

# Macroeconomics

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# An overview

Indicators	GDP (US\$ billion, current values)		GDP growth (annual %)		GDP per capita, PPP (constant 2017 international \$)		Agriculture, forestry and fishing, value added (% of total value added)		Industry (including construction), value added (% of total value added)		Medium and high-tech manufacturing value added (% of manufacturing value added)		Services, value added (% of total value added)		
	2024 (a)	2024 (b)	2024 (a)	2024 (b)	2024 (a)	2024 (b)	2024 (a)	2024 (b)	2024 (a)	2024 (b)	2022 (c)	2024 (b)	2024 (b)	2024 (b)	
YE-AR															
PRT	308.7		1.9		22,479.2		2.0		21.7				26.5		76.3
ESP	1,722.8		3.2		29,192.6		2.5		20.3				37.8		77.2
FRA	3,162.1		1.2		39,441.3		1.3		17.7				50.4		81.0
ITA	2,372.8		0.7		34,398.2		1.8		23.5				41.9		74.6
SVN	72.5		1.6		26,045.9		1.5		34.2				37.2		64.3
HRV	92.5		3.8		17,770.9		3.4		24.1				25.6		72.5
GRC	257.1		2.3		21,654.3		2.9		18.9				25.4		78.1
MLT	24.3		6.0		33,467.5		0.1		12.2				39.1		87.6
CYP	36.3		3.5		32,998.7		1.2		11.1				27.7		87.7
SRB	89.1		3.9		8,575.6		4.5		29.3				26.8		66.2
XXK	11.2		4.4		8,869.8		7.2		33.6				59.2		59.2
BIH	28.3		2.5		6,698.0		5.8		24.4				16.9		69.8
MNE	8.1		3.0		8,552.6		7.4		16.0				14.9		76.6
MKD	16.7		2.8		6,700.6		7.7		24.1				32.9		66.2
ALB	27.2		4.0		5,726.0		15.5		28.4				5.2		56.2
TUR	1,323.3		3.2		15,147.8		6.2		29.2				33.8		64.6
SYR	20.0	-	1.2		669.9		28.5		14.9				21.5		56.6
LBN	20.1	-	0.8		5,834.6		5.3		15.7				14.6		79.0
JOR	53.4		2.5		4,016.8		5.6		28.2				20.1		66.2
ISR	540.4		0.9		41,845.2		1.3		20.6				49.1		78.2
PSE	13.7	-	26.6		2,072.1		7.6		17.2				7.2		75.3
EGY	389.1		2.4		4,137.6		11.2		31.7				18.8		57.1
LYB	46.6	-	0.6		7,509.7		3.5		49.3				16.1		47.3
TUN	53.4		1.4		3,987.0		9.3		23.7				27.6		67.0
DZA	263.6		3.3		4,747.4		10.5		34.8				2.7		54.7
MAR	154.4		3.2		3,479.0		10.0		28.2				28.3		61.7

(..) Not available.

(a) 2023 Syrian Arab Republic and Lebanon; (b) 2023 Algeria, Lebanon and Tunisia; 2022 Syrian Arab Republic and West Bank and Gaza; (c) 2021 Libya.  
Source: World Bank (WB), Organization for Economic Cooperation and Development (OECD), United Nations Industrial Development Organization (UNIDO).

## Some highlighted topics

*Size of the economy and growth dynamics.* The total Gross Domestic Product of the Mediterranean region amounted to approximately USD 11.1 trillion in 2024 (current prices). Mediterranean countries of the European Union account for a large majority of this total (72.5%), with the three largest economies—namely France, Italy, and Spain—together representing as much as 65.3%. The contribution of the other areas is more limited, with the Middle East accounting for 17.7% of the total, North Africa for 8.2%, and the Western Balkans for 1.6%.

