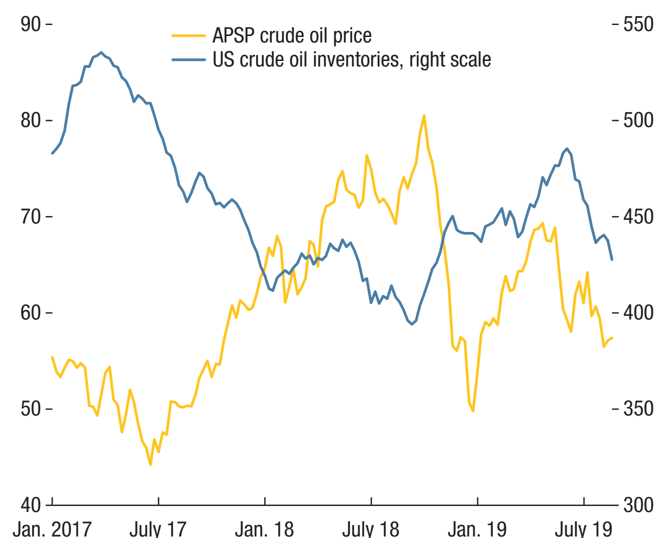
# 1. MENAP Oil-Exporting Countries: Transitioning to a Sustainable Fiscal Position and Higher Growth

*Growth in the near term remains subdued for oil exporters in the Middle East, North Africa, Afghanistan, and Pakistan (MENAP) region, amid volatile oil prices, precarious global growth, elevated fiscal vulnerabilities, and heightened geopolitical tensions. In addition, declining productivity is dampening medium-term growth prospects. To reduce dependence on oil prices and pave the way for more sustainable growth, fiscal consolidation needs to resume, underpinned by improved medium-term fiscal frameworks. In parallel, structural reforms and further financial sector development would boost foreign direct investment (FDI) and domestic private investment and foster diversification, thus contributing to improved productivity and potential growth.*

**Figure 1.1. APSP Crude Oil Prices and US Crude Oil Inventories**

*(US$ a barrel and thousands of barrels, right scale)*




Sources: Bloomberg Finance L.P.; US Energy Information Administration; and IMF staff calculations.
Note: APSP = average petroleum spot price.

## Managing External and Domestic Policy Challenges

Against a backdrop of slowing global growth, ongoing trade tensions, and renewed geopolitical risks, including developments in Iran and recent attacks on Saudi Arabia's oil facilities, oil prices remain volatile, swinging from $55 to $75 a barrel since the start of the year (see Global Developments). Uncertainties related to future Organization of the Petroleum Exporting Countries and other major oil producers (OPEC+) production decisions and the pace of US oil output expansion add to bouts of oil price volatility (Figure 1.1). At the same time, ongoing conflicts in Libya and Yemen limit scope for effective macroeconomic policies in these countries and further intensify ongoing regional uncertainties.

In this context, growth in MENAP oil exporters (excluding countries affected by conflict and Iran) is expected to be 1.3 percent in 2019 (a downward revision of 0.9 percentage point since April 2019) compared to 1.6 percent in 2018. Increased activity in the oil and gas sectors is expected to support a moderate pickup in growth in these countries to 2.8 percent in 2020. However, this too reflects a downward revision relative to April of 0.7 percentage point, while considerable downside risks underscore prospects for much lower growth outcomes.

Downside risks are significant. Lower global demand and oil production could potentially weaken oil prices, business confidence, and investment decisions, with adverse implications for growth and fiscal and external positions.

Meanwhile, increased fiscal vulnerabilities in some countries—in the context of higher public spending to support growth—reinforce risks from lower projected medium-term oil prices. Finally, while increased bond and equity inflows can finance investment, and potentially stimulate

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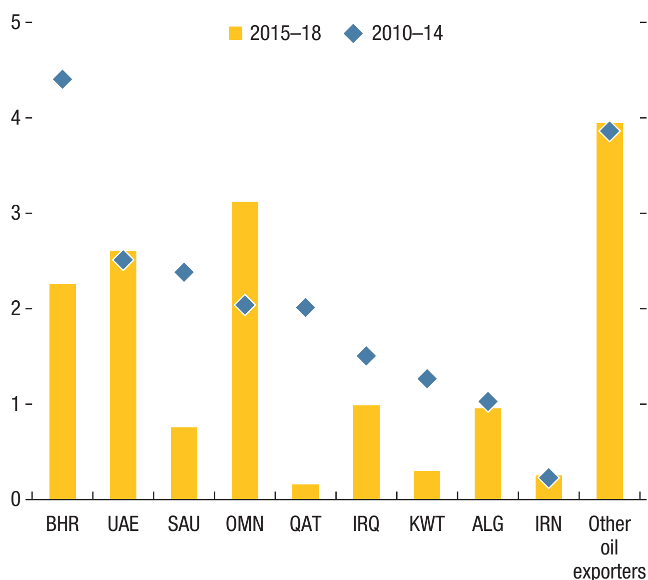
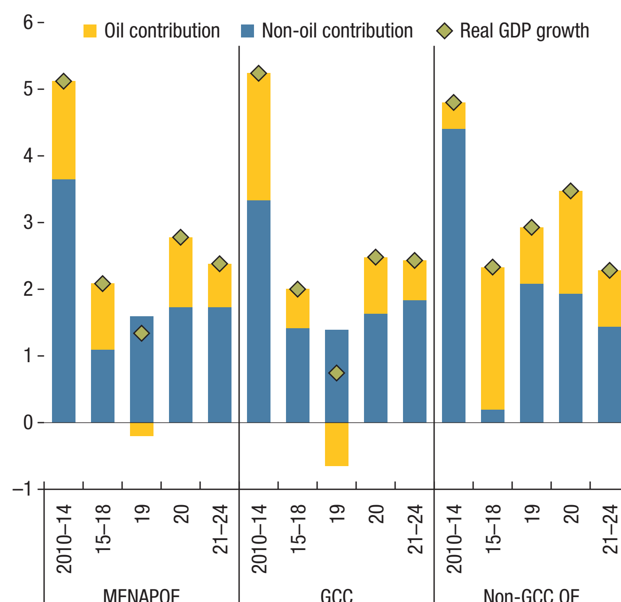
**Figure 1.2. FDI Inflows, 2010–18**
*(Percent of GDP)*




