

Insight Report

# The Global Competitiveness Report 2015–2016

Klaus Schwab, World Economic Forum





Insight Report

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# The Global Competitiveness Report 2015–2016

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# Contents

---

|                    |   |
|--------------------|---|
| Partner Institutes | v |
|--------------------|---|

---

|                   |      |
|-------------------|------|
| Preface           | xiii |
| by Richard Samans |      |

---

|                                                        |    |
|--------------------------------------------------------|----|
| The Global Competitiveness Index<br>2015–2016 Rankings | xv |
|--------------------------------------------------------|----|

---

---

|                                          |          |
|------------------------------------------|----------|
| <b>Part 1: Measuring Competitiveness</b> | <b>1</b> |
|------------------------------------------|----------|

---

|                                                                                                             |          |
|-------------------------------------------------------------------------------------------------------------|----------|
| <b>1.1 Reaching Beyond the New Normal:<br/>Findings from the Global Competitiveness<br/>Index 2015–2016</b> | <b>3</b> |
|-------------------------------------------------------------------------------------------------------------|----------|

by Xavier Sala-i-Martin, Roberto Crotti, Attilio Di Battista,  
Margareta Drzeniek Hanouz, Caroline Galvan, Thierry Geiger,  
and Gaëlle Marti

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|                                                                                                                       |           |
|-----------------------------------------------------------------------------------------------------------------------|-----------|
| <b>1.2 Drivers of Long-Run Prosperity:<br/>Laying the Foundations for an Updated<br/>Global Competitiveness Index</b> | <b>43</b> |
|-----------------------------------------------------------------------------------------------------------------------|-----------|

by Xavier Sala-i-Martin, Roberto Crotti, Attilio Di Battista,  
Margareta Drzeniek Hanouz, Caroline Galvan, Thierry Geiger,  
and Gaëlle Marti

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|                                                                                  |           |
|----------------------------------------------------------------------------------|-----------|
| <b>1.3 The Executive Opinion Survey:<br/>The Voice of the Business Community</b> | <b>75</b> |
|----------------------------------------------------------------------------------|-----------|

by Ciara Browne, Attilio Di Battista, Thierry Geiger,  
and Tania Gutknecht

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---

|                                         |           |
|-----------------------------------------|-----------|
| <b>Part 2: Country/Economy Profiles</b> | <b>87</b> |
|-----------------------------------------|-----------|

|                                                |    |
|------------------------------------------------|----|
| How to Read the Country/Economy Profiles ..... | 89 |
| Index of Countries/Economies .....             | 91 |
| Country/Economy Profiles .....                 | 92 |

---

|                                    |            |
|------------------------------------|------------|
| <b>Technical Notes and Sources</b> | <b>373</b> |
|------------------------------------|------------|

---

|                          |            |
|--------------------------|------------|
| <b>About the Authors</b> | <b>383</b> |
|--------------------------|------------|

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# Preface

**RICHARD SAMANS**

Head of the Centre for the Global Agenda and Member of the Managing Board, World Economic Forum

*The Global Competitiveness Report 2015–2016* is being launched at a pivotal time for the global economy. On the one hand, economic development is characterized by the “new normal” of higher unemployment, lower productivity growth, and subdued economic growth that could still be derailed by uncertainties such as geopolitical tensions, the future path of emerging markets, energy prices, and currency changes. On the other hand, other recent developments show great promise—the so-called fourth industrial revolution and new ways of consuming such as the sharing economy could lead to another wave of significant innovations that drive growth. At the same time, across countries we are witnessing economic policymaking become increasingly people-centered and embedded in overall societal goals.

Whether economies get trapped in the new normal or harvest the benefits of the latest innovations for their societies will crucially depend on their levels of competitiveness. Policymakers, businesses, and civil society leaders must work together to ensure continued growth and more inclusive outcomes of economic development. Enhancing competitiveness requires not only well-functioning markets; other keys to success include strong institutions that ensure the ability to adapt, the availability of talent, and a high capacity to innovate. These essential ingredients will become even more important in the future because economies that are competitive are more resilient to risks and better equipped to adapt to a rapidly changing environment.

For over 35 years, the *Global Competitiveness Report* series has shed light on the key factors and their interrelations that determine economic growth and a country’s level of present and future prosperity. By doing so, it aims to build a common understanding of the main strengths and weaknesses of an economy so stakeholders can work together to shape economic agendas that address challenges and enhance opportunities.

The Global Competitiveness Index has served to assess country performance since 2004, a time frame that has seen great changes in the global economic landscape and seen also an exploration of new avenues in how we think about economic growth. In order to maintain our cutting-edge value, we need to take into account the latest ideas about competitiveness.

Chapter 1.2 of this *Report* therefore presents our current thinking about the drivers of competitiveness from a conceptual point of view and suggests a set of preliminary measurements toward an updated index. The chapter is the result of a multi-year research project of the World Economic Forum. Its goal is to provide a basis for discussing the evolving concepts and measurements of competitiveness. In the course of the coming year, we plan to validate the concepts and measures with experts, policymakers, and businesses.

This year’s *Report* provides an overview of the competitiveness performance of 140 economies and thus continues to be the most comprehensive assessment of its kind. It contains a detailed profile of each of the economies included. This *Report* is one of the flagship publications of the Forum’s Global Competitiveness and Risks Team, which produces a number of related research studies aimed at supporting countries in their transformation efforts and raising awareness about the need to adopt holistic and integrated frameworks for understanding complex phenomena related to competitiveness and global risks.