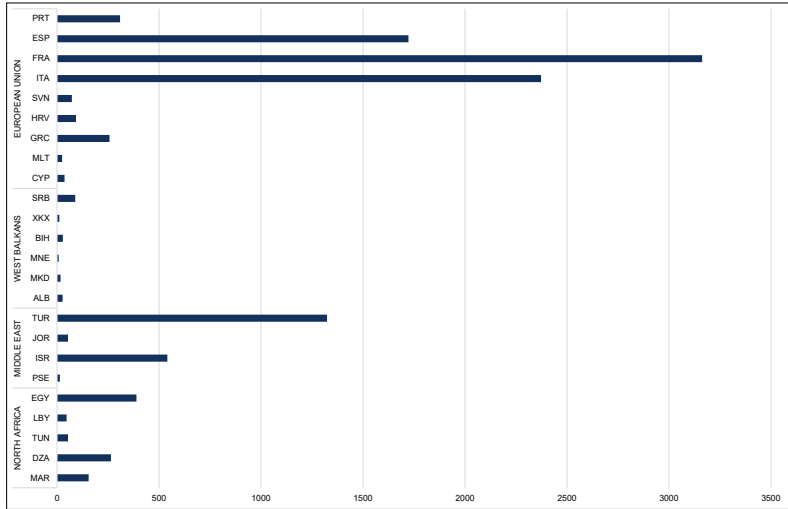
In addition to the three European Union countries mentioned above, other economies with relatively high GDP levels include Turkey in the Middle East (with a GDP exceeding USD 1.3 trillion), Egypt (approximately USD 390 billion), the largest economy in North Africa, and Serbia, which has the largest economic system within the Western Balkans region (nearly USD 90 billion) (see Figure 1).

In the period following the international financial crisis of 2008–2009 – which affected growth trajectories in both advanced and emerging economies in subsequent years – GDP dynamics across the Mediterranean region have been highly heterogeneous (see Figure 2). More specifically, between 2010 and 2024 the average annual growth rate of European Union countries did not exceed 2% – with the exception of Malta (+6%) – reaching a maximum of around 2% in Slovenia and Croatia. Larger EU economies recorded lower average

growth rates, ranging from 0.6% in Italy to 1.2% in France and Spain. Greece is the only country in the Euro-Mediterranean region to have experienced a negative average growth rate over the 2010–2024 period (–0.7%). In the Western Balkans, average growth rates ranged between 2.2–2.3% in Serbia, Bosnia and Herzegovina, and North Macedonia, and 4.3% in Kosovo. In the Middle East, GDP growth performance appears highly differentiated, spanning from an average annual contraction of –4.5% in Syria (calculated over the 2010–2023 period) to a robust +5.9% in Turkey. Within North Africa, Egypt stands out as the country recording the strongest average growth over the period considered (+3.8%).

With reference to the most recent year available (2024), economic performance appears to have improved overall across Mediterranean countries, albeit with some notable exceptions. Within the European Union, GDP growth in 2024 is significantly higher than the 2010–2024 average in Portugal, Spain, Croatia, Greece, and Cyprus, while it is lower in Slovenia. France and Italy record modest growth rates in 2024 (+1.2% and +0.7%, respectively), broadly in line with their average performance over the previous years. In the Western Balkans, all countries register GDP growth in 2024 above their respective 2010–2024 averages. By contrast, in the Middle East, GDP growth in 2024 is lower than the 2010–2024 average in all countries except Jordan. Among North African countries, Egypt and Libya record

Fig. 1. Gross Domestic Product in 2024 (current USD billions).



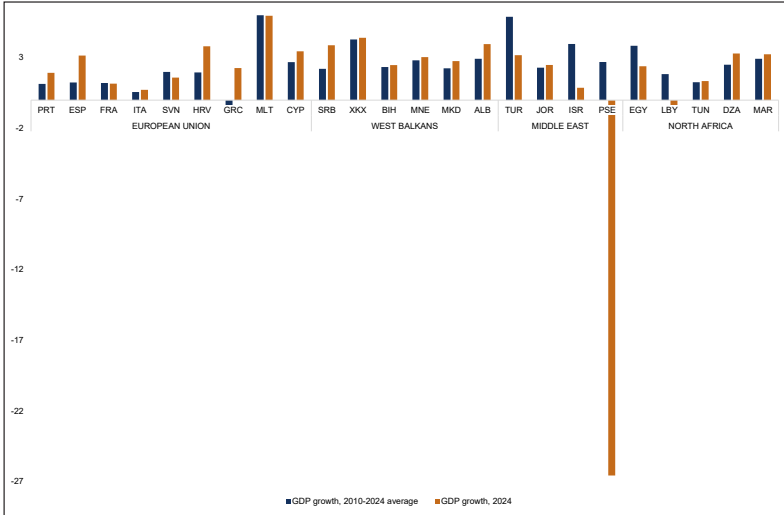
Source: World Bank.

weaker growth outcomes in 2024 compared to previous years, while the opposite pattern is observed in Tunisia, Algeria, and Morocco.