Sources: National authorities; and IMF staff calculations.
Note: FDI = foreign direct investment. Other oil exporters comprise: Albania, Angola, Bolivia, Brunei Darassalam, Cameroon, Chad, Republic of Congo, Côte d'Ivoire, Democratic Republic of the Congo, Ecuador, Equatorial Guinea, Gabon, Indonesia, Mexico, Nigeria, Norway, Papua New Guinea, Russia, Timor-Leste, Trinidad and Tobago, Venezuela, and Vietnam. Country abbreviations are International Organization for Standardization (ISO) country codes.

**Figure 1.3. Real GDP Growth: Non-Oil and Oil Contributions**
*(Percent)*




Sources: National authorities; and IMF staff calculations.
Note: Iran and Libya are excluded from MENAPOE and non-GCC OE. GCC = Gulf Cooperation Council; MENAPOE = Middle East, North Africa, Afghanistan, and Pakistan oil-exporting countries; OE = oil exporters. Country-specific weights correspond to purchasing-power-parity-adjusted GDP.

growth, they can also make the region more susceptible to developments in international financial markets (see Chapter 4).

Looking ahead, growth is constrained by a slowdown in productivity, amid reduced FDI flows (Figure 1.2) and scope to improve the allocation of fiscal resources. In this environment, further boosting demand through expansionary fiscal policy would heighten fiscal vulnerabilities and have only a modest impact on growth.

Against this outlook, a mix of macroeconomic and financial policies that would strengthen resilience and promote private-sector-led, job-rich growth is required. Reducing fiscal vulnerabilities is a priority, combined with enhanced emphasis on structural reforms to spur growth. The pace of fiscal consolidation in individual countries should take into consideration the growth impact. Fiscal adjustment needs to be embedded in a medium-term fiscal framework and focused on improving the collection of non-oil revenue, containing wage bills, raising energy prices, and improving the quality of public expenditure (see Chapter 5). Structural and financial sector reforms would boost FDI and investment, and foster private sector activity, thus helping to lift productivity and potential growth.

## Improving but Subdued Growth

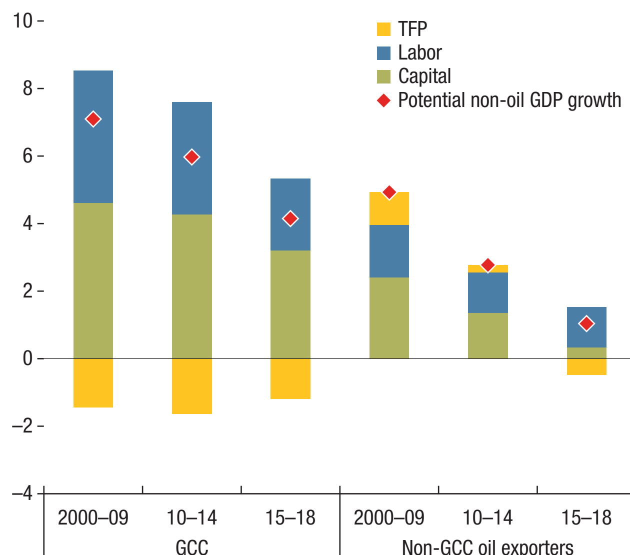
The implementation of ongoing infrastructure projects and improved credit conditions will reinforce the projected near-term recovery in growth of MENAP oil exporters (Figure 1.3). But the growth outlook is fragile given the projected downward trend in oil prices, elevated oil price volatility, and emerging fiscal vulnerabilities.

- Growth in Gulf Cooperation Council (GCC) countries is projected to be 0.7 percent in 2019, down notably from 2 percent in 2018. This decline mainly reflects oil production cuts in line with OPEC+ agreements. Growth

in 2020 is expected to rebound to 2.5 percent, driven by a recovery in real oil GDP growth of 1.9 percent (compared to –1.4 percent in 2019 and 2.5 percent in 2018). This reflects a mix of rising oil production in Kuwait and Saudi Arabia, the Jizan refinery becoming fully operational (Saudi Arabia), and a pickup in gas output in Oman and Qatar. However, it is uncertain whether the OPEC+ agreement in place will expire by March 2020. Non-oil GDP growth (increasing to 2.8 percent in 2020 from 2.4 percent in 2019) will be supported by infrastructure spending (Kuwait and UAE seeing a boost to tourism from Expo 2020, and Qatar, given its preparations toward hosting the 2022 World Cup).