*The Global Competitiveness Report 2015–2016* has benefitted from the thought leadership of Professor Xavier Sala-i-Martin at Columbia University, who has provided ongoing intellectual support for our competitiveness research and its future directions. Furthermore, this *Report* would have not been possible without the collaboration and dedication of our network of over 160 Partner Institutes worldwide. The Partner Institutes are instrumental in carrying out the Executive Opinion Survey, which provides the foundation data of this *Report*, and in imparting the results of the *Report* at the national level. We would also like to convey our sincere gratitude to all the business executives around the world who took the time to participate in the Survey.

Appreciation also goes to Professor Klaus Schwab, Executive Chairman, who developed the original concept back in 1979; Jennifer Blanke, Chief Economist; and Margareta Drzeniek Hanouz, Head of Global Competitiveness and Risks, as well as team members Ciara Browne, Roberto Crotti, Attilio Di Batista, Caroline Galvan, Thierry Geiger, Tania Gutknecht, and Gaëlle Marti.



# The Global Competitiveness Index 2015–2016 Rankings

| Economy                 | Score <sup>1</sup> | Prev. <sup>2</sup> | Trend <sup>3</sup> | Economy                | Score <sup>1</sup> | Prev. <sup>2</sup> | Trend <sup>3</sup> | Economy                  | Score <sup>1</sup> | Prev. <sup>2</sup> | Trend <sup>3</sup> |
|-------------------------|--------------------|--------------------|--------------------|------------------------|--------------------|--------------------|--------------------|--------------------------|--------------------|--------------------|--------------------|
| 1 Switzerland           | 5.76               | 1                  |                    | 48 Malta               | 4.39               | 47                 |                    | 96 El Salvador           | 3.87               | 84                 |                    |
| 2 Singapore             | 5.68               | 2                  |                    | 49 South Africa        | 4.39               | 56                 |                    | 96 Zambia                | 3.87               | 96                 |                    |
| 3 United States         | 5.61               | 3                  |                    | 50 Panama              | 4.38               | 48                 |                    | 97 Seychelles            | 3.86               | 92                 |                    |
| 4 Germany               | 5.53               | 5                  |                    | 51 Turkey              | 4.37               | 45                 |                    | 98 Dominican Republic    | 3.86               | 101                |                    |
| 5 Netherlands           | 5.50               | 8                  |                    | 52 Costa Rica          | 4.33               | 51                 |                    | 99 Kenya                 | 3.85               | 90                 |                    |
| 6 Japan                 | 5.47               | 6                  |                    | 53 Romania             | 4.32               | 59                 |                    | 100 Nepal                | 3.85               | 102                |                    |
| 7 Hong Kong SAR         | 5.46               | 7                  |                    | 54 Bulgaria            | 4.32               | 54                 |                    | 101 Lebanon              | 3.84               | 113                |                    |
| 8 Finland               | 5.45               | 4                  |                    | 55 India               | 4.31               | 71                 |                    | 102 Kyrgyz Republic      | 3.83               | 108                |                    |
| 9 Sweden                | 5.43               | 10                 |                    | 56 Vietnam             | 4.30               | 68                 |                    | 103 Gabon                | 3.83               | 106                |                    |
| 10 United Kingdom       | 5.43               | 9                  |                    | 57 Mexico              | 4.29               | 61                 |                    | 104 Mongolia             | 3.81               | 98                 |                    |
| 11 Norway               | 5.41               | 11                 |                    | 58 Rwanda              | 4.29               | 62                 |                    | 105 Bhutan               | 3.80               | 103                |                    |
| 12 Denmark              | 5.33               | 13                 |                    | 59 Slovenia            | 4.28               | 70                 |                    | 106 Argentina            | 3.79               | 104                |                    |
| 13 Canada               | 5.31               | 15                 |                    | 60 Macedonia, FYR      | 4.28               | 63                 |                    | 107 Bangladesh           | 3.76               | 109                |                    |
| 14 Qatar                | 5.30               | 16                 |                    | 61 Colombia            | 4.28               | 66                 |                    | 108 Nicaragua            | 3.75               | 99                 |                    |
| 15 Taiwan, China        | 5.28               | 14                 |                    | 62 Oman                | 4.25               | 46                 |                    | 109 Ethiopia             | 3.75               | 118                |                    |
| 16 New Zealand          | 5.25               | 17                 |                    | 63 Hungary             | 4.25               | 60                 |                    | 110 Senegal              | 3.73               | 112                |                    |
| 17 United Arab Emirates | 5.24               | 12                 |                    | 64 Jordan              | 4.23               | 64                 |                    | 111 Bosnia & Herzegovina | 3.71               | n/a                |                    |
| 18 Malaysia             | 5.23               | 20                 |                    | 65 Cyprus              | 4.23               | 58                 |                    | 112 Cape Verde           | 3.70               | 114                |                    |
| 19 Belgium              | 5.20               | 18                 |                    | 66 Georgia             | 4.22               | 69                 |                    | 113 Lesotho              | 3.70               | 107                |                    |
| 20 Luxembourg           | 5.20               | 19                 |                    | 67 Slovak Republic     | 4.22               | 75                 |                    | 114 Cameroon             | 3.69               | 116                |                    |
| 21 Australia            | 5.15               | 22                 |                    | 68 Sri Lanka           | 4.21               | 73                 |                    | 115 Uganda               | 3.66               | 122                |                    |
