-MONETARY	37%
NON-FERROUS METALS	9%
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	8%
VEGETABLES AND FRUITS	8%
CEREALS AND CEREAL PREPARATIONS	7%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	15%
ROAD VEHICLES	8%
IRON AND STEEL	6%
PLASTICS IN PRIMARY FORMS	5%
SPECIALISED MACHINERY	4%

2023 OUTLOOK

- Despite the rise in commodity prices weighing on imports and household purchasing power, growth will continue to be supported by public and private investment in infrastructure projects.
- The twin deficits will remain large, notably because of the deterioration in the terms of trade, the repatriation of corporate profits, and social and development spending (health, support for household purchasing power, etc.), but the public debt will remain sustainable (42.1% of GDP).
- President Samia Suluhu Hassan will continue her efforts to calm the social climate and strengthen external relations.

➕
- Mining wealth (gold, copper)
- Gas potential thanks to offshore reserves discovered in 2010
- Tourism assets (national parks, coastline)
- Regional cooperation strategy, accelerated integration into the East African Community (EAC) under President Samia Suluhu Hassan
- International support in the form of concessional loans
- Development of monetary policy instruments

➖
- High dependence on gold prices
- Vulnerability of agriculture (29% of GDP) to climatic conditions
- Inadequate infrastructure, particularly in the areas of electricity and transport
- Inconsistent industrial policy and poor business environment
- Religious tensions between the Zanzibar archipelago and the mainland
- Low level of human capital

THAILAND 🌐

COFACE ASSESSMENTS	COUNTRY RISK	**A4**
	BUSINESS CLIMATE	**A3**

POPULATION Millions of persons	**70.0**
GDP PER CAPITA US Dollars	**7,232**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.2	-6.2	1.6	3.2	4.0
Inflation (yearly average, %)	0.7	-0.8	1.2	6.1	2.8
Budget balance* (% GDP)	-0.8	-4.7	-7.8	-4.9	-3.9
Current account balance (% GDP)	7.0	4.2	-2.1	-3.8	1.5
Public debt* (% GDP)	41.1	49.5	58.1	61.4	61.7

(f): Forecast. *Fiscal year 2023 from 1st October 2022 to 30th September 2023.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**15%**
CHINA	**14%**
JAPAN	**9%**
EURO AREA	**7%**
VIETNAM	**5%**

Imports of goods by country as a % of total

CHINA	**25%**
JAPAN	**13%**
EURO AREA	**6%**
UNITED STATES	**5%**
MALAYSIA	**4%**

Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**11%**
ROAD VEHICLES	**10%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**8%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**
PLASTICS IN PRIMARY FORMS	**5%**

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**12%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**12%**
IRON AND STEEL	**6%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**4%**
NON-FERROUS METALS	**4%**

2023 OUTLOOK

· The economy will be supported by the recovery of tourism and domestic demand thanks to public spending, slowing inflation, and an improved labour market.
· However, private consumption will be constrained by high household debt in the context of monetary tightening.
· The current account is expected to return to surplus thanks to tourism, limiting the risk of further deterioration of foreign exchange reserves due to capital outflows.
· Uncertainties loom ahead of the 2023 general election, although the choice of the future Prime Minister will continue to be largely influenced by the military holding the upper house of parliament.

➕
· Regional hub, long coastlines, proximity to fast-growing Asian markets
· Richly endowed in agricultural resources (natural rubber, rice and sugar cane)
· Diversified exports: tourism, machines, car parts, electronic components, agri-food products, fish and shellfish
· Well-capitalised commercial banks with high level of loan loss provision

➖
· Inadequate infrastructure
· Ageing population and shortage of skilled labour
· High household debt levels
· Uncertain political situation; antagonism between rural and urban areas
· High corruption perception and large informal economy

TIMOR-LESTE 🌐

COFACE ASSESSMENTS	COUNTRY RISK	**D**
	BUSINESS CLIMATE	**C**

POPULATION Millions of persons	**1.3**
GDP PER CAPITA US Dollars	**1,754**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth* (%)	2.0	-8.5	1.5	2.3	3.0
Inflation (yearly average, %)	0.9	0.5	3.8	7.5	4.8
Budget balance* (% GDP)	-25.3	-21.5	-30.8	-41.6	-66.2
Current account balance* (% GDP)	6.4	-16.2	1.8	-11.6	-39.4
Public debt* (% GDP)	9.4	11.4	10.0	11.2	15.4

(f): Forecast. *Non-oil GDP.

TRADE EXCHANGES

Exports of goods by country as a % of total

INDONESIA	**73%**
CHINA	**12%**
SWITZERLAND	**9%**
JAPAN	**3%**
SINGAPORE	**1%**

Imports of goods by country as a % of total

INDONESIA	**39%**
CHINA	**16%**
SINGAPORE	**13%**
HONG KONG	**6%**
VIETNAM	**5%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**24%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**16%**
MISCELLANEOUS MANUFACTURED ARTICLES	**9%**
GAS, NATURAL AND MANUFACTURED	**7%**
ROAD VEHICLES	**6%**

Imports of goods by product as a % of total

CEREALS AND CEREAL PREPARATIONS	**14%**
MANUFACTURES OF METAL	**6%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**6%**
IRON AND STEEL	**6%**
ROAD VEHICLES	**5%**

2023 OUTLOOK

· The recovery will continue, driven by large government spending and a rebound in private consumption.
· Lower oil and gas revenue will contribute to the drastic widening of the current account deficit, which is – like the public deficit – mostly covered by the sovereign petroleum fund.
· Public debt is low, but the very large deficit and the depletion of active hydrocarbon fields raise questions about the latter's sustainability, given the dependence on the sector for its financing.
· After ASEAN formally accepted its membership in 2022, steps for its finalisation will be discussed in 2023, the same year as the scheduled parliamentary elections.

➕
· Oil and gas reserves in the Timor Sea (Greater Sunrise)
· Sovereign wealth fund (1100% of GDP)
· Total dollarisation limiting the inflationary risk
· Attractive tourist destination
· 43th out of 167 in the EIU Democracy Index 2021 (5th Asian country/7th with Australia and New Zealand)

➖
· Very high dependence on oil revenues while active oil fields are running dry
· Vulnerability to natural disasters, underdeveloped infrastructure
· High reliance on food imports (low agricultural development)
· Deficit in human capital
· Around 40% of the population lives below the poverty line
· High unemployment rate among young people (33% in 2016 vs. 5% for the population above 25)
· Weak banking intermediation

TOGO 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	C
BUSINESS CLIMATE	B

POPULATION Millions of persons	8.5
GDP PER CAPITA US Dollars	993

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.4	1.7	5.2	5.0	6.0
Inflation (yearly average, %)	0.6	1.8	4.3	6.0	3.0
Budget balance (% GDP)	1.6	-6.9	-6.0	-7.5	-5.5
Current account balance (% GDP)	-0.7	-0.3	-2.0	-5.0	-6.0
Public debt (% GDP)	52.3	60.2	63.8	66.0	65.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

