CORRIGENDUM

Page number and original content:
Contents page
Changed to:
Page numbers added

Page number and original content:
Abbreviations page
Changed to:
EU, Libor, MWh, NAFTA, UK, WTO were deleted from the list

Page number and original content:
Part 1 divider page, “Slow growth.”
Changed to:
“Solid growth…”

Page number and original content:
\textit{p.1, Figure 1.0.1} \hfill 
NIEs = newly industrialized economies.
\textit{Note:} The major industrial economies consists of the United States, the euro area, and Japan.

Changed to:
\textit{Notes:} The major industrial economies are the euro area, Japan, and the United States. The newly industrialized economies (NIEs) are the Republic of Korea, Singapore, Taipei, China, and Hong Kong, China.

Page number and original content:
\textit{p.1, Figure 1.0.2} \hfill 
PRC = People’s Republic of China.
\textit{Note:} Weights are based on gross national income in current $, Atlas method.
\textit{Source:} Staff calculations using data from World Development Indicators online database.

Changed to:
\textit{Note:} Weights are based on gross national income in current US dollars, Atlas method.
\textit{Source:} ADB estimates using data from World Development Indicators online database.

Page number and original content:
\textit{p.2, Figure 1.1.1} \hfill 
Growth in developing Asia and subregional contributions

Changed to:
Developing Asia’s growth and subregional contributions
CORRIGENDUM

Page number and original content:

p.54
Endnote 3 removed---subsequent endnotes numbers were adjusted

Page number and original content:

p.54-55, Figures 2.1.5a-c

Changed to:

p.55, Figure combined into one chart entitled 2.1.5 Structural features by income group. The note was also adjusted.

Page number and original content:

p.55
Role of productivity growth in the economic growth of middle-income economies

Changed to:

p.56
Productivity growth at middle income

Page number and original content:

p.58
2.1.2 The middle-income trap in Latin America and the Caribbean: The vital role of productivity growth

Note: Each line is normalized by the simple average of that country GDP per capita so if the GDP per capita share were to stay constant the result is a horizontal line at 1.0. Average is the simple average of 26 IDB Borrowing Countries. Based on underlying dollar values using PPP exchange rates.

Changed to:

p.58
2.1.2 Productivity growth and the middle-income trap in Latin America and the Caribbean

Note: Each line is normalized by the average of that economy such that if the GDP per capita share stayed constant the result would be a horizontal line at 1.0. The average is the simple average of the 26 countries that borrow from the Inter-American Development Bank. Based on underlying dollar values using PPP exchange rates.

Page number and original content:

p.60
2.1.3 The links between education, infrastructure, and innovation and TFP growth: An econometric analysis

Changed to

p.60
2.1.3 The sources of total factor productivity growth: econometric analysis
CORRIGENDUM

Page number and original content:
p.61
Fig 2.2.1
Changed to
p.61
Fig 2.2.1

Note added:

Page number and original content:
p.62
From investment-led growth to innovation-led growth: a selective literature review
Changed to
From investment-led to innovation-led growth: literature review

Page number and original content:
p.73
Fig 2.3.1
Changed to
p.73
Fig 2.3.1

Note added:

Page number and original content:
p.74
Impact of human capital investments on growth and equity: simulation results
Changed to:
Impact of human capital investments: simulation results
CORRIGENDUM

Page number and original content: p.78
Impact of public human capital investment on public finances
Change to
Public finances and human capital investment

Page number and original content: p.83, Figure 2.3.9
Changed to
Note added:
Note: Top performers are students that are proficient at level 5 or 6. Low performers are those that rate below level 2, the baseline level of proficiency.

Page number and original content: p.85
Infrastructure: evolving needs and some stylized facts
Change to
Evolution in infrastructure needs

Page number and original content: p.87, Table 2.4.1
Changed to
Note added:
Note: The entire sample covers 1975-2014 that is divided into nonoverlapping ten-year intervals, except for the last 9-year period: 1975-1985, 1985-1995, 1995-2005, and 2005-2014. To examine income dynamics, a country’s income level at the initial year is compared to that at the final year of each interval. Data availability varies by indicator.

Page number and original content: p.88, Figure 2.4.3
Changed to
Note added:
Note: The entire sample covers 1975-2014 that is divided into nonoverlapping ten-year intervals, except for the last 9-year period: 1975-1985, 1985-1995, 1995-2005, and 2005-2014. To examine income dynamics, a country’s income level at the initial year is compared to that at the final year of each interval. Data availability varies by indicator.
CORRIGENDUM

Page number and original content:
p.88
Infrastructure provision: going deeper
Changed to
A closer look at infrastructure provision

Page number and original content:
p.94
Conclusion
Changed to
Invest more, and in the right kinds of infrastructure

Page number and original content:
p.100
Technological progress spurred by innovation and infrastructure development
Human capital and transformation into knowledge-based economies
Changed to
Innovation and infrastructure spur technological development
Human capital toward knowledge-based economies

Page number and original content:
All pages with charts
Changed to:
All pages with charts: URL links were added (“Click here for figure data”)

Throughout the document, minor editorial and formatting changes were also made but these did not change the publication content.
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Page number and original content:
p.103-104
Endnote numbering adjusted

Page number and original content:
p.105-109

Change to

Added:

Formats adjusted

Page number and original content:
p.117, Figure 3.1.2
“Goods” in the legend
Changed to
“Food”

Page number and original content:
p.120
In 2016, the current account registered a deficit equal to 2.1% of GDP, higher than the deficit of 0.4% in 2015.