| 22 France               | 5.13               | 23                 |                    | 69 Peru                | 4.21               | 65                 |                    | 116 Egypt                | 3.66               | 119                |                    |
| 23 Austria              | 5.12               | 21                 |                    | 70 Montenegro          | 4.20               | 67                 |                    | 117 Bolivia              | 3.60               | 105                |                    |
| 24 Ireland              | 5.11               | 25                 |                    | 71 Botswana            | 4.19               | 74                 |                    | 118 Paraguay             | 3.60               | 120                |                    |
| 25 Saudi Arabia         | 5.07               | 24                 |                    | 72 Morocco             | 4.17               | 72                 |                    | 119 Ghana                | 3.58               | 111                |                    |
| 26 Korea, Rep.          | 4.99               | 26                 |                    | 73 Uruguay             | 4.09               | 80                 |                    | 120 Tanzania             | 3.57               | 121                |                    |
| 27 Israel               | 4.98               | 27                 |                    | 74 Iran, Islamic Rep.  | 4.09               | 83                 |                    | 121 Guyana               | 3.56               | 117                |                    |
| 28 China                | 4.89               | 28                 |                    | 75 Brazil              | 4.08               | 57                 |                    | 122 Benin                | 3.55               | n/a                |                    |
| 29 Iceland              | 4.83               | 30                 |                    | 76 Ecuador             | 4.07               | n/a                |                    | 123 Gambia, The          | 3.48               | 125                |                    |
| 30 Estonia              | 4.74               | 29                 |                    | 77 Croatia             | 4.07               | 77                 |                    | 124 Nigeria              | 3.46               | 127                |                    |
| 31 Czech Republic       | 4.69               | 37                 |                    | 78 Guatemala           | 4.05               | 78                 |                    | 125 Zimbabwe             | 3.45               | 124                |                    |
| 32 Thailand             | 4.64               | 31                 |                    | 79 Ukraine             | 4.03               | 76                 |                    | 126 Pakistan             | 3.45               | 129                |                    |
| 33 Spain                | 4.59               | 35                 |                    | 80 Tajikistan          | 4.03               | 91                 |                    | 127 Mali                 | 3.44               | 128                |                    |
| 34 Kuwait               | 4.59               | 40                 |                    | 81 Greece              | 4.02               | 81                 |                    | 128 Swaziland            | 3.40               | 123                |                    |
| 35 Chile                | 4.58               | 33                 |                    | 82 Armenia             | 4.01               | 85                 |                    | 129 Liberia              | 3.37               | n/a                |                    |
| 36 Lithuania            | 4.55               | 41                 |                    | 83 Lao PDR             | 4.00               | 93                 |                    | 130 Madagascar           | 3.32               | 130                |                    |
| 37 Indonesia            | 4.52               | 34                 |                    | 84 Moldova             | 4.00               | 82                 |                    | 131 Myanmar              | 3.32               | 134                |                    |
| 38 Portugal             | 4.52               | 36                 |                    | 85 Namibia             | 3.99               | 88                 |                    | 132 Venezuela            | 3.30               | 131                |                    |
| 39 Bahrain              | 4.52               | 44                 |                    | 86 Jamaica             | 3.97               | 86                 |                    | 133 Mozambique           | 3.20               | 133                |                    |
| 40 Azerbaijan           | 4.50               | 38                 |                    | 87 Algeria             | 3.97               | 79                 |                    | 134 Haiti                | 3.18               | 137                |                    |
| 41 Poland               | 4.49               | 43                 |                    | 88 Honduras            | 3.95               | 100                |                    | 135 Malawi               | 3.15               | 132                |                    |
| 42 Kazakhstan           | 4.49               | 50                 |                    | 89 Trinidad and Tobago | 3.94               | 89                 |                    | 136 Burundi              | 3.11               | 139                |                    |
| 43 Italy                | 4.46               | 49                 |                    | 90 Cambodia            | 3.94               | 95                 |                    | 137 Sierra Leone         | 3.06               | 138                |                    |
| 44 Latvia               | 4.45               | 42                 |                    | 91 Côte d'Ivoire       | 3.93               | 115                |                    | 138 Mauritania           | 3.03               | 141                |                    |
| 45 Russian Federation   | 4.44               | 53                 |                    | 92 Tunisia             | 3.93               | 87                 |                    | 139 Chad                 | 2.96               | 143                |                    |
| 46 Mauritius            | 4.43               | 39                 |                    | 93 Albania             | 3.93               | 97                 |                    | 140 Guinea               | 2.84               | 144                |                    |
| 47 Philippines          | 4.39               | 52                 |                    | 94 Serbia              | 3.89               | 94                 |                    |                          |                    |                    |                    |

● Advanced Economies
 ● Middle East, North Africa, and Pakistan
 ● Emerging and Developing Asia
 ● Latin America and the Caribbean
 ● Commonwealth of Independent States
 ● Emerging and Developing Europe
 ● Sub-Saharan Africa

Note: The Global Competitiveness Index captures the fundamentals of an economy. Recent developments, including currency (e.g., Switzerland) and commodity price fluctuations (e.g., Azerbaijan, Qatar, Saudi Arabia), geopolitical uncertainties (e.g., Ukraine), and security issues (e.g., Turkey) must be kept in mind when interpreting the results.