BURKINA FASO	14%
MALI	11%
BENIN	11%
GHANA	9%
EURO AREA	8%

Imports of goods by country as a % of total

EURO AREA	24%
CHINA	20%
INDIA	6%
JAPAN	4%
GHANA	4%

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	20%
ESSENTIAL OILS FOR PERFUME MATERIALS & CLEANING PREPS	18%
GOLD, NON-MONETARY	11%
MISCELLANEOUS MANUFACTURED ARTICLES	6%
OIL SEEDS AND OLEAGINOUS FRUITS	6%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	35%
ROAD VEHICLES	8%
TEXTILE YARN AND RELATED PRODUCTS	7%
TELECOM. & SOUND RECORDING APPARATUS	5%
PLASTICS IN PRIMARY FORMS	4%

2023 OUTLOOK

- A favourable growth outlook for 2023, driven by the agricultural sector (especially cotton), which will promote consumption, infrastructure financed by foreign partners, port and airport activity.
- Growth will be highly sensitive to inflationary shocks, notably due to a risk of food shortages and uncertainty over the price of agricultural inputs.
- Deficits will remain high due to subsidies and imported inflation and will be financed mainly by regional borrowing and project loans.
- A static and framed political landscape, coupled with a terrorist threat in the north.

➕
- Mining (phosphate, clinker) and agricultural (coffee, cocoa, cotton) resources
- Lomé, the only deep water port in West Africa, can become a regional hub
- Public and private investment in infrastructure
- Ongoing structural reforms (public finance, banking system, agriculture, phosphate and cotton)
- Member of WAEMU and ECOWAS
- Mostly concessional external debt

➖
- High socio-political tensions
- High unemployment and poverty (46.2% of the population in extreme poverty in 2020)
- Deficient agricultural infrastructure: storage, processing, irrigation, inputs
- Inadequate education, public health and transport infrastructure
- Poor progress in governance (especially in terms of fighting corruption)

TRINIDAD AND TOBAGO 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	B
BUSINESS CLIMATE	A4

POPULATION Millions of persons	1.4
GDP PER CAPITA US Dollars	17,056

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	0.0	-7.5	-0.8	4.0	3.3
Inflation (yearly average, %)	1.0	0.6	2.1	5.2	4.6
Budget balance* (% GDP)	-3.6	-11.0	-6.1	-0.2	-1.1
Current account balance (% GDP)	4.8	0.1	8.0	14.8	10.8
Public debt*/** (% GDP)	60.8	82.0	85.0	84.4	77.0

(f): Forecast. *Fiscal year 2023 from October 1, 2023 to September 30, 2024. **Central government debt.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	41%
EURO AREA	14%
GUYANA	7%
MEXICO	4%
COLOMBIA	3%

Imports of goods by country as a % of total

UNITED STATES	34%
CHINA	10%
EURO AREA	10%
MEXICO	7%
BRAZIL	6%

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	18%
INORGANIC CHEMICALS	17%
ORGANIC CHEMICALS	17%
GAS, NATURAL AND MANUFACTURED	17%
IRON AND STEEL	8%

Imports of goods by product as a % of total

METALLIFEROUS ORES AND METAL SCRAP	8%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	8%
OTHER INDUSTRIAL MACHINERY AND PARTS	6%
MANUFACTURES OF METAL	6%
OTHER TRANSPORT EQUIPMENT	5%

2023 OUTLOOK

- The hydrocarbon and fertiliser sectors will drive growth, benefitting from increased production and high prices. Private investment in energy and the privatisation of the capital's port will boost activity.
- Continued fuel subsidies would further widen the government deficit, but energy revenues should limit it. With the return of growth, the debt ratio should fall.
- Imports are expected to reduce the current account surplus, which will nevertheless remain large thanks to oil and gas revenues.
- Some of the Keith Rowley government's reforms requiring more than a simple majority could be hampered.

➕
- Large oil and gas reserves; 9th largest exporter of liquefied natural gas (2020)
- Petrochemical industry (world's leading exporter of methanol, 6th largest for ammonia) supported by gas production
- Attractive tourist destination
- Large sovereign wealth fund (around 25% of GDP) and foreign exchange reserves (7 months of imports)
- Leading country in CARICOM, the Caribbean community

➖
- On the European list of "non-cooperative tax jurisdictions" since 2021
- Poorly diversified economy due to dependence on gas and petrochemical revenues
- Low efficiency of public action
- Criminality amplified by drug trafficking
- Unequal distribution of revenues generated by hydrocarbons (20% of the population lives below the poverty line)

TUNISIA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**C**
BUSINESS CLIMATE		**B**

POPULATION Millions of persons	**12.0**
GDP PER CAPITA US Dollars	**3,897**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.4	-8.7	4.5	2.5	1.5
Inflation (yearly average, %)	6.0	4.9	6.6	9.4	8.5
Budget balance (% GDP)	-3.6	-9.1	-7.6	-6.6	-5.5
Current account balance (% GDP)	-7.8	-5.9	-6.1	-9.1	-8.0
Public debt (% GDP)	69.0	82.8	81.8	88.8	89.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**67%**
LIBYA	**4%**
UNITED STATES	**2%**
UNITED KINGDOM	**2%**
TURKEY	**2%**

Imports of goods by country as a % of total

EURO AREA	**42%**
CHINA	**10%**
TURKEY	**5%**
ALGERIA	**3%**
AZERBAIJAN	**3%**

Exports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**22%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**14%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**6%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**4%**
PROFESSIONAL AND SCIENTIFIC INSTRUMENTS	**4%**

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**12%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**10%**
TEXTILE YARN AND RELATED PRODUCTS	**8%**
ROAD VEHICLES	**6%**
CEREALS AND CEREAL PREPARATIONS	**6%**

2023 OUTLOOK

- With full powers since 2021, President Saïed is organising the transition from a semi-parliamentary regime to a strong presidential one, approved by a constitutional referendum in July 2022.
- Faced with a risk of default, Tunisia secured an IMF loan for USD 1.9 billion over 4 years. The reduction of subsidies and the public wage bill, as well as the reform of state-owned enterprises, will be difficult given the tense social context.
- Inflation, fuelled by shortages and depreciation, will weigh on consumption and social discontent.
- The economic slowdown in Europe and domestic unrest will weigh on exports and tourism.