The evolution of GDP per capita between 2010 and 2024 – calculated at purchasing power parity (PPP) and expressed in constant 2017 US dollars – highlights significant cross-country differences, including within the same geographical areas (see Figure 3). Among European Union countries, Malta and Croatia recorded the most robust growth (+61.3% and +48.5%, respectively), while Greece (+0.5% over the entire period), Italy (+7.7%), and France (+10.9%) experienced more modest GDP per capita growth. Focusing on the most recent year available, average GDP per capita in European Union countries exceeded USD 50,700, with four countries—France,

Italy, Malta, and Cyprus—recording values above the EU average. In the Western Balkans, all countries exhibited very strong growth dynamics, with cumulative growth rates over the period ranging from 88% in Montenegro to 152% in Albania. Average GDP per capita in the region reached approximately USD 23,100 in 2024, with Kosovo, Albania, and Bosnia and Herzegovina remaining below the regional average. In the Middle East, among the six countries included in the region, only Turkey and Israel recorded an increase in GDP per capita between 2010 and 2024 (+80.4% and +25.5%, respectively). Moreover, the most recent data point highlights very pronounced disparities in income levels across countries. On the one hand, Israel and Turkey—at USD 47,300 and USD 35,300, respectively—display

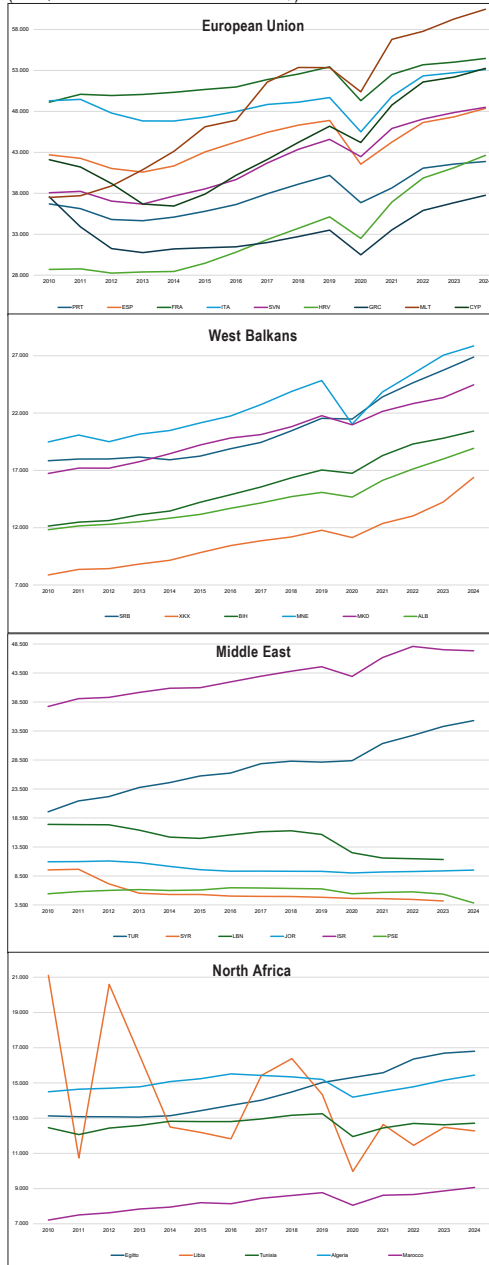
Fig. 2. GDP growth rate. Year 2024 and average value for the period 2010-2024 (percentage).



Source: WeMed on World Bank data.

GDP per capita levels broadly in line with the higher values observed in European Union countries. On the other hand, Palestine, Syria, Jordan, and Lebanon record significantly lower levels, ranging from USD 3,800 in Palestine to USD 11,300 in Lebanon. Greater homogeneity in income levels is observed in North Africa, where in 2024 GDP per capita ranged between USD 9,100 in Morocco and USD 16,800 in Egypt. Growth patterns over the period under review are also relatively uniform (with an average increase of 17.8% in the North African region between 2010 and 2024), with the notable exception of Libya, where GDP per capita experienced marked volatility over the period and, in 2024, stood almost 42% below its 2010 level.

Fig. 3. GDP per capita. Period 2001-2023  
(PPP, constant 2021 international \$).



Source: World Bank (WB).