1 Scale ranges from 1 to 7.

2 This shows the rank out of the 144 economies in the GCI 2014–2015.

3 The trend line shows the evolution in percentile rank since 2007; breaks in the trend line reflect years when the economy was not included in the GCI.



# Part 1

## Measuring Competitiveness





# Reaching Beyond the New Normal: Findings from the Global Competitiveness Index 2015–2016

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Seven years after the global financial crisis, the world economy is evolving against the background of the “new normal” of lower economic growth, lower productivity growth, and high unemployment. Although overall prospects remain positive, growth is expected to remain below the levels recorded in previous decades in most developed economies and in many emerging markets.<sup>1</sup> Growth prospects could still be derailed by the uncertainty fueled by a slowdown in emerging markets, geopolitical tensions and conflicts around the world, as well as by the unfolding humanitarian crisis. At the same time, some positive developments—such as the rapid diffusion of information and communication technologies (ICTs) giving rise to new business models and revolutionizing industries—bear great promise for a future wave of innovations that could drive longer-term growth.

Geographical patterns of growth also continue to shift, with advanced economies gaining ground on emerging markets. In 2013 emerging markets grew almost four times as quickly as advanced economies (5 percent versus 1.3 percent); in 2015 they are projected to be growing less than twice as quickly (4.2 percent versus 2.1 percent).<sup>2</sup> In particular, the United States is recovering, despite moves toward the normalization of monetary policy and the strengthening of the dollar. The country’s unemployment rate is at its lowest level since 2008.<sup>3</sup> In Europe, more sluggish growth prospects are somewhat counterbalanced by lower energy prices and a weakened euro, though doubts remain about the future of the eurozone following the bailout of Greece. In Japan, monetary policy and a weaker yen are supporting growth, although it remains subdued. Among emerging markets, meanwhile, oil and commodity exporters need to adjust to lower commodity price levels. In China, the move toward a more sustainable, less investment-driven growth model is expected to result in more moderate growth (see Box 4).

Rather than adjusting to this new normal, countries must step up their efforts to re-accelerate economic growth. There is evidence that, in addition to lower capital accumulation that results from reduced investments, productivity over the past decade has been stagnating and even declining, which could have contributed to the current situation. As a growing body of empirical literature shows, differences in productivity are the main determinants of cross-country prosperity levels.<sup>4</sup> Increasing productivity therefore needs to be at the core of the policy agendas of governments and international organizations. This makes the World Economic Forum’s annual assessment of the drivers of productivity, the Global Competitiveness Index (GCI), particularly relevant for policymakers seeking to identify priority areas for reforms.

At the same time, it should be acknowledged that the economic crisis has led to growth and

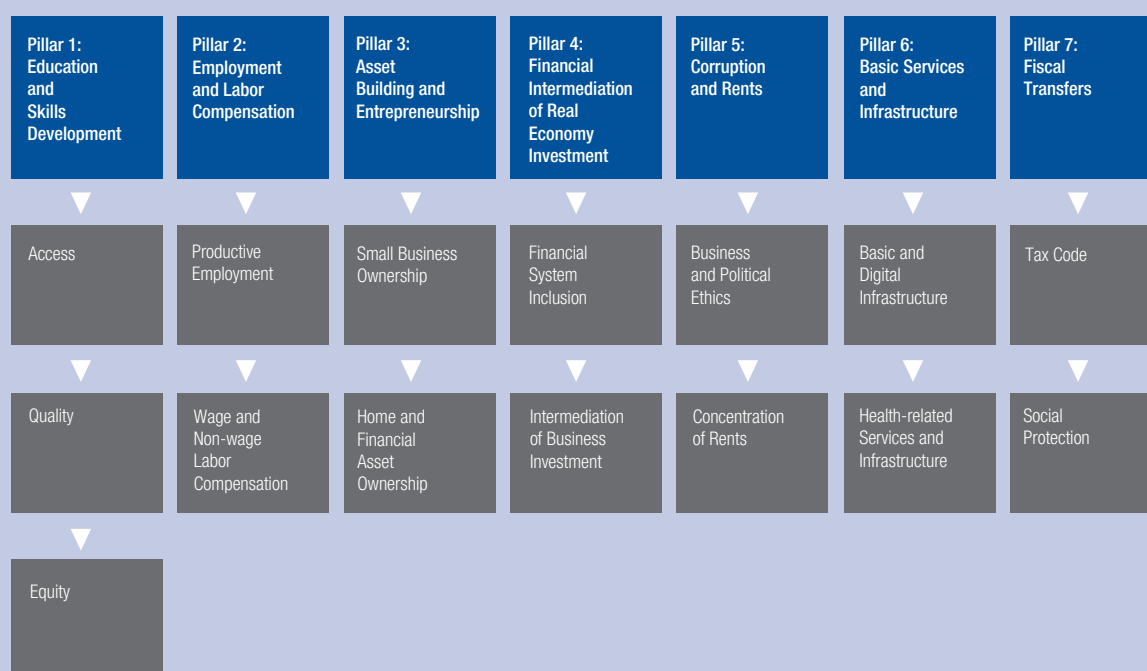
### Box 1: The Inclusive Growth and Development Report

Many countries are facing the consequences of widening inequality, which has become particularly acute since the global financial crisis—and evidence is growing that social inclusion and growth in GDP per capita go hand in hand. There has consequently been much discussion about the need to ensure that growth translates into broad-based improvements in living standards that touch all citizens rather than a fortunate few. Yet there is little practical guidance about how countries can achieve both growth and equity.