➕
- Ongoing diversification of the economy
- Proximity to the European market
- Support from external donors
- Potential in tourism
- Natural resources (phosphates and hydrocarbons)

➖
- Society under stress: youth unemployment (~40%), regional gap between seafront and interior, brain drain and illegal emigration, fragile social peace
- Since the 2011 revolution, uncertainty, political and institutional fragility
- Informal economy that is prevalent and harmful to public finances
- Excessive weight of salaries and subsidies in public spending; inefficient and highly indebted public sector
- Tourism sector permanently weakened by successive shocks
- Decline in competitive advantages (textiles, tourism)
- Energy dependence

TURKEY 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**C**
BUSINESS CLIMATE		**A4**

POPULATION Millions of persons	**84.7**
GDP PER CAPITA US Dollars	**9,654**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	0.8	1.9	11.4	5.5	3.5
Inflation (yearly average, %)	15.2	12.3	19.6	72.3	50.0
Budget balance (% GDP)	-2.9	-3.5	-2.8	-3.4	-3.5
Current account balance (% GDP)	0.7	-4.9	-1.7	-6.5	-3.5
Public debt (% GDP)	32.6	39.7	41.8	42.5	42.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**32%**
UNITED STATES	**7%**
UNITED KINGDOM	**6%**
IRAQ	**5%**
ISRAEL	**3%**

Imports of goods by country as a % of total

EURO AREA	**25%**
CHINA	**12%**
RUSSIA	**11%**
UNITED STATES	**5%**
INDIA	**3%**

Exports of goods by product as a % of total
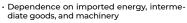
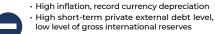|	
ROAD VEHICLES	**11%**
IRON AND STEEL	**8%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**8%**
TEXTILE YARN AND RELATED PRODUCTS	**7%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**6%**

Imports of goods by product as a % of total
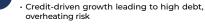
IRON AND STEEL	**6%**
ROAD VEHICLES	**6%**
METALLIFEROUS ORES AND METAL SCRAP	**5%**
PLASTICS IN PRIMARY FORMS	**5%**
NON-FERROUS METALS	**5%**

2023 OUTLOOK

- In 2023, the Turkish economy will slow on high inflation, lower net exports contribution and base effects.
- Fiscal discipline is expected to continue despite the elections to be held in June 2023. However, the share of foreign exchange denominated debt in total debt stock of the central government leaves the fiscal dynamics exposed to currency moves.
- The current account deficit will shrink in line with higher tourism revenues and decline in commodity prices.
- As elections get closer, risk of polarisation within the society may increase. However, this should not threaten the political stability of the country.

➕
- Strategic geographic location, proximity to key export markets, customs union with the EU
- Very diversified manufacturing tissue, strong production knowledge
- Young population, educated workforce
- Improving geopolitical relations across the region
- Renewables reaching 53% of Turkey's total installed power capacity

➖
- Dependence on imported energy, intermediate goods, and machinery
- High inflation, record currency depreciation
- High short-term private external debt level, low level of gross international reserves
- Credit-driven growth leading to high debt, overheating risk
- Uncertainty over the monetary policy
- Fractious relations with Greece, Iraq

TURKMENISTAN 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**D**
BUSINESS CLIMATE		**E**

POPULATION Millions of persons	**6.2**
GDP PER CAPITA US Dollars	**10,111**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	6.3	0.8	6.2	1.7	3.0
Inflation (yearly average, %)	5.1	10.0	21.0	17.6	10.6
Budget balance (% GDP)	-0.3	-1.4	-0.3	1.0	0.5
Current account balance (% GDP)	5.1	0.5	0.6	6.0	6.0
Public debt (% GDP)	18.9	15.4	13.0	10.0	8.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	**69%**
TURKEY	**7%**
UZBEKISTAN	**7%**
ROMANIA	**3%**
EURO AREA	**3%**

Imports of goods by country as a % of total

TURKEY	**26%**
EURO AREA	**24%**
RUSSIA	**19%**
CHINA	**14%**
INDIA	**3%**

Exports of goods by product as a % of total

GAS, NATURAL AND MANUFACTURED	**81%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**6%**
TEXTILE YARN AND RELATED PRODUCTS	**4%**
TEXTILES FIBRES AND THEIR WASTES	**2%**
FERTILISERS, NOT CRUDE	**2%**

Imports of goods by product as a % of total
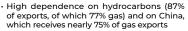
SPECIALISED MACHINERY	**11%**
IRON AND STEEL	**11%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**8%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**7%**
OTHER TRANSPORT EQUIPMENT	**6%**
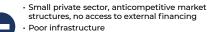
2023 OUTLOOK
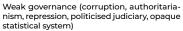
- GDP growth will accelerate in 2023, driven by investment in hydrocarbons and net exports.
- The current account balance will remain in surplus, due to hydrocarbon exports (mainly to China), and the import substitution policy pursued by the government.
- Inflation will continue to moderate, but will remain high, which may hurt household consumption. At the same time, the government's emigration curb policy may have a positive but moderate impact on private consumption.
- The fiscal balance will remain positive, thanks to energy revenues.

➕
- Fourth-largest natural gas reserves in the world (nearly 10% of the total)
- Strategic position in Central Asia and between China on the one hand, and Russia and Europe, via the Caspian Sea, on the other
- Healthy public accounts and a moderate level of debt
- Observer status at the World Trade Organization (WTO)
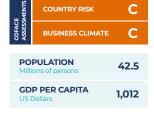
➖
- High dependence on hydrocarbons (87% of exports, of which 77% gas) and on China, which receives nearly 75% of gas exports
- Small private sector, anticompetitive market structures, no access to external financing
- Poor infrastructure
- Weak governance (corruption, authoritarianism, repression, politicised judiciary, opaque statistical system)
- Porous border with Afghanistan and weak military resources

UGANDA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**C**
BUSINESS CLIMATE		**C**

POPULATION Millions of persons	**42.5**
GDP PER CAPITA US Dollars	**1,012**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	6.5	2.8	3.4	4.7	5.2
Inflation (yearly average, %)	2.1	2.7	2.2	7.2	6.5
Budget balance*/** (% GDP)	-4.8	-7.5	-7.8	-6.0	-4.5
Current account balance* (% GDP)	-7.2	-9.3	-7.8	-8.0	-7.0
Public debt (% GDP)	36.6	46.4	51.6	53.0	52.0

(f): Forecast. *Grants included. **Fiscal year from July 1st to June 30th. 2023 Data: FY2022/23. GDP growth calculated on Fiscal Year.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED ARAB EMIRATES	**27%**
EURO AREA	**16%**
KENYA	**13%**
CONGO DR	**9%**
TANZANIA	**3%**

Imports of goods by country as a % of total

CHINA	**18%**
INDIA	**11%**
UNITED ARAB EMIRATES	**9%**
TANZANIA	**9%**
KENYA	**8%**

Exports of goods by product as a % of total
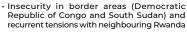
GOLD, NON-MONETARY	**28%**
COFFEE, TEA, COCOA, SPICES & MANUFACT. THEREOF	**19%**
CEREALS AND CEREAL PREPARATIONS	**7%**
FISH, CRUSTACEANS, MOLLUSCS & PREPS THEREOF	**3%**
SUGAR, SUGAR PREPARATIONS AND HONEY	**3%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**13%**
GOLD, NON-MONETARY	**12%**
ROAD VEHICLES	**7%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**5%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**5%**

2023 OUTLOOK

- Stronger growth due to the resumption of gold exports, with other sectors (oil, manufacturing, ICT, tourism) continuing to grow.
- Higher interest rates to counter inflation will weigh on domestic investment, but consumption will be supported by agricultural incomes.
- Fiscal consolidation as part of the programme agreed with the IMF.
- Concessional foreign loans will be preferred to expensive domestic loans.
- Oil equipment imports offset the return of gold exports.
- A tight democratic and social life and a terrorist threat on the border with the Democratic Republic of Congo.