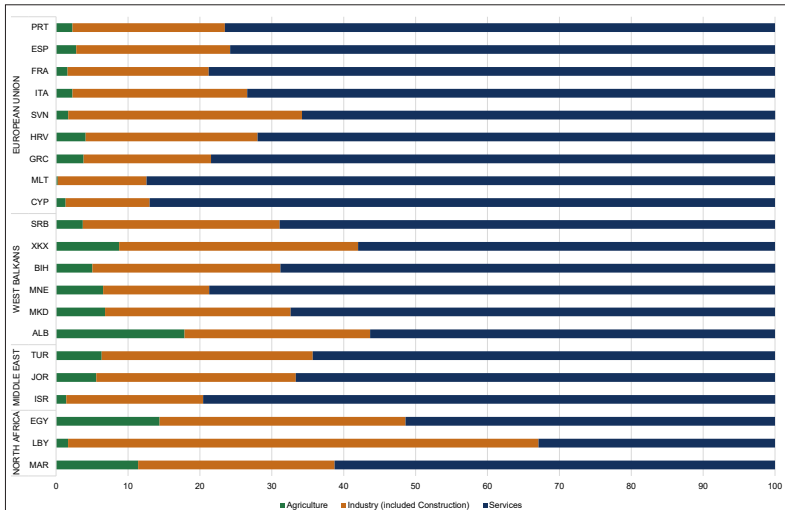
*Production structure.* The differences of the twenty-six Mediterranean countries in terms of levels of development and resource endowments are clearly reflected in the composition of value added by broad production sectors (see Figure 4).

The share of the Agriculture, Forestry and Fishing sector (hereafter referred to as the “primary” sector) in European Union countries – whose economies are at an advanced stage of tertiarization – is very limited, ranging from 0.2% of total value added in Malta to 4.1% in Croatia. The weight of the primary sector is higher in the Western Balkans, varying between 3.7% and 8.8%, with a peak of 17.9% in Albania. In the Middle East, Israel displays a very low share of the primary sector (just 1.4% of total value added) and

an advanced economic structure, characterized by a strong tertiary sector accounting for 79.6% of value added. In North African countries, the primary sector accounts for 11.4% of total value added in Morocco and 14.4% in Egypt. By contrast, in Libya – where the primary sector represents only 1.7% of value added – the secondary sector accounts for the largest share of total value added (65.4%), by far the highest among the twenty-six Mediterranean countries.

Within the manufacturing sector, the share of high value-added production—namely medium- and high-technology industries—provides an indication of a country’s level of technological development and the ability of its productive system to compete internationally. In many European Union countries,

Fig. 4. Value added composition of the economy by major sectors. Year 2024 (percentage).

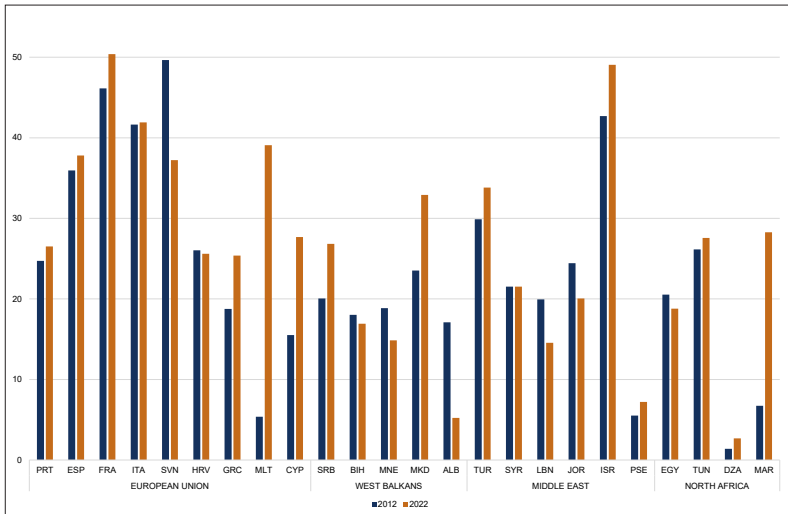


Source: WeMed on World Bank data.

the share of medium- and high-tech products in total manufacturing exports exceeded 35% in 2022 (France, Italy, Malta, Spain, and Slovenia), while it stood at around 25% in Cyprus, Portugal, Croatia, and Greece. France records the highest share among all Mediterranean countries (50.1%). Other Mediterranean countries with a substantial presence of medium- and high-tech products in manufacturing exports include Israel (49.1%) and Turkey (33.8%) in the Middle East; North Macedonia (32.9%) and Serbia (26.8%) in the Western Balkans; and Morocco (28.3%) and Tunisia (27.6%) in North Africa (see Figure 5). Compared with 2012, a particularly

strong increase in medium- and high-tech exports is observed in Malta—where their share of total exports rose from 5.4% to 39.1%—and in Morocco, where it increased from 6.7% to 28.3%.

Fig. 5. Medium and high-tech manufacturing value added (% manufacturing value added). Years 2012 and 2022.



Source: World Bank Development Indicators on United Nations Industrial Development Organization (UNIDO) data.