- Iran's economy has entered a steep recession. Output in 2019 is expected to shrink by 9.5 percent as US sanctions have continued to tighten. Iran's main export, oil, is severely restricted, and imports have collapsed. Some stability in the level of output is expected in 2020, culminating in near-zero growth.[1]
- Other non-GCC oil exporters show a mixed growth outlook. Growth in Iraq is projected to be 3.4 percent in 2019, improving from –0.6 percent in 2018 on rising public spending and a modest increase in oil production. Similar trends, alongside better rainfall and sustained improvement in electricity production, will see growth increase to 4.7 percent in 2020. In Algeria, growth is expected to reach 2.6 percent in 2019, up from 1.4 percent in 2018, on rising oil production, before moderating to 2.4 percent in 2020 reflecting ongoing uncertainty. Security and political conditions have deteriorated since April 2019 in Libya, adversely impacting economic performance. Growth is expected to decline slightly in Yemen. The projected growth in non-GCC oil exporters assumes some easing of regional tensions. Growth could be lower if this critical expectation fails to materialize.

**Figure 1.4. Potential Real Non-Oil GDP Growth: Contributions of Capital, Labor, and Productivity**
*(Percent)*




Sources: National authorities; and IMF staff calculations.
Note: Libya is excluded from non-GCC oil exporters. GCC = Gulf Cooperation Council; TFP = total factor productivity. Simple averages are used to compute regional aggregates.

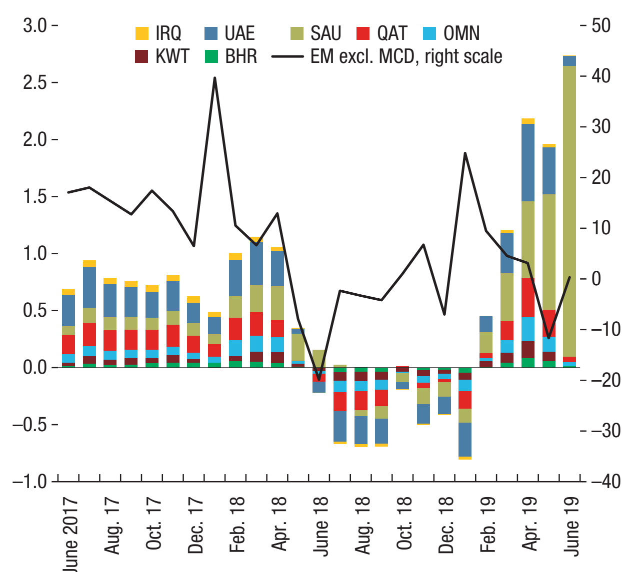
Potential non-oil GDP growth has slowed, reflecting diminishing productivity growth in non-GCC oil exporters, persistently negative productivity growth in GCC oil exporters, and declining capital accumulation across MENAP oil exporters (Figure 1.4).[2] Dominant public sectors in GCC countries continue to skew incentives for investment toward nontradables, weighing on diversification and productivity growth (Callen and others 2014; Cherif and Hasanov 2016).

Against this background, activity is expected to remain subdued over the medium term. Real GDP growth is expected to average about 2.4 percent for GCC countries and 2.3 percent for non-GCC oil exporters (excluding Iran and Libya) during 2021–24. These growth levels are too low to create the approximately 1 million new jobs a year needed to absorb new entrants into labor markets.

[1]See Box 1.1 on the regional spillovers of the re-imposition of economic sanctions on Iran.

[2]Oil prices may also significantly impact confidence and the pace of government investments, with impacts on potential output.

**Figure 1.5. EPFR Bonds and Equity Net Flows**
*(US$ billions, rolling 3-month cumulative flow)*




Sources: Haver Analytics; and IMF staff calculations.
Note: EM = emerging market economies; EPFR = Emerging Portfolio Fund Research; MCD = Middle East and Central Asia Department. Country abbreviations are International Organization for Standardization (ISO) country codes.

## Improving Financial Conditions Supporting Growth

MENAP oil-exporting countries are benefiting from supportive global financial conditions. Interest rate cuts by major central banks (matched in most GCC countries), and the inclusion of GCC countries in global equity and bond indices, boosted debt and equity flows to many countries in the region in 2019, outperforming other emerging market economies (Figure 1.5).

There has been a modest recovery in private credit growth in GCC countries, partly supported by lower domestic interest rates in response to recent easing by the US Federal Reserve. Nonetheless, pressures in real estate markets persist, impacting financial and monetary conditions (see the April 2019 *Regional Economic Outlook Update: Middle East and Central Asia* for the computation of financial conditions indices).

The banking sector in GCC countries is adjusting to the decline in real estate prices by reducing credit allocation to construction and real estate sectors (Qatar), while mortgage lending is increasing in Saudi Arabia from a low base. Although the banking sector remains healthy, safeguarding the stability of the financial system will require continued effective monitoring of emerging trends in the real estate sector and exploring the scope for continued use of macroprudential measures to contain risks as needed.

In other countries (Algeria, Iran, Yemen), monetary financing of fiscal deficits and inflation driven by exchange rate pressures have lowered real credit growth to the private sector. In conjunction with containing fiscal deficits, these countries need to redouble efforts to mop up liquidity already injected through monetary financing operations to contain inflationary and exchange rate pressures and the associated adverse impacts on economic activity. In Iraq, bank balance sheets remain weak. The public banking system requires restructuring to safeguard financial stability.