To help fill this gap, the World Economic Forum recently released the inaugural *Inclusive Growth and Development Report*, which aims to identify countries' structural and institutional features that influence the extent to which growth translates into broad-based progress in living standards. It presents a framework and a corresponding set of indicators in seven principal policy domains (pillars) and 15 subdomains (subpillars) (Figure 1).

A broad spectrum of actions can foster inclusive growth.

Figure 1: Inclusive Growth and Development Framework



<http://www.weforum.org/reports/inclusive-growth-and-development-report-2015>

(Cont'd.)

productivity being increasingly seen less as ultimate goals and more as contributors to a larger goal of broad-based rises in living standards. Developing and advanced economies alike are subscribing more and more to the notion of inclusive growth, and there is growing debate about the relationship between competitiveness and inclusiveness. The World Economic Forum's first *Inclusive Growth and Development Report*, published in September 2015, further explores these issues and provides a first attempt at benchmarking the drivers of inclusive growth to complement our work on competitiveness (see Box 1).

*The Global Competitiveness Report 2015–2016*, the 36th edition in the series, presents the results of the latest iteration of the GCI. This chapter distills the key messages, analyzes the main global and regional results and recent trends, and briefly discusses the competitiveness performance of selected economies. Chapter 1.2 introduces the planned updates to the GCI, which we expect will replace the current methodology in

the next edition of the *Report*. Chapter 1.3 describes the workings of the Executive Opinion Survey, the results of which feed into the GCI and other research by the Forum and various organizations.

### METHODOLOGY

We define *competitiveness* as the set of institutions, policies, and factors that determine the level of productivity of an economy, which in turn sets the level of prosperity that the country can earn.

Building on Klaus Schwab's original idea from 1979, since 2005 the World Economic Forum has published the Global Competitiveness Index developed by Xavier Sala-i-Martin in collaboration with the Forum. Since an update in 2007, the methodology has remained largely unchanged. The GCI combines 114 indicators that capture concepts that matter for productivity. These indicators are grouped into 12 pillars (Figure 1): institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training,

### Box 1: *The Inclusive Growth and Development Report* (cont'd.)

Six of the seven pillars in the framework focus on how inclusive outcomes can be delivered by market activity rather than subsequent transfers, a factor that is captured by the seventh pillar. This reflects the fact that most households rely on income from wages, self-employment, or small business ownership; therefore it is necessary for an inclusive growth strategy to reinforce—or at least not undermine—incentives to work, save, and invest. Although there is a place for fiscal transfers to address inequality, the inclusiveness of a society's growth should be measured primarily by the extent to which it produces broad gains in living standards before fiscal transfers are taken into account.

*The Inclusive Growth and Development Report* presents a database of cross-country statistical indicators that inform comparative economy profiles—in effect, diagnostic scans of the institutional enabling environment as it relates to encouraging socially inclusive growth—in 112 economies. It does not provide a definitive set of policy recommendations, but rather aims to start a conversation about how individual economies could tailor their responses to their particular contexts. The assumption is that different approaches and policy mixes will be appropriate for different economies depending on their historical, cultural, and political-economy circumstances. Nonetheless, six overall conclusions emerge from the report:

- **First, all countries have room for improvement.** There is considerable diversity in performance not only across but also within countries. No country scores above average for its peer group in all 15 subpillars, and only a few come close.
- **Second, it is possible to be pro-equity and pro-growth at the same time.** This is demonstrated by the fact that several of the strongest performers in the Forum's Global Competitiveness Index (GCI) are also relatively inclusive.

- **Third, fiscal transfers can be helpful—but so can other policies.** Many economies with high levels of tax and redistribution are highly competitive. However, greater use of the policy space in other areas could reduce the need for these levers.
- **Fourth, lower-income status is no bar to success.** In many subpillars—such as Business and Political Ethics, Financial System Inclusion, and Educational Quality and Equity—some developing countries outperform others with much higher incomes.
- **Fifth, there are significant regional similarities.** This suggests the strength of the role of shared culture, historical traditions, and political-economy reflexes in areas such as tax systems in Eastern Europe and educational inequity in Latin America.
- **Finally, the current debate on inequality needs to be widened.** The debate now typically focuses on redistribution and the upskilling of labor, but these are only a minority of the policy options available to “structurally adjust” an economy for inclusive growth.

Looking ahead, the Forum intends the framework and cross-country benchmarking data presented in *The Inclusive Growth and Development Report* to stimulate discussion not only about policy options in individual countries but also about the most meaningful ways to measure the enabling environment for inclusive growth and development. Research will continue to refine conceptual links as well as methodology, and will include investigating the relative significance of and relationships between the pillars, subpillars, and individual indicators. Last but not least, identifying appropriate data to measure the concepts of inclusion and equity remains a key concern.

goods market efficiency, labor market efficiency, financial market development, technological readiness, market size, business sophistication, and innovation. These are in turn organized into three subindexes, in line with three main stages of development: basic requirements, efficiency enhancers, and innovation and sophistication factors. The three subindexes are given different weights in the calculation of the overall Index, depending on each economy's stage of development, as proxied by its GDP per capita and the share of exports represented by raw materials.