➕
- Natural resources: fertile soil, oil deposits, hydroelectric potential
- Diversification efforts, particularly in the agri-food sector
- International support for infrastructure projects
- Debt mainly on concessional terms
- Second coffee exporter on the continent after Ethiopia

➖
- Endemic poverty, persistent inequalities
- Inadequate infrastructure
- Insecurity in border areas (Democratic Republic of Congo and South Sudan) and recurrent tensions with neighbouring Rwanda
- Poor progress in governance (particularly in terms of the fight against corruption)
- Lack of transparency in the gold industry
- Important pandemic risk of Ebola

UKRAINE 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**D**
BUSINESS CLIMATE		**D**

POPULATION Millions of persons	**41.1**
GDP PER CAPITA US Dollars	**4,862**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.2	-3.8	3.4	-35.0	3.3
Inflation (yearly average, %)	4.1	5.0	10.0	20.8	14.8
Budget balance (% GDP)	-2.1	-5.6	-4.0	-23.9	-19.2
Current account balance (% GDP)	-2.7	3.4	-1.1	-0.5	-4.5
Public debt (% GDP)	50.2	60.4	50.7	80.0	87.5

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

EURO AREA	**23%**
CHINA	**12%**
POLAND	**8%**
TURKEY	**6%**
RUSSIA	**5%**

Imports of goods by country as a % of total

EURO AREA	**25%**
CHINA	**15%**
RUSSIA	**8%**
POLAND	**7%**
BELARUS	**7%**

Exports of goods by product as a % of total

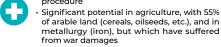|	
IRON AND STEEL	**21%**
CEREALS AND CEREAL PREPARATIONS	**19%**
METALLIFEROUS ORES AND METAL SCRAP	**12%**
FIXED VEG. OILS & FATS, CRUDE, REFINED/FRACTIONATED	**10%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**4%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**10%**
ROAD VEHICLES	**9%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**6%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**4%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**4%**

2023 OUTLOOK

- With substantial human losses and economic damages due to the ongoing Russian invasion, the population share with income below the national poverty line could reach 60% in 2022, from 18% in 2021.
- The economy has started to adjust to war conditions, with perspectives of modest recovery and continued reconstruction. Exports of agricultural commodities increased since the Black Sea grain export agreement.
- The dependence on external financial assistance remains high with further possible grants from the US, EU and IMF.
- The transfers from the EU budget due to the disputed rule-of-law issues are still uncertain.

+
- Strategic position in Europe
- Association and Free Trade Agreement with the European Union, granted the EU candidate status based on an accelerated procedure
- Significant potential in agriculture, with 55% of arable land (cereals, oilseeds, etc.), and in metallurgy (iron), but which have suffered from war damages
- Skilled and low-cost labour force
- International financial support

−
- Ongoing Russian invasion
- High fiscal financing needs with low domestic revenues possibilities
- Weak external position
- Low economic diversification, sensitivity to weather and commodity prices
- Declining demographics escalated by the population outflow due to the war, regional inequalities

UNITED ARAB EMIRATES 🌐

COFACE ASSESSMENTS		
COUNTRY RISK		**A3**
BUSINESS CLIMATE		**A2**

POPULATION Millions of persons	**10.2**
GDP PER CAPITA US Dollars	**41,205**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	3.4	-4.8	3.8	6.0	4.0
Inflation (yearly average, %)	-1.9	-2.1	0.2	4.0	3.0
Budget balance (% GDP)	0.4	-5.2	2.1	8.0	5.0
Current account balance (% GDP)	8.9	5.9	11.4	15.0	12.0
Public debt* (% GDP)	27.1	39.7	34.7	31.0	29.0

(f): Forecast. *General government gross debt.

TRADE EXCHANGES

Exports of goods by country as a % of total

INDIA	**13%**
CHINA	**9%**
JAPAN	**8%**
SINGAPORE	**4%**
SAUDI ARABIA	**4%**

Imports of goods by country as a % of total

CHINA	**15%**
EURO AREA	**9%**
INDIA	**6%**
UNITED STATES	**5%**
JAPAN	**3%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**32%**
GOLD, NON-MONETARY	**12%**
NON METALLIC MINERAL MANUFACTURES	**7%**
TELECOM. & SOUND RECORDING APPARATUS	**6%**
NON-FERROUS METALS	**5%**
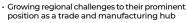
Imports of goods by product as a % of total
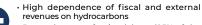
GOLD, NON-MONETARY	**13%**
TELECOM. & SOUND RECORDING APPARATUS	**10%**
NON METALLIC MINERAL MANUFACTURES	**6%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**6%**
MISCELLANEOUS MANUFACTURED ARTICLES	**6%**

2023 OUTLOOK

- Growth will moderate due to lower energy prices and tighter monetary policy.
- Although ADNOC's target to spend USD 130 billion over 2022-2026 will support investment, the extension of OPEC+ oil cap will weigh on hydrocarbon production.
- Despite rising tourism revenues, the current account surplus will diminish due to lower oil exports, as will the fiscal surplus, but non-oil revenues will keep rising.
- Improving ties with Iran, Turkey and Israel create new trade and investment opportunities. Competition with Saudi Arabia will remain strictly economic.

+
- Higher, and progressing, degree of economic diversification outside of hydrocarbons compared with neighbouring countries
- Regional commercial and air hub, key centre for African gold and diamond trade
- Significant financial buffers
- Rapid development of renewable energy
- One of the most politically stable countries in the Gulf region

−
- Growing regional challenges to their prominent position as a trade and manufacturing hub
- High dependence of fiscal and external revenues on hydrocarbons
- Dependence on foreign labour (85% of the population is foreign)
- Concentration of the national workforce in the public sector

UNITED KINGDOM 🌐

COUNTRY RISK	A4
BUSINESS CLIMATE	A1

POPULATION Millions of persons	67.4
GDP PER CAPITA US Dollars	47,329

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.3	- 9.8	7.5	4.4	-1.0
Inflation (yearly average, %)	1.8	0.9	2.6	9.1	7.0
Budget balance* (% GDP)	-2.3	-15.0	-5.7	-7.0	-5.4
Current account balance (% GDP)	-2.7	-2.5	-2.0	-5.9	-5.3
Public debt (% GDP)	83.8	102.6	105.6	102.0	108.0

(f): Forecast. *Fiscal year from April to March.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	14%
GERMANY	9%
NETHERLANDS	8%
IRELAND	7%
FRANCE	6%

Imports of goods by country as a % of total

CHINA	14%
GERMANY	11%
UNITED STATES	8%
NETHERLANDS	7%
NORWAY	5%

Exports of goods by product as a % of total

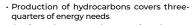|	
GOLD, NON-MONETARY	9%
ROAD VEHICLES	8%
POWER GENERATING MACHINERY AND EQUIPMENT	7%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	7%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	6%

Imports of goods by product as a % of total

ROAD VEHICLES	9%
GOLD, NON-MONETARY	8%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	6%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	5%
MISCELLANEOUS MANUFACTURED ARTICLES	4%

2023 OUTLOOK

- Households will see their disposable income fall, due to support measures restricted to the most vulnerable. The consequent fall in consumption will lead to a recession in activity.
- In an environment of high costs (inputs, wages, interest rates) and contracting demand, business insolvencies will continue to rise.
- The election of Rishi Sunak, a supporter of a prudent fiscal policy, by the conservative parliamentarians in October 2022 brought calm to the financial markets. However, in this difficult economic and social context, further episodes of political instability cannot be ruled out.