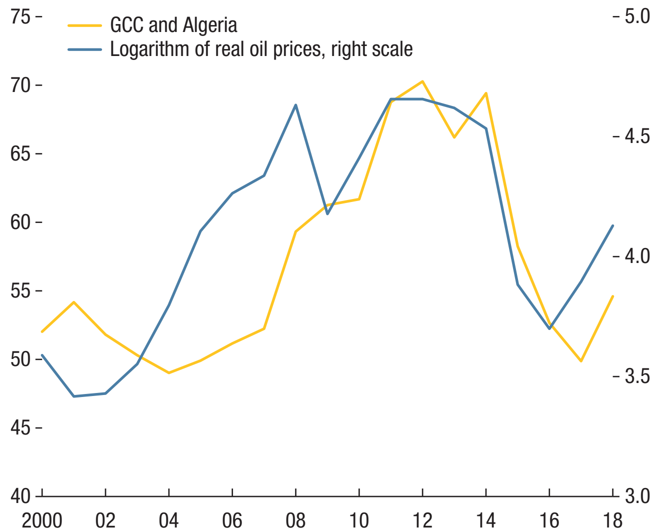
## Comovements between Oil Prices and Expenditures, and Fiscal Risks

With concerns about weak growth, the challenge of the strong association between oil prices and government expenditures remains (Figure 1.6). Fiscal consolidation is slowing in some countries and reversing in others (Figure 1.7) due largely to increased spending (Figure 1.8). Nonetheless, the spending effect on growth has been modest so far, partly because of the composition of spending (Figure 1.9).[3] As a result, fiscal vulnerabilities have increased, especially compared to the pre-2014 period. Gross financing needs and public debt have moved up, while governments' net financial positions have deteriorated (Figure 1.10).[4] Thus, countries are now more vulnerable to a decline in oil prices, particularly those with limited fiscal buffers (Bahrain, Iran, Iraq, Oman, Yemen). The estimated gap between the non-hydrocarbon primary balance needed to ensure

[3]See Fouejieu, Rodriquez, and Shahid 2018.
[4]This measure excludes sovereign wealth funds due to lack of information on the size of their liquid components.

**Figure 1.6. Real Oil Prices and General Government Expenditure**

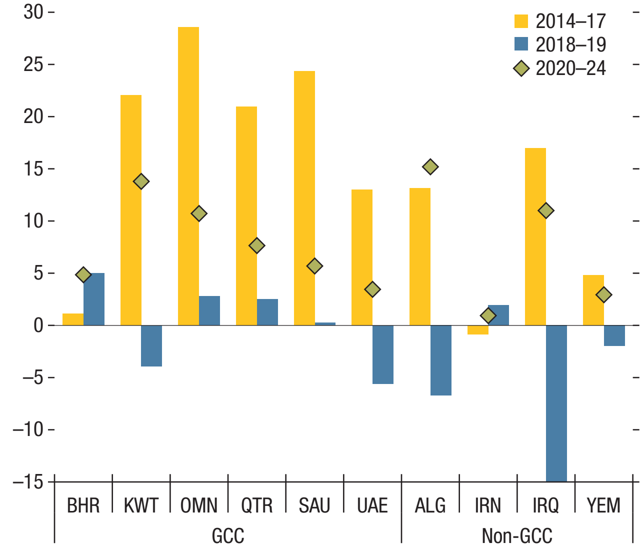
*(Logarithm of oil prices and percent of non-oil GDP, weighted averages)*




Sources: National authorities; and IMF staff calculations.
Note: The real oil prices are calculated using the US GDP deflator. Country-specific weights correspond to nominal GDP in US dollars. GCC = Gulf Cooperation Council.

**Figure 1.7. MENAPOE: Changes in Non-Oil Primary Fiscal Balances**

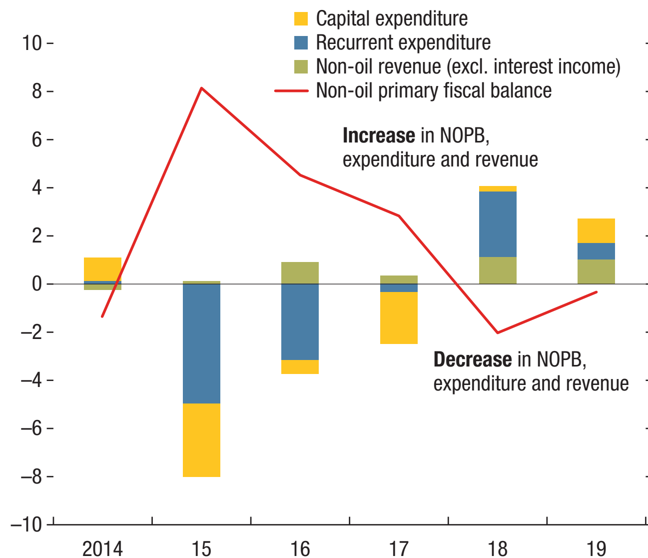
*(Percent of non-oil GDP)*




Sources: National authorities; and IMF staff calculations.
Note: Country-specific weights correspond to GDP in US dollars. GCC = Gulf Cooperation Council; MENAPOE = Middle East, North Africa, Afghanistan, and Pakistan oil-exporting countries. Country abbreviations are International Organization for Standardization (ISO) country codes.