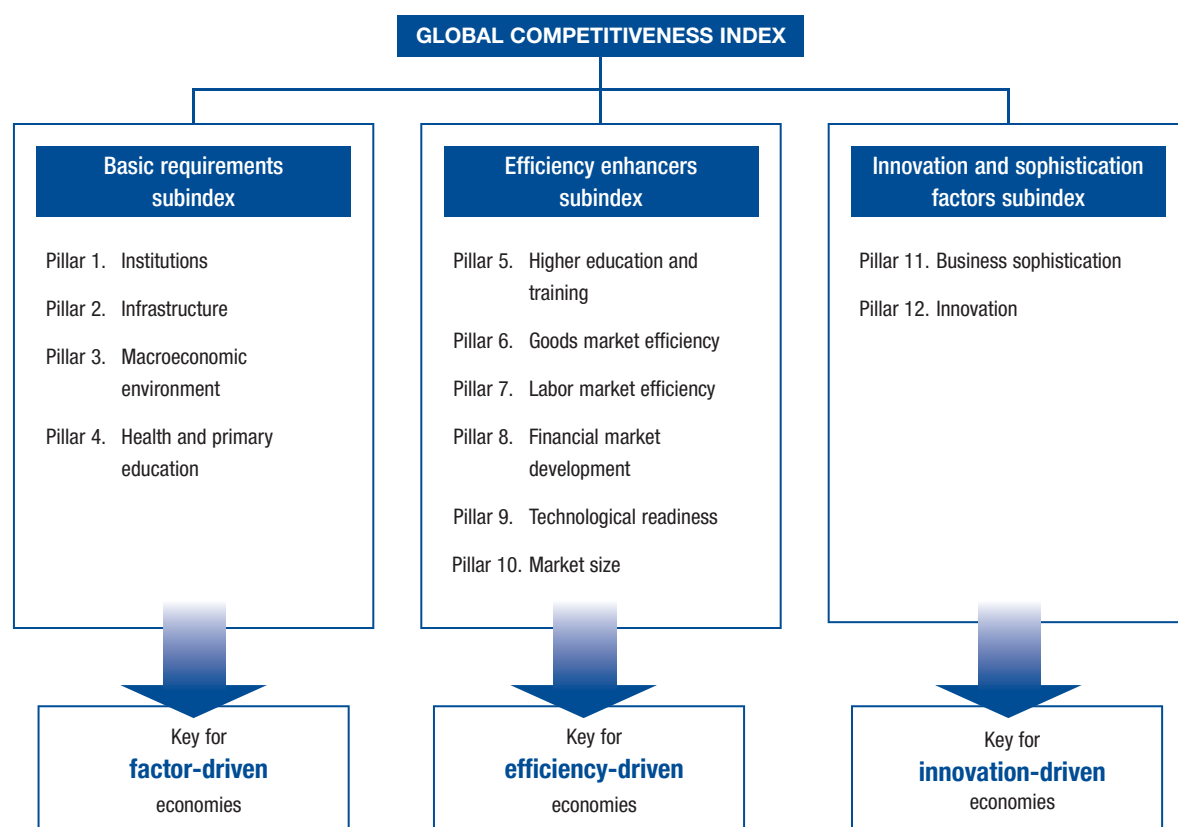
The GCI includes statistical data from internationally recognized agencies, notably the International Monetary Fund (IMF); the United Nations Educational, Scientific and Cultural Organization; and the World Health Organization. It also includes data from the World Economic Forum's annual Executive Opinion Survey to capture concepts that require a more qualitative assessment, or for which comprehensive and internationally comparable statistical data are not available.

This year the *Report* covers 140 economies. In this edition, because of absence of data, we could not include Angola, Barbados, Burkina Faso, Libya, Puerto Rico, Suriname, Timor-Leste, or Yemen. However, Benin, Bosnia and Herzegovina, Ecuador, and Liberia, which could not be included in the last edition, are reinstated this year. Altogether, the combined output of the economies covered in the GCI represents 98.3 percent of world GDP.<sup>5</sup> The appendix contains a description of each pillar. It also presents a detailed structure of the GCI with all the indicators and explains how the Index is computed.

#### THE GLOBAL COMPETITIVENESS INDEX 2015–2016

This section presents the main findings of the GCI 2015–2016, starting with an analysis of selected overarching topics and then drilling down into regions and selected countries. Tables 1–5 report the rankings for the overall GCI, the three subindexes, and their corresponding pillars. Detailed scorecards for all the economies in the sample are available in the data section of this *Report*.<sup>6</sup>

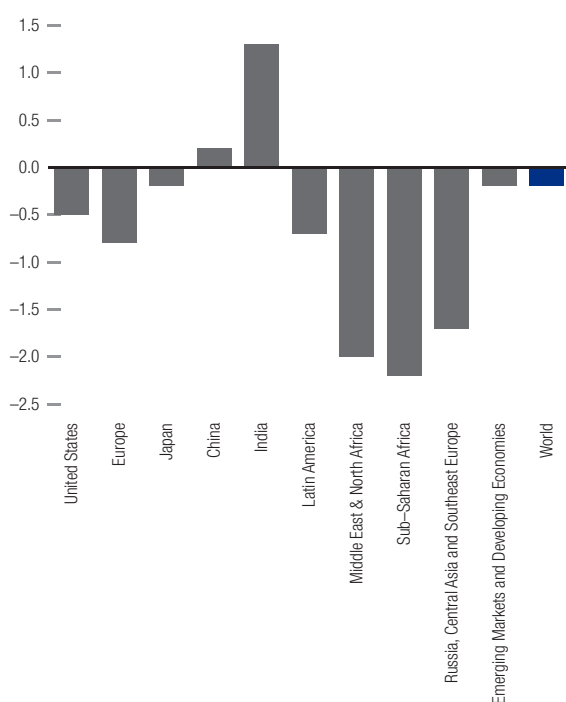
Figure 1: The Global Competitiveness Index framework



Note: See the appendix for the detailed structure of the GCI.