Changed to
The current account deficit widened to an estimated 2.1% of GDP in 2016, from a deficit of 0.4% in 2015.

Page number and original content:
p.122
The privatization of inactive state-owned enterprises, which should lead to a resumption of their activity, will also help to create jobs.

Changed to
The privatization of inactive state-owned enterprises should reactivate them and create jobs.
CORRIGENDUM

Page number and original content:
p.164
On the supply side, services growth accelerated to 3.6% from 2.8% in 2015, owing mainly to expansion in wholesale trade, restaurants and hotels, and health and social services, contributing 1.4 percentage points to GDP growth. Growth in manufacturing improved more slowly, to 1.7% from 1.3% in 2015, held back by lingering weakness in exports and the impact of corporate restructuring, as well as by production cuts following the recall of the Samsung Note 7.

Changed to
On the supply side, services grew by 2.5%, owing mainly to expansion in wholesale and retail trade, and health and social services, contributing 1.4 percentage points to GDP growth. Manufacturing expanded more slowly, at 1.7%, held back by lingering weakness in exports and the impact of corporate restructuring, as well as by production cuts following the recall of the Samsung Note 7.

Page number and original content:
p.167
Policy challenge—coping with the risk of rising uncertainty in the US trade policy

Changed to
Policy challenge—coping with uncertainty in US trade policy

Page number and original content:
p.172, Figure 3.12.9
Note: Mining revenues include tax revenue from operating income, price increase tax of some products, fee for exploration and mining special permit of the mineral resources and royalty.

Changed to
Note: Mining revenue includes receipts from taxes on profits, other taxes on large price increases for exported minerals, exploration and mining permit fees, and royalties.

Page number and original content:
p.212, Figure 3.20.5
Changed to
Footnote deleted.
CORRIGENDUM

Page number and original content:
p. 216, Table 3.20.2
Changed to:
Project names edited to make the table more readable.

Page number and original content:
p. 225
GDP is forecast to grow by 1.0% in 2016, quickening to 2.5% in 2018.
Changed to:
GDP is forecast to grow by 1.0% in 2017, quickening to 2.5% in 2018.

Page number and original content:
p. 238
Achieving the next big transition to high-income status will require higher productivity, which can be achieved through a major effort to strengthen innovation.
Changed to:
Sustaining growth as income rises will require higher productivity, which can be achieved through a major effort to strengthen innovation.

Page number and original content:
p. 241
As Malaysia nears graduation from upper-middle-income to high-income status, growth will have to come increasingly from sustained gains in labor productivity through a renewed focus on innovation.
Changed to:
As Malaysia’s income rises, growth will have to come increasingly from sustained gains in labor productivity through a renewed focus on innovation.

Page number and original content:
p. 246
The government debt to GDP ratio declined to 42.1% in 2016, lowest in over a decade, providing fiscal space to accommodate higher spending. Debt was largely denominated in local currency, accounting for about two-thirds.
Changed to:
The ratio of government debt to GDP declined to 42.1% in 2016, the lowest in over a decade, enabling higher spending. Debt in local currency accounted for
The Gini coefficient, a measure of income inequality, has improved in recent years from 0.46 in 2012 to 0.44 in 2015, but this figure is high among Southeast Asian neighbors (Figure 3.28.11). Government’s Family Income and Expenditure Survey found that the average per capita income of families in the poorest 30% of the population grew faster than the average for all income groups between 2012 and 2015. National poverty rate fell from 25.2% of the population in 2012 to 21.6% in 2015, although remains elevated in some regions.

**Changed to:**
The Gini coefficient, a measure of income inequality, improved from 0.46 in 2012 to 0.44 in 2015 but is still high for Southeast Asia (Figure 3.28.11). A government survey on family income and expenditure found that per capita income grew faster for the poorest 30% of the population than average for all income groups from 2012 to 2015. The national poverty rate fell from 25.2% in 2012 to 21.6% in 2015 but remains elevated in some regions.

**Page number and original content:**
p. 309
India 2016 fiscal balance = -2.9%
**Changed to**
-3.5%

**Page number and original content:**
p. 313
South Asia 2012 current account balance = -4.2%
**Changed to**
-4.1%

**Page number and original content:**
p. 316
Kyrgyz Republic 2012 external debt outstanding = $5,190
**Changed to**
$5,229

**Page number and original content:**
p. 317
Kyrgyz Republic 2012-2016 debt service ratio was revised Kazakhstan 2016 revised from 17.1 to 70.7
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Throughout the document, minor editorial and formatting changes were also made but these did not change the publication content.