**Figure 1.8. MENAPOE: Changes in the Non-Oil Primary Balance, Expenditure, and Non-Oil Revenue**

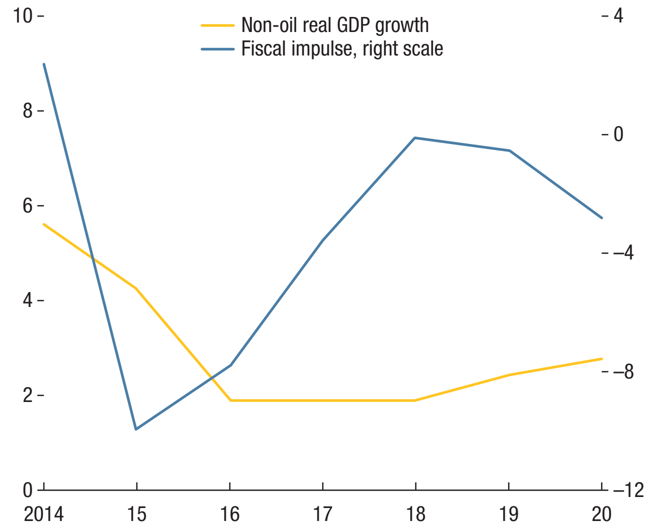
*(Percent of non-oil GDP, weighted averages)*




Sources: National authorities; and IMF staff calculations.
Note: MENAPOE = Middle East and North Africa, Afghanistan, and Pakistan oil-exporting countries; NOPB = non-oil primary fiscal balance. Country-specific weights correspond to GDP in US dollars.

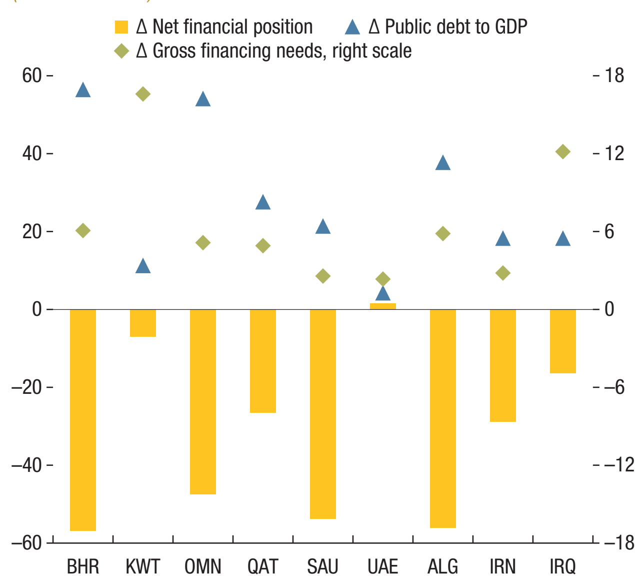
**Figure 1.9. GCC: Non-Oil Real GDP Growth and Fiscal Impulses**

*(Percent and percent of non-oil GDP, weighted averages)*




Sources: National authorities; and IMF staff calculations.
Note: Fiscal impulse is calculated using the change in non-oil primary deficit to non-oil GDP ratio. Country-specific weights correspond to purchasing-power-parity-adjusted GDP. GCC = Gulf Cooperation Council.

**Figure 1.10. MENAPOE: Changes in the Gross Public Debt, Gross Financing Needs, and the Net Financial Positions, 2014–19**
*(Percent of GDP)*




Sources: National authorities; and IMF staff calculations.
Note: The net financial position is the difference between domestic and external debt, and government deposits. Gross financing needs for Kuwait include mandatory transfers to the sovereign wealth fund. Sovereign wealth funds are not included in the definition of the net financial position due to lack of information. Country abbreviations are International Organization for Standardization (ISO) country codes.

intergenerational equity and the projected primary balance in 2019 ranges between 5 and 23 percentage points of nonhydrocarbon GDP.

## Addressing Fiscal Vulnerabilities and Intergenerational Equity

Resumption of fiscal consolidation would help rebuild policy buffers and complement efforts to achieve private-sector-led growth. Individual countries' fiscal space, economic conditions, and financing needs should determine the magnitude and pace of the adjustment. However, in the event of adverse shocks or if cyclical conditions warrant, countries with significant fiscal space (Kuwait, Qatar, United Arab Emirates) could undertake slower fiscal consolidation. Overall, an effective fiscal consolidation would depend on several important elements:

*Enhancing non-oil revenue collection*. MENAP oil exporters have taken significant steps to improve non-oil revenue mobilization.[5] However, there is scope to further augment tax revenues by undertaking comprehensive tax reforms. The strategy could be to prioritize measures to broaden the base by gradually reducing exemptions, eliminating loopholes in tax legislations, and strengthening tax administration. Some countries (Kuwait, Oman, Qatar) would benefit from introducing a value-added tax to enhance domestic revenue mobilization. Consumption taxes could be expanded and enhanced in Iraq. In addition, consideration could be given to introducing other measures, including income and property taxes.