➕
- Production of hydrocarbons covers three-quarters of energy needs
- Cutting-edge sectors (aeronautics, pharmaceuticals, automotive)
- Financial services
- Competitive and attractive tax regime

➖
- High public and household debt (115% of gross disposable income)
- Low productivity and training deficit not conducive to innovation
- Regional disparities between the South-East (especially London) and the rest of the country, particularly in terms of transport and energy infrastructure

UNITED STATES 🌐

COUNTRY RISK	A2
BUSINESS CLIMATE	A1

POPULATION Millions of persons	332.2
GDP PER CAPITA US Dollars	69,227

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	2.3	-2.8	5.9	1.9	0.8
Inflation (yearly average, %)	1.8	1.2	4.7	8.0	4.3
Budget balance* (% GDP)	-4.7	-14.9	-12.3	-5.5	-5.0
Current account balance (% GDP)	-2.1	-2.9	-3.5	-3.7	-3.3
Public debt (% GDP)	108.5	131.7	127.0	122.7	121.9

(f): Forecast. *Federal government. Fiscal year from October 1st to September 30th. 2023 data: 2022/23.

TRADE EXCHANGES

Exports of goods by country as a % of total

CANADA	17%
MEXICO	16%
EURO AREA	14%
CHINA	9%
JAPAN	4%

Imports of goods by country as a % of total

CHINA	18%
EURO AREA	15%
MEXICO	14%
CANADA	13%
JAPAN	5%

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	9%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	8%
ROAD VEHICLES	7%
MEDICINAL AND PHARMACEUTICAL PRODUCTS	5%
OTHER INDUSTRIAL MACHINERY AND PARTS	4%

Imports of goods by product as a % of total

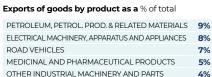|	
ROAD VEHICLES	9%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	8%
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	7%
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	6%
MISCELLANEOUS MANUFACTURED ARTICLES	6%

2023 OUTLOOK

- Interest rates, which would remain at restrictive levels, and inflation, which would be falling but remain high, would weigh on household and business spending. As activity slows, bankruptcies would increase.
- Spending on infrastructure, green transition and semiconductor production programs will get underway, keeping the government deficit high. With Republicans regaining control of the House of Representatives, President Joe Biden's (Democrat) ability to act will be limited in the run-up to the 2024 election.
- The current account deficit would shrink as imports moderate and export competitiveness suffers from a strong USD.

➕
- Flexible labour market
- Full employment is one of the Federal Reserve's objectives
- The dollar's predominant role in the global economy
- 70% of public debt held by residents
- Strong attractiveness: leader in research & innovation, huge market, two ocean fronts and privileged tourist destination
- Favourable corporate taxation
- Leading producer of oil & gas, agricultural power and significant mineral resources

➖
- Low labour market participation
- High household debt
- Polarised political landscape
- Decrease in fertility rate
- Outdated infrastructure
- Growing income and wealth inequalities overlapping with territorial and racial inequalities
- Trade conflict and technological competition with China

URUGUAY 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**A4**
BUSINESS CLIMATE	**A3**

POPULATION Millions of persons	**3.5**
GDP PER CAPITA US Dollars	**16,735**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	0.4	-6.1	4.4	5.2	2.5
Inflation (yearly average, %)	7.9	9.8	7.8	9.1	8.1
Budget balance (% GDP)	-4.0	-5.7	-4.1	-3.2	-3.0
Current account balance (% GDP)	1.6	-0.8	-1.8	-2.0	-0.2
Public debt (% GDP)	61.0	68.3	65.1	61.2	60.0

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	27%
BRAZIL	18%
EURO AREA	7%
UNITED STATES	6%
ARGENTINA	5%

Imports of goods by country as a % of total

BRAZIL	20%
CHINA	19%
EURO AREA	11%
UNITED STATES	10%
ARGENTINA	8%

Exports of goods by product as a % of total

MEAT AND MEAT PREPARATIONS	33%
DAIRY PRODUCTS AND BIRDS' EGGS	9%
OIL SEEDS AND OLEAGINOUS FRUITS	9%
CEREALS AND CEREAL PREPARATIONS	8%
CORK AND WOOD	5%

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	11%
ROAD VEHICLES	8%
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	5%
TELECOM. & SOUND RECORDING APPARATUS	4%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	4%

2023 OUTLOOK

- Household consumption to drive activity, as inflation appeases somewhat and the job market remains solid.
- Foreign sales to bear the fruits of the new UPM pulp plant. However, the expansion of agricultural exports will decelerate, as growth momentum in the main trade partners weakens and assuming some softening of commodity prices.
- The small external account shortfall will remain, while the fiscal deficit should remain broadly stable.
- The centre-right President Lacalle Pou tries to push his reformist agenda.

+
- Abundant agricultural and forestry resources
- Social homogeneity (universal health coverage, free education) and institutional stability
- Active reform policy (business environment, public finances, social security coverage)
- Substantial foreign direct investment
- Member of Mercosur, preferential trade relations with the EU and the United States

−
- Vulnerability to commodity prices (soybeans, beef, dairy products, wood, rice)
- Dependent on Argentinian, Brazilian (tourism) and Chinese (commodities) economic conditions
- Inadequate transport infrastructure
- Reduced competitiveness due to high inflation and market rigidity
- Public debt (mitigated by a longer maturity and diminishing denomination in dollars)

UZBEKISTAN 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**C**
BUSINESS CLIMATE	**B**

POPULATION Millions of persons	**34.6**
GDP PER CAPITA US Dollars	**2,002**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	5.6	1.6	7.4	5.3	4.8
Inflation (yearly average, %)	14.5	12.9	10.8	11.3	10.7
Budget balance (% GDP)	-0.3	-3.3	-4.7	-4.0	-3.0
Current account balance (% GDP)	-5.6	-5.4	-7.0	-3.3	-4.0
Public debt (% GDP)	28.4	37.6	35.8	34.2	33.4

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

CHINA	13%
RUSSIA	12%
TURKEY	12%
KAZAKHSTAN	7%
KYRGYZSTAN	5%

Imports of goods by country as a % of total

RUSSIA	22%
CHINA	20%
EURO AREA	12%
KAZAKHSTAN	11%
SOUTH KOREA	7%

Exports of goods by product as a % of total
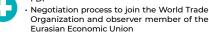
GOLD, NON-MONETARY	30%
GAS, NATURAL AND MANUFACTURED	18%
TEXTILE YARN AND RELATED PRODUCTS	10%
NON-FERROUS METALS	10%
VEGETABLES AND FRUITS	8%

Imports of goods by product as a % of total

SPECIALISED MACHINERY	11%
ROAD VEHICLES	11%
OTHER INDUSTRIAL MACHINERY AND PARTS	9%
IRON AND STEEL	8%
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	4%

2023 OUTLOOK

- The country's growth will experience a slowdown, due to weaker external demand.
- The deterioration of the economic situation in Russia could have a negative impact on the transfers received by Uzbek households and therefore on their consumption, as could the continuation of inflation.
- The current account balance will deteriorate despite dynamic exports, due to the import of capital goods with the continuation of the country's modernisation policy, and, possibly, a decline in transfers received.
- As government-led measures to protect households from inflation should be progressively phased out, the budget balance should improve in 2023.