**Figure 2: Difference in total factor productivity growth between the 1995–2004 and 2005–14 decades**

Percentage points



Source: The Conference Board, *Total Economy Database*™ (May 2015).

Notes: Estimated as a Tornqvist index, log change. See <https://www.conference-board.org/data/economydatabase/> for more information.

### ***Not settling for the new normal***

The collapse of Lehman Brothers in 2008 triggered a crisis of historical proportions, sending the global economy into freefall. Governments around the world resorted to short-term solutions to stabilize the economy and stimulate growth—but growth remains subdued seven years on, beyond the typical duration of a business cycle. In 2015, global growth is projected at 3.3 percent, its lowest rate since 2009—the trough of the crisis—and one of the lowest since 2000.<sup>7</sup> Unemployment, especially among youth, remains elevated. This suboptimal situation is often referred to as the *new normal*.

Although many possible explanations for this situation have been advanced—including Lawrence Summers' "secular stagnation" argument,<sup>8</sup> the aging of populations in most advanced economies and some emerging countries, and declining capital investment—slowing productivity growth is undoubtedly part of the story, especially in emerging markets.<sup>9</sup> In the last decade, productivity in most regions has grown more slowly than in the decade before (Figure 2).

There is no general agreement on the factors driving the slowdown in productivity growth. However, commonly suggested explanations include: technological

Table 1: The Global Competitiveness Index 2015–2016 rankings and 2014–2015 comparisons

| Country/Economy      | GCI 2015–2016     |             |                                 | GCI 2014–2015 rank (out of 144) |
|----------------------|-------------------|-------------|---------------------------------|---------------------------------|
|                      | Rank (out of 140) | Score (1–7) | Rank among 2014–2015 economies* |                                 |
| Switzerland          | 1                 | 5.76        | 1                               | 1                               |
| Singapore            | 2                 | 5.68        | 2                               | 2                               |
| United States        | 3                 | 5.61        | 3                               | 3                               |
| Germany              | 4                 | 5.53        | 4                               | 5                               |
| Netherlands          | 5                 | 5.50        | 5                               | 8                               |
| Japan                | 6                 | 5.47        | 6                               | 6                               |
| Hong Kong SAR        | 7                 | 5.46        | 7                               | 7                               |
| Finland              | 8                 | 5.45        | 8                               | 4                               |
| Sweden               | 9                 | 5.43        | 9                               | 10                              |
| United Kingdom       | 10                | 5.43        | 10                              | 9                               |
| Norway               | 11                | 5.41        | 11                              | 11                              |
| Denmark              | 12                | 5.33        | 12                              | 13                              |
| Canada               | 13                | 5.31        | 13                              | 15                              |
| Qatar                | 14                | 5.30        | 14                              | 16                              |
| Taiwan, China        | 15                | 5.28        | 15                              | 14                              |
| New Zealand          | 16                | 5.25        | 16                              | 17                              |
| United Arab Emirates | 17                | 5.24        | 17                              | 12                              |
| Malaysia             | 18                | 5.23        | 18                              | 20                              |
| Belgium              | 19                | 5.20        | 19                              | 18                              |
| Luxembourg           | 20                | 5.20        | 20                              | 19                              |
| Australia            | 21                | 5.15        | 21                              | 22                              |
| France               | 22                | 5.13        | 22                              | 23                              |
| Austria              | 23                | 5.12        | 23                              | 21                              |
| Ireland              | 24                | 5.11        | 24                              | 25                              |
| Saudi Arabia         | 25                | 5.07        | 25                              | 24                              |
| Korea, Rep.          | 26                | 4.99        | 26                              | 26                              |
| Israel               | 27                | 4.98        | 27                              | 27                              |
| China                | 28                | 4.89        | 28                              | 28                              |
| Iceland              | 29                | 4.83        | 29                              | 30                              |
| Estonia              | 30                | 4.74        | 30                              | 29                              |
| Czech Republic       | 31                | 4.69        | 31                              | 37                              |
| Thailand             | 32                | 4.64        | 32                              | 31                              |
| Spain                | 33                | 4.59        | 33                              | 35                              |
| Kuwait               | 34                | 4.59        | 34                              | 40                              |
| Chile                | 35                | 4.58        | 35                              | 33                              |
| Lithuania            | 36                | 4.55        | 36                              | 41                              |
| Indonesia            | 37                | 4.52        | 37                              | 34                              |
| Portugal             | 38                | 4.52        | 38                              | 36                              |
| Bahrain              | 39                | 4.52        | 39                              | 44                              |
| Azerbaijan           | 40                | 4.50        | 40                              | 38                              |
| Poland               | 41                | 4.49        | 41                              | 43                              |
| Kazakhstan           | 42                | 4.49        | 42                              | 50                              |
| Italy                | 43                | 4.46        | 43                              | 49                              |
| Latvia               | 44                | 4.45        | 44                              | 42                              |
| Russian Federation   | 45                | 4.44        | 45                              | 53                              |
| Mauritius            | 46                | 4.43        | 46                              | 39                              |
| Philippines          | 47                | 4.39        | 47                              | 52                              |
| Malta                | 48                | 4.39        | 48                              | 47                              |
| South Africa         | 49                | 4.39        | 49                              | 56                              |
| Panama               | 50                | 4.38        | 50                              | 48                              |
| Turkey               | 51                | 4.37        | 51                              | 45                              |
| Costa Rica           | 52                | 4.33        | 52                              | 51                              |
| Romania              | 53                | 4.32        | 53                              | 59                              |
| Bulgaria             | 54                | 4.32        | 54                              | 54                              |
| India                | 55                | 4.31        | 55                              | 71                              |
| Vietnam              | 56                | 4.30        | 56                              | 68                              |
| Mexico               | 57                | 4.29        | 57                              | 61                              |
| Rwanda               | 58                | 4.29        | 58                              | 62                              |
| Slovenia             | 59                | 4.28        | 59                              | 70                              |
| Macedonia, FYR       | 60                | 4.28        | 60                              | 63                              |
| Colombia             | 61                | 4.28        | 61                              | 66                              |
| Oman                 | 62                | 4.25        | 62                              | 46                              |
| Hungary              | 63                | 4.25        | 63                              | 60                              |
| Jordan               | 64                | 4.23        | 64                              | 64                              |
| Cyprus               | 65                | 4.23        | 65                              | 58                              |
| Georgia              | 66                | 4.22        | 66                              | 69                              |
| Slovak Republic      | 67                | 4.22        | 67                              | 75                              |
| Sri Lanka            | 68                | 4.21        | 68                              | 73                              |
| Peru                 | 69                | 4.21        | 69                              | 65                              |
| Montenegro           | 70                | 4.20        | 70                              | 67                              |