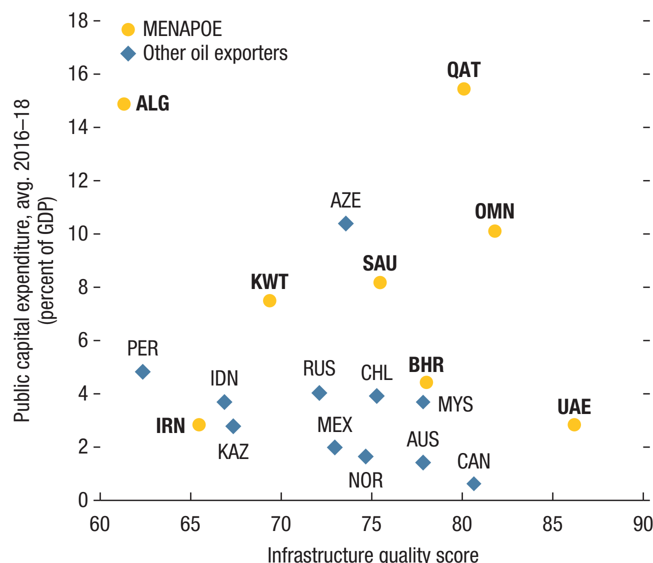
*Contain wage bills and energy subsidies and improve the quality and efficiency of spending*. Efforts to contain and streamline wage bills (see Tamirisa and others 2018) and energy subsidies[6] (with emphasis on cost-recovery and incentives to reduce energy intensity and inefficiencies) together with strengthening social protection would contribute to a more effective and efficient allocation of resources, crucial for improved productivity. While infrastructure quality in MENAP oil exporters varies, such quality has been achieved at high levels of capital expenditures as ratios of GDP (Figure 1.11), indicating room for improving the efficiency of public investment. Key areas for improvement are procurement, transparency, and appraisal and selection processes.

*Strengthening fiscal frameworks*. The uncertainty about oil price prospects underscores the need to decouple the evolution of public expenditures from volatile oil receipts. Medium-term fiscal frameworks could prove useful. Strengthening fiscal institutions, including improving transparency and adopting credible medium-term fiscal frameworks, could help improve the

[5]Saudi Arabia introduced a set of measures, including a 5 percent value-added tax rate in January 2018, excises, and an expatriate levy to improve non-oil revenue collection. The United Arab Emirates introduced excises in late 2017, and a value-added tax in January 2018. Bahrain introduced a value-added tax at a 5 percent rate in January 2019. Qatar introduced excise taxes in 2019 (100 percent on tobacco, 50 percent on all carbonated drinks, and 100 percent on all energy drinks).

[6]In some countries lower subsidies going forward will raise revenues rather than lower expenditures (Saudi Arabia).

**Figure 1.11. MENAPOE and Comparators: Infrastructure Quality Score and Public Capital Expenditure**
*(Score and percent of GDP)*




Sources: WEF *Global Competitiveness Report 2018–2019*; and IMF staff calculations.
Note: The World Economic Forum's Global Competitiveness indicators combine both official data and survey responses from business executives.These indicators should be interpreted with caution due to a limited number of respondents, limited geographic coverage, standardized assumptions on business constraints, and information availability. They may also not reflect more recent important structural transformations. MENAPOE = Middle East and North Africa, Afghanistan, and Pakistan oil-exporting countries. Country abbreviations are International Organization for Standardization (ISO) country codes.

macroeconomic performance of MENAP oil exporters (see Chapter 5, Adedeji and Zhang 2019).

## Structural Reforms to Achieve Higher and Inclusive Growth

Even as continued fiscal consolidation remains a priority, there is a pressing need to generate jobs across the region. To this end, further financial development and structural reforms would help raise economies' supply potential (see Chapter 4 and the October 2019 *World Economic Outlook*). This is important as growth must come from the private sector to ease the burden of much-needed fiscal adjustment.

A recent analysis of GCC countries indicated that increased financial development could raise annual per capita income growth by 0.4–0.7 percentage point and increased financial inclusion in this region could be associated with higher growth of some 0.3–0.7 percentage point (Ben Ltaifa and others 2018).

Strategies to improve financial development and inclusion should focus on the following:

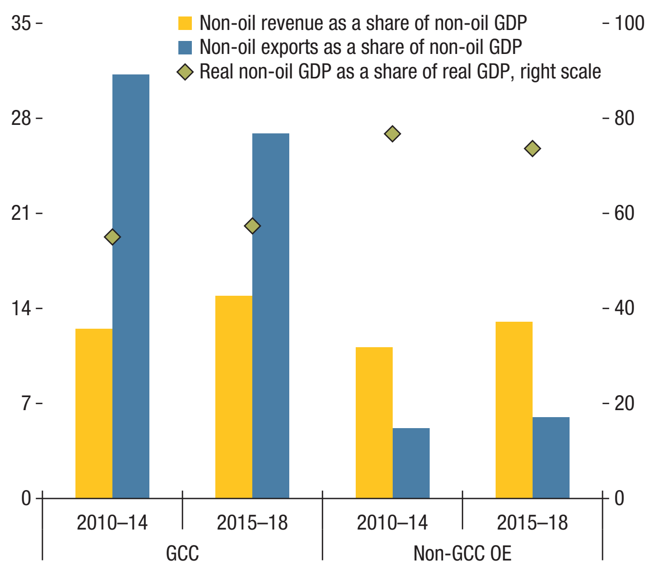
- *Reforms to strengthen access to finance for young and growing companies*. Promoting financial sector competition would help enhance access to finance. Financial literacy and insolvency frameworks could also be improved.
- *Debt and securities markets*. Developing debt markets, making stock markets more accessible to a larger pool of companies and investors, and further improving corporate governance and investor protection would support improved productivity and higher growth.

Although non-oil revenues have been strengthened, considerable scope exists for increasing the non-oil share of economic activity and exports (Figure 1.12).