+
- Abundant natural resources (gas, gold, copper, hydroelectric potential)
- Economic reforms, public investment and international financial support encouraging FDI
- Negotiation process to join the World Trade Organization and observer member of the Eurasian Economic Union
- Enhanced Partnership and Cooperation Agreement with the European Union and various bilateral agreements

−
- Dependence on Russia and China
- Dependence on commodities, weather conditions for agriculture and expatriate remittances
- Weakly competitive markets and low share of the private sector in the economy
- High unemployment, low standard of living, large rural population and informal economy
- Low financial intermediation, high dollarisation

VENEZUELA 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**E**
BUSINESS CLIMATE	**E**

POPULATION Millions of persons	**27.6**
GDP PER CAPITA US Dollars	**2,157**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-27.7	-30.0	0.5	6.0	6.5
Inflation (yearly average, %)	19,906.0	2,355.1	1,588.5	210.0	195.0
Budget balance (% GDP)	-10.0	-5.0	-4.5	n.a.	n.a.
Current account balance (% GDP)	6.6	-8.0	-2.1	4.0	6.0
Public debt (% GDP)	201.4	319.1	240.5	n.a.	n.a.

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED ARAB EMIRATES	**22%**
CHINA	**20%**
ARUBA	**10%**
EURO AREA	**9%**
UNITED STATES	**8%**

Imports of goods by country as a % of total

CHINA	**25%**
UNITED STATES	**13%**
BRAZIL	**11%**
INDIA	**5%**
EURO AREA	**5%**

Exports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**71%**
ESSENTIAL OILS FOR PERFUME MATERIALS & CLEANING PREPS	**5%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**3%**
SPECIALISED MACHINERY	**2%**
IRON AND STEEL	**2%**

Imports of goods by product as a % of total

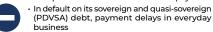|	
OTHER INDUSTRIAL MACHINERY AND PARTS	**9%**
MEDICINAL AND PHARMACEUTICAL PRODUCTS	**6%**
SPECIALISED MACHINERY	**6%**
ROAD VEHICLES	**6%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**5%**

2023 OUTLOOK

- Activity in 2023 should benefit from the recent US decision to marginally ease sanctions. However, the impact will be dampened by the obsolete oil infrastructure and by the US prohibition of payments of royalties or taxes to the regime, or any dividends to PDVSA.
- In addition to the challenging global oil market, the easing of sanctions also aims to encourage political talks between Nicolas Maduro and the opposition to reach an agreement that allows the holding of free presidential elections.
- Diplomatic relations with Brazil and Colombia should improve, in the midst of the recent inauguration of leftist governments in the two countries.
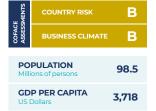
➕
- World's biggest oil reserves and offshore gas potential

➖
- GDP still well below the 2013 level
- Economy heavily dependent on hydrocarbons, loans from China and Russia, and energy cooperation with Iran
- Under US sanctions, despite a six-month license given in November 2022 to Chevron to export oil to the US to use as debt payment
- In default on its sovereign and quasi-sovereign (PDVSA) debt, payment delays in everyday business
- Shortage of foreign currency and basic goods
- Non-transparent and discretionary management of oil revenues burdened by rebates related to sanctions
- Hyperinflation, poverty and inequality
- Crime (homicides), corruption, patronage, trafficking of all kinds, black market

VIETNAM 🌐

COFACE ASSESSMENTS		
COUNTRY RISK	**B**
BUSINESS CLIMATE	**B**

POPULATION Millions of persons	**98.5**
GDP PER CAPITA US Dollars	**3,718**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	7.2	2.9	2.6	8.0	6.0
Inflation (yearly average, %)	2.8	3.2	1.8	3.2	4.0
Budget balance (% GDP)	-0.4	-2.9	-3.5	-4.7	-4.7
Current account balance (% GDP)	3.7	4.4	-2.0	-1.3	-0.2
Public debt (% GDP)	41.3	41.7	39.7	40.2	40.5

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

UNITED STATES	**29%**
CHINA	**17%**
EURO AREA	**11%**
SOUTH KOREA	**7%**
JAPAN	**6%**

Imports of goods by country as a % of total

CHINA	**34%**
SOUTH KOREA	**17%**
JAPAN	**7%**
TAIWAN	**6%**
UNITED STATES	**5%**

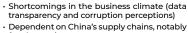**Exports of goods by product as a** % of total

TELECOM. & SOUND RECORDING APPARATUS	**17%**
ARTICLES OF APPAREL & CLOTHING ACCESSORIES	**12%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**12%**
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**11%**
FOOTWEAR	**7%**

Imports of goods by product as a % of total

ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES	**21%**
OFFICE MACHINES & AUTO DATA PROCESS. MACHINES	**9%**
TEXTILE YARN AND RELATED PRODUCTS	**7%**
IRON AND STEEL	**5%**
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**4%**

2023 OUTLOOK

- Although economic activity is expected to expand at a sustained pace, growth will decelerate in 2023 amid a weakened global economy.
- The fiscal policy should remain supportive in 2023, leading to a still relatively high fiscal deficit.
- Vietnam has low foreign exchange reserves due to SBV's interventions on the foreign exchange market in the first half of 2022 and the current account deficit. The latter is expected to narrow but will likely remain in 2023.
- Vietnam has taken a neutral stance on Russia's invasion of Ukraine. Conserving good relations with Russia is crucial amid fragile relations with China.