| Country/Economy        | GCI 2015–2016     |             |                                 | GCI 2014–2015 rank (out of 144) |
|------------------------|-------------------|-------------|---------------------------------|---------------------------------|
|                        | Rank (out of 140) | Score (1–7) | Rank among 2014–2015 economies* |                                 |
| Botswana               | 71                | 4.19        | 71                              | 74                              |
| Morocco                | 72                | 4.17        | 72                              | 72                              |
| Uruguay                | 73                | 4.09        | 73                              | 80                              |
| Iran, Islamic Rep.     | 74                | 4.09        | 74                              | 83                              |
| Brazil                 | 75                | 4.08        | 75                              | 57                              |
| Ecuador                | 76                | 4.07        | n/a                             | n/a                             |
| Croatia                | 77                | 4.07        | 76                              | 77                              |
| Guatemala              | 78                | 4.05        | 77                              | 78                              |
| Ukraine                | 79                | 4.03        | 78                              | 76                              |
| Tajikistan             | 80                | 4.03        | 79                              | 91                              |
| Greece                 | 81                | 4.02        | 80                              | 81                              |
| Armenia                | 82                | 4.01        | 81                              | 85                              |
| Lao PDR                | 83                | 4.00        | 82                              | 93                              |
| Moldova                | 84                | 4.00        | 83                              | 82                              |
| Namibia                | 85                | 3.99        | 84                              | 88                              |
| Jamaica                | 86                | 3.97        | 85                              | 86                              |
| Algeria                | 87                | 3.97        | 86                              | 79                              |
| Honduras               | 88                | 3.95        | 87                              | 100                             |
| Trinidad and Tobago    | 89                | 3.94        | 88                              | 89                              |
| Cambodia               | 90                | 3.94        | 89                              | 95                              |
| Côte d'Ivoire          | 91                | 3.93        | 90                              | 115                             |
| Tunisia                | 92                | 3.93        | 91                              | 87                              |
| Albania                | 93                | 3.93        | 92                              | 97                              |
| Serbia                 | 94                | 3.89        | 93                              | 94                              |
| El Salvador            | 95                | 3.87        | 94                              | 84                              |
| Zambia                 | 96                | 3.87        | 95                              | 96                              |
| Seychelles             | 97                | 3.86        | 96                              | 92                              |
| Dominican Republic     | 98                | 3.86        | 97                              | 101                             |
| Kenya                  | 99                | 3.85        | 98                              | 90                              |
| Nepal                  | 100               | 3.85        | 99                              | 102                             |
| Lebanon                | 101               | 3.84        | 100                             | 113                             |
| Kyrgyz Republic        | 102               | 3.83        | 101                             | 108                             |
| Gabon                  | 103               | 3.83        | 102                             | 106                             |
| Mongolia               | 104               | 3.81        | 103                             | 98                              |
| Bhutan                 | 105               | 3.80        | 104                             | 103                             |
| Argentina              | 106               | 3.79        | 105                             | 104                             |
| Bangladesh             | 107               | 3.76        | 106                             | 109                             |
| Nicaragua              | 108               | 3.75        | 107                             | 99                              |
| Ethiopia               | 109               | 3.75        | 108                             | 118                             |
| Senegal                | 110               | 3.73        | 109                             | 112                             |
| Bosnia and Herzegovina | 111               | 3.71        | n/a                             | n/a                             |
| Cape Verde             | 112               | 3.70        | 110                             | 114                             |
| Lesotho                | 113               | 3.70        | 111                             | 107                             |
| Cameroon               | 