Structural reforms to support private-sector-led non-oil growth and raise productivity are therefore important. Emphasis could be placed on four key objectives:

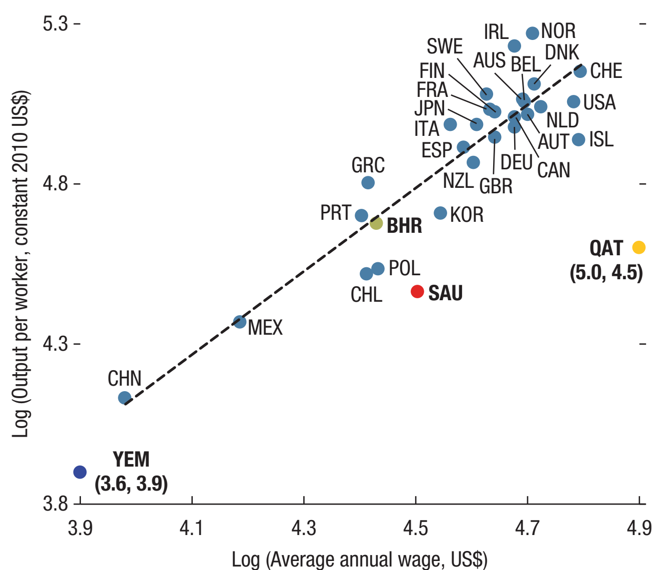
- *Further improving an environment in which the private sector can flourish*. Continued initiatives in GCC countries and concerted efforts in non-GCC oil exporters to improve business environments will help catalyze domestic and foreign direct investment. FDI can lift productivity and growth through technology spillovers and knowledge creation (OECD 2002, WEF 2013). Closing FDI gaps in GCC countries could raise real non-oil GDP per capita growth by as much as 1 percentage point (Stepanyan and others 2018). Relaxing restrictions on foreign ownership would help attract FDI (Algeria).
- *Improving competition and discipline*. A more focused role for the public sector through

**Figure 1.12. Diversification from Oil: Real Non-Oil GDP, Non-Oil Revenues, and Non-Oil Exports**
*(Percent of real GDP and non-oil GDP)*




Sources: National authorities; and IMF staff calculations.
Note: Libya was excluded due to data availability. GCC = Gulf Cooperation Council; OE = oil-exporting country. Country-specific weights correspond to purchasing-power-parity-adjusted GDP.

**Figure 1.13. Average Annual Wage and Productivity**
*(Logarithm of output per worker and logarithm of average annual wage)*




Sources: Haver Analytics; International Labour Organization; national authorities; World Bank; and IMF staff calculations.
Note: Productivity for Gulf Cooperation Council (GCC) countries is estimated using the relationship between the quality of human capital—based on the World Bank's Human Capital Index—and productivity in the sample of countries shown, as direct data on productivity of nationals in GCC countries are not available. Values for Qatar and Yemen are not within the range of the scale and are shown in parentheses. The remaining MENAP oil-exporting countries are excluded due to data availability. Country abbreviations are International Organization for Standardization (ISO) country codes.

privatization and effective public–private partnerships (in GCC countries), broader and better enforced competition laws (Algeria and GCC countries), and a level playing field between the private sector and state enterprises and foundations (Algeria, Iran) would support competition. All six GCC countries have adopted national visions with significant industrial policy components. Although such policies could encourage the development of new sectors, it is important for these policies to be approached with caution and that any support targets sectors rather than individual companies and is time-bound with specific performance criteria.

- *Incentivizing private sector employment and improving competitiveness.* Wages seem higher than would be suggested by productivity levels in some countries (Figure 1.13; see Kirti 2019). As high public wages and employment contribute to wage-productivity gaps, public-private wage gaps need to be contained (Kuwait, Oman, Saudi Arabia, United Arab Emirates) by more closely linking compensation to performance and improving control over bonuses and allowances (see Tamirisa and others 2018), and expectations of limited growth in public sector jobs communicated (Kuwait, Oman, Saudi Arabia). Improved education and training are essential to improving human capital and raising productivity for all MENAP oil exporters.

- *Improving governance.* Legal frameworks require strengthening to protect contractual, ownership, and creditor rights. Reinforcing the rule of law would require increasing the transparency of corporate beneficial ownership. Many countries would benefit from enhancing asset declaration systems for senior public officials, criminalizing bribery and embezzlement, and reducing the scope for corruption and rent seeking.

## Box 1.1. Iran: Regional Spillovers

*A lack of integration in global trade means that the sharp recession in Iran will probably have limited spillovers to the rest of the region. The largest impact will likely be in the international oil market, although geopolitical tensions, as well as responses of other oil producers and weakening global oil demand, make the resultant price impact highly uncertain. Other specific markets—including tourism, agriculture, and electricity—in particular countries may also be moderately impacted.*

**Iran's trade links are limited.** In 2017, Iran's gross trade (imports plus exports) was 47 percent of GDP, about half that of other MENA oil exporters (84 percent). Few countries were dependent on Iranian demand for their exports prior to the latest round of sanctions (Table 1.1.1) and even those partners for which Iran's share of exports is large are insulated either through their role as reexporters (United Arab Emirates) or their small export sector (Afghanistan, Tajikistan).

**Despite limited overall exposure, trade in specific markets may be severely impacted.** For example, Iraq relies on Iran for about one-third of its electricity, both as direct supplies and gas for power stations. Excess demand for US dollars in Iran has spilled over to Afghan currency markets, amplifying depreciation of the Afghani. Agricultural producers in the Caucasus may also be exposed to lower Iranian demand.

**Loss of Iranian oil supply contributed to global oil price volatility.** Iran's share of global oil production dropped from 5.5 percent in 2017 to only 4 percent at the end of 2018. While increased OPEC and US shale production has cushioned the loss of Iranian supply, uncertainty over the timing of these adjustments and the extent of sanction exemptions granted to importers of Iran's oil contributed to higher oil price volatility since the first half of 2018.