➕
- Dynamic economy featuring one of the fastest growth rates in the region
- Beneficiary of the US-China trade war and the "China Plus One" strategy
- Large labour pool and low labour costs
- Development strategy based upon production upscaling and diversification into electronics

➖
- Shortcomings in the business climate (data transparency and corruption perceptions)
- Dependent on China's supply chains, notably for electronics
- Incomplete reforms of the public sector, with a high level of indebtedness amongst SOEs
- Absence of large Vietnamese companies

ZAMBIA 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**D**
BUSINESS CLIMATE	**C**

POPULATION Millions of persons	**19.5**
GDP PER CAPITA US Dollars	**1,095**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	1.4	-2.8	4.6	3.1	3.8
Inflation (yearly average, %)	9.2	15.7	22.0	11.1	9.6
Budget balance (% GDP)	-9.4	-13.8	-8.4	-9.5	-9.1
Current account balance (% GDP)	1.4	12.0	7.6	-1.8	-3.7
Public debt (% GDP)	99.7	140.2	119.1	n/a	n/a

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

SWITZERLAND	**42%**
CHINA	**18%**
SINGAPORE	**13%**
CONGO DR	**10%**
EURO AREA	**3%**

Imports of goods by country as a % of total

SOUTH AFRICA	**32%**
CHINA	**13%**
UNITED ARAB EMIRATES	**9%**
EURO AREA	**6%**
INDIA	**6%**

Exports of goods by product as a % of total

NON-FERROUS METALS	**70%**
NON METALLIC MINERAL MANUFACTURES	**5%**
GOLD, NON-MONETARY	**4%**
METALLIFEROUS ORES AND METAL SCRAP	**2%**
INORGANIC CHEMICALS	**2%**

Imports of goods by product as a % of total

PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**11%**
METALLIFEROUS ORES AND METAL SCRAP	**7%**
ROAD VEHICLES	**7%**
SPECIALISED MACHINERY	**6%**
OTHER INDUSTRIAL MACHINERY AND PARTS	**5%**

2023 OUTLOOK

- High copper prices, the commissioning of a hydroelectric plant and the renewed market confidence since the election of Hakainde Hichilema in 2021 will continue to support the country's growth.
- The increase in social spending and the support of agriculture will strengthen household income and consumption, while the appreciation of the kwacha will moderate inflation.
- The fallout from the Ukrainian conflict could reduce export prospects, but the early lifting of the zero-COVID policy in China (essential partner) could offset this trend.
- Fiscal consolidation will depend on the reforms foreseen in the agreement reached with the IMF in August 2022, linked to the restructuring of the external debt.

➕
- Mining wealth (copper, cobalt, nickel, uranium, gold, diamonds, manganese)
- Agricultural wealth (maize, tobacco)
- Major hydroelectric potential

➖
- Dependence on copper, further accentuated by the dependence on China, the main importer of ore
- Landlocked and dependent on the transport routes of neighbouring countries
- Electricity production is based almost exclusively on hydropower; transport networks are unreliable
- High levels of inequality; healthcare, educational and administrative deficiencies
- Sovereign default in 2020 and unsustainable external debt

ZIMBABWE 🌐

COFACE ASSESSMENTS	
COUNTRY RISK	**E**
BUSINESS CLIMATE	**E**

POPULATION Millions of persons	**15.5**
GDP PER CAPITA US Dollars	**2,122**

Main Economic Indicators	2019	2020	2021	2022 (f)	2023 (f)
GDP growth (%)	-6.1	-5.2	7.2	3.0	-1.5
Inflation (yearly average, %)	521	349	60	377	232
Budget balance (% GDP)	-1.0	0.8	-2.3	-0.2	-0.1
Current account balance (% GDP)	4.0	2.9	1.1	0.6	0.3
Public debt (% GDP)	93.2	102.5	106.9	109.5	104.9

(f): Forecast.

TRADE EXCHANGES

Exports of goods by country as a % of total

SOUTH AFRICA	**50%**
UNITED ARAB EMIRATES	**30%**
MOZAMBIQUE	**9%**
CHINA	**4%**
EURO AREA	**3%**

Imports of goods by country as a % of total

SOUTH AFRICA	**52%**
ZAMBIA	**18%**
CHINA	**5%**
UNITED STATES	**3%**
MALAWI	**2%**

Exports of goods by product as a % of total

GOLD, NON-MONETARY	**40%**
TOBACCO AND TOBACCO MANUFACTURES	**16%**
METALLIFEROUS ORES AND METAL SCRAP	**15%**
IRON AND STEEL	**6%**
CRUDE FERTILISERS AND CRUDE MINERALS	**4%**

Imports of goods by product as a % of total
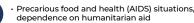
PETROLEUM, PETROL. PROD. & RELATED MATERIALS	**9%**
ROAD VEHICLES	**7%**
SPECIALISED MACHINERY	**6%**
ELECTRIC CURRENT	**6%**
CEREALS AND CEREAL PREPARATIONS	**5%**

2023 OUTLOOK

- Inflation is expected to be fuelled by poor harvests resulting from a succession of climatic hazards, pricey fertilisers and food supplies.
- Despite attempts to curb inflation (rising rates, aligning exchange rates, issuing gold coins), it will remain high.
- Despite increased food insecurity, Zimbabwe is not accessing the IMF's dedicated credit window due to arrears on its external debt.
- No structural economic reform is expected before the general elections in the summer of 2023, which are expected to see a continuation of the ruling party and electoral irregularities.

➕
- Plentiful mineral resources (platinum, gold, diamond, nickel)
- Agricultural assets (maize, tobacco, cotton)
- Tourism development potential

➖
- Economy devastated by hyperinflation and depreciation of the local currency, caused by the monetisation of debt
- Rain-fed agriculture, exposed to climatic hazards
- Precarious food and health (AIDS) situations, dependence on humanitarian aid
- Payment arrears to international donors
- Liquidity and foreign currency shortages
- Reliance on volatile commodity prices
- Underinvestment in infrastructure (especially energy)

GLOSSARY

A

ACA: Affordable Care Act (also known as Obamacare)

ADB: Asian Development Bank

AFD: Agence française de développement (French Development Agency)

AfDB: African Development Bank

Afreximbank: African Import-Export Bank

AFTA: ASEAN Free Trade Area

AGOA: African Growth and Opportunity Act - allows sub-Saharan African Country that are part of the scheme to export duty-free on the American market.

AIIB: Asian Infrastructure Investment Bank - multilateral financial institution created in 2014 to address infrastructure needs in Asia, which has since expanded to include members on all continents.

AMISOM: African Union Mission in Somalia

AML/CFT: These are international standards recommended by the FATF for the fight against money laundering and terrorist financing. The Financial Action Task Force (FATF) is an inter-governmental policymaking body whose purpose is to establish international standards

APEC: Asia-Pacific Economic Cooperation

AQIM: Al-Qaeda in the Islamic Maghreb

ASEAN: Association of Southeast Asian Nations

AU: African Union

B

B2B: Business-to-Business

BCEAO: Banque Centrale des États de l'Afrique de l'Ouest (Central Bank of West African States)

BDI: Baltic Exchange Dry Index - Maritime transport price index that takes into account 3/4 of ore and 1/4 of loose agricultural products flow

BEAC: Banque des États de l'Afrique Centrale (Bank of Central African States)

C

CABEI: Central American Bank for Economic Integration (in Spanish, *Banco Centroamericano de Integración Económica*)

CAFTA-DR: Dominican Republic-Central America FTA

CAR: Central African Republic

CARICOM: Caribbean Community and Common Market - Organisation briging together 15 Caribbean states or dependencies with the aim of economic integration

CARIFORUM: Caribbean Forum of African, Caribbean and Pacific states (ACP) linked to the European Union

CBO: Congressional Budget Office

CDF: Cancer Drug Fund

CEMAC: Central Africa Economic and Monetary Community

CETA: Comprehensive Economic and Trade Agreement (EU-Canada)

