

Statement from IFC-World Bank on the use of Economic Fitness methodology

IFC used Economic Fitness to inform over 40 country strategies last year. Based on that success, we held the Economic Complexity Workshop at IFC in September, and had in attendance high-level representatives of World Bank, local think tanks, IMF, and academic institutions. The majority of the sessions were given by team members from Rome covering not just analytical constructs, but also in-depth applied work. For example, China's new energy vehicle industries - during which the new product and industry-level technology indices were introduced.

There are plans to expand our work to include:

- Real-time long term forecasts of growth with the IMF as a positive challenge to the WEO process;
- Correlate and condition an endowment "space" with Economic Fitness trajectories;
- Continue building an alternative view of traditional supply/demand projections for specific industry analysis;
- Potentially publish Economic Fitness through data.worldbank.org.

It is simply amazing how the Economic Fitness indicator opens our understanding of the economy. This indicator can help development institutions in a way which reduces costs- surveys, ever-evolving indicators, and other complex economic statistics which change subtly from year to year - because it helps us refine focus early.

Economic Fitness and other work we do together continues to contribute to economic development thinking, and is a very large part of my 2018-19 business plan. I'm a firm believer of less new data-collection, and better analysis with existing data. The work we do with La Sapienza and ICS embraces this philosophy to focus on solutions for development, not data collection.

With continued collaboration our work will help IFC and other Development Institutions more selectively induce and de-risk private sector participation in member state economies. I personally look forward to our continued success.

Kind Regards,

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