**Financial linkages are limited.** Foreign residents have relatively few claims on Iranian assets. The Bank for International Settlements reports Iranian financial liabilities to foreign residents of only $1.9 billion in the third quarter of 2018. However, Iranian assets held overseas rose above $25 billion—more than double 2017 levels—with much of the increase in Germany and Korea (Figure 3). US sanctions triggered a decline in correspondent banking relationships, from about 350 relationships in 2017 to fewer than 60 in 2018.

**Table 1.1.1. Countries with Significant Exports to Iran**

| | Goods exports to Iran, 2017 | | | Iranian import share | |
|---|---|---|---|---|---|
| | *US$ (millions)* | *Export share (percent)* | *GDP share (percent)* | *(percent)* | **Major products** |
| Tajikistan | 67.42 | 0.06 | 0.01 | 0.00 | |
| UAE | 7,716.94 | 0.04 | 0.02 | 0.28 | Motor vehicles |
| Armenia | 84.12 | 0.04 | 0.01 | 0.00 | Live animals |
| Georgia | 76.35 | 0.03 | 0.01 | 0.00 | Live animals |
| Uzbekistan | 258.30 | 0.02 | 0.01 | 0.00 | |
| Afghanistan | 32.36 | 0.02 | 0.00 | 0.00 | |
| Turkey | 3,259.27 | 0.02 | 0.00 | 0.05 | Metals |
| Oman | 597.40 | 0.02 | 0.01 | 0.00 | Tobacco |
| Sri Lanka | 177.00 | 0.02 | 0.00 | 0.00 | Tea, Coffee |
| Brazil | 2,559.77 | 0.01 | 0.00 | 0.01 | Corn seed |

Sources: National authorities; and IMF staff calculations.

Note: This table lists the 10 countries for which exports to Iran account for the largest fraction of total exports.

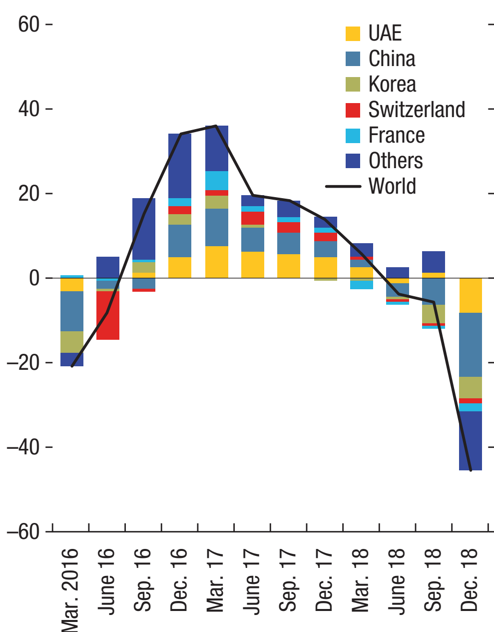
Prepared by Philip Barrett.

**Box 1.1** *(continued)*

**Tourism and migration flows may compound trade and financial spillovers from Iran.** Lower incomes and a weaker rial are likely to reduce tourism from Iran. According to the UN World Tourism Organization, Iranian residents made more than 10.5 million international trips in 2017, a rise of 60 percent since 2015. Turkey was the most popular destination, with more than 2.5 million visits. Iran hosts nearly 1 million refugees, who may be more likely to return home. The UN International Office of Migration reports that more than 500,000 undocumented Afghans returned from Iran in the first nine months of 2018, more than double the same period in 2017.

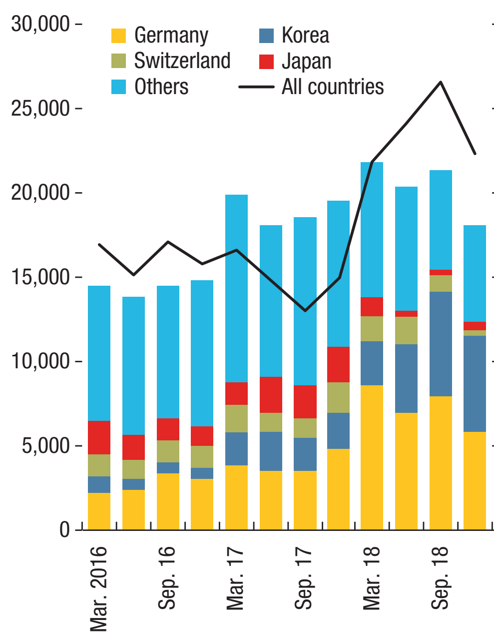
**Geopolitical tensions may directly impact international trade.** The Persian Gulf is a critical global shipping lane for oil; according to the US Energy Information Administration, oil shipments through the Strait of Hormuz were equivalent to more than 20 percent of global consumption in 2018. Recent tensions, including explosions aboard two oil tankers in June and the detention of a UK-registered ship in July, highlight the risk that increased geopolitical tensions could impact global trade, especially in oil.

**Figure 1.1.1. Imports Growth**
*(Percent, year-over-year growth rate)*




Sources: Bloomberg Finance L.P.; Haver Analytics; Iranian authorities; and IMF staff calculations.

**Figure 1.1.2. Iranian Overseas Claims**
*(US$, millions)*




Sources: Bloomberg Finance L.P.; Haver Analytics; Iranian authorities; and IMF staff calculations.

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