Chaebols: Large industrial conglomerates that are run and controlled by a South Korean owner (typically families)

CICE: Crédit d'impôt pour la compétitivité et l'emploi (Competitiveness and Employment Tax Credit)

CIS: Commonwealth of Independent States

CLS: Continuous Linked Settlement System

COFFI: Committee on Forests and the Forestry Industry

COLA: Cost of Living Allowance

COVAX: COVAX is the vaccine pillar of the Accelerating Access to Vaccines for COVID-19, or ACT Accelerator, a global collaboration to accelerate the production of and equal access to COVID-19 diagnostics, treatments and vaccines, including for the poorest countries. The COVAX facility was established in 2020 under the leadership of Gavi, the Vaccine Alliance, the World Health Organization (WHO), Unicef and others

CPEC: China-Pakistan Economic Corridor

CPTPP: Comprehensive and Progressive Agreement for Trans-Pacific Partnership involving 11 countries in the Pacific area

CSG: Contribution Sociale Généralisée (Generalised Social Contribution)

D

DSSI: G20 Debt Service Suspension Initiative

DRC: Democratic Republic of Congo

E

EAC: East African Community

EBRD: European Bank for Reconstruction and Development

ECB: European Central Bank

ECF: Extended Credit Facility - IMF programme that provides financial assistance to countries with protracted balance of payments problems. The IMF's main tool for providing support to low-income countries, created under the PRGT.

ECOWAS: Economic Community of West African States

EEU (or EAEU): Eurasian Economic Union

EFSD: Eurasian Fund for Stabilization and Development

EFTPOS: Electronic Funds Transfer at Point of Sale

EIA: US Energy Information Administration

EIB: European Investment Bank

EITO: European IT Observatory

EMU: Economic and Monetary Union

ERM II: European Exchange Rate Mechanism

EU: European Union

F

FAO: United Nations Food and Agriculture Organization

FARC: Fuerzas Armadas Revolucionarias de Colombia (Revolutionary Armed Forces of Colombia)

FDA: US Federal Drug Agency

FDI: Foreign Direct Investment

Fed: Federal Reserve of the United States

FIFA: Fédération Internationale de Football Association

FOMC: Federal Open Market Committee

FTA: Free Trade Agreement

FY: Financial Year

G

G20: A group of the heads of state or of government, finance ministers and central bank governors of 19 countries: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, South Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, United Kindgom, United States of America and the European Union.

G5 Sahel: Institutional framework for development and security cooperation regrouping Burkina Faso, Mali, Mauritania, Niger and Chad.

GAFTA: Greater Arab Free Trade Area

GCC: Cooperation Council for the Arab States of the Gulf, know as the Gulf Cooperation Council

GDP: Gross Domestic Product

GNP: Gross National Product

GRAINE: Gabonaise des Réalisations Agricoles et des Initiatives des Nationaux Engagés (Gabonese Initiative for Achieving Agricultural Outcomes with Engaged Citizenry)

GST: Goods and Services Tax

H

HDI: Human Development Index created by the UN

HIPC: Heavily Indebted Poor Countries (Initiative)

HOPE (act): Hemispheric Opportunity Through Partnership Encouragement

I

IATA: International Air Transport Association

ICC: International Criminal Court

ICJ: International Court of Justice

ICSID: International Centre for Settlement of Investment Disputes

ICT: Information and Communication Technology

IMF: International Monetary Fund

IOC: International Olympic Committee

J

JICA: Japan International Cooperation Agency

L

LNG: Liquified Natural Gas

London Club: Informal group of private bank creditors that deals with public sector debt

M

MDRI: Multilateral Debt Relief Initiative

MENA: Middle East and North Africa

MERCOSUR (or MERCOSUL): South American Common Market - includes Argentina, Brazil, Uruguay, Paraguay and Venezuela

MSR: Maritime Silk Road

N

NAFTA: North American Free Trade Area

NAHB HMI: National Association of Home Builders Housing Market Index

NATO: North Atlantic Treaty Organisation

NDP: Net Domestic Product measures the aggregate output of resident economic agents over the period (GDP), net of the consumption of fixed capital (CFC), which corresponds to the cost of wearing out capital over the same period

NGEU: NextGenerationEU, a temporary EU instrument to support recovery through the Recovery and Resilience Facility (see definition above)

O

ODA: Official Development Assistance

OECD: Organisation for Economic Cooperation & Development

OPEC: Organization of Petroleum Exporting Countries

OSCE: Organization for Security and Co-Operation in Europe

P

Pacific Alliance (Alianza del Pacífico): Trade agreement including Chile, Colombia, Peru and Mexico

Paris Club: Official creditor's informal grouping

PDVSA: Petróleos de Venezuela, S.A. (Petroleum of Venezuela) - Venezuelan state-owned oil and natural gas company

Petrocaribe: Energy cooperation agreemeent between Caribbean countries and Venzeula enabling the former to buy oil on preferential terms

PPP: Public-Private Partnership

PRGT: Poverty Reduction and Growth Trust - IMF's special low-interest lending programme for poor countries with structural balance of payments difficulties

PSUV: United Socialist Party of Venezuela

PVC: Polyvinyl Chloride

R

RCEP: Regional Comprehensive Economic Partnership involving 15 countries in the Asia-Pacific region

R&D: Research and Development

RRF: The EU Recovery and Resilience Facility is the budget associated with NextGenerationEU (NGEU) (see definition below)

S

SACU: South African Customs Union of five southern African countries (South Africa, Lesotho, Botswana, Namibia, Eswatini), created in 1969

SADC: Southern African Development Community

SAR: Special administrative region

SCFI: The Shanghai Shipping Freight Index reflects the export rate of the containers transportation. It includes freight rate (Shanghai) indices of 15 maritime roads and a composite index (Freight indices reflect the maritime freight and other maritime road tax)

SDR: Special Drawing Right

SEPA: Single Euro Payments Area

SMEs: Small- and Medium-sized Enterprises

SOCAR: State Oil Company of Azerbaijan Republic

SOE: State-Owned Enterprises

SOFAZ: State Oil Fund of Azerbaijan

SWF: Sovereign Wealth Fund

SWIFT: Society for Worldwide Interbank Financial Communication - an organisation with a system for the electronic transfers of funds between member banks in Europe and North America

T

TANAP: Trans-Anatolian Natural Gas Pipeline

TAP: Trans Adriatic Pipeline

TPP: Trans-Pacific Partnership

TTIP: Transatlantic Trade and Investment Partnership

GLOSSARY

U

UK: United Kingdom of Great Britain and Northern Ireland

UN: United Nations

UNASUR: Union of South American Nations

UNECE: United Nations Economic Commission for Europe

UNMIL: United Nations Mission in Liberia

UNSMIL: United Nations Support Mission in Libya

US(A): United States (of America)

USDA: United States Department of Agriculture

USMCA: United States-Mexico-Canada Agreement

V

VAT: Value Added Tax

W

WAEMU: West African Economic and Monetary Union

WB: World Bank

WHO: World Health Organisation

WTO: World Trade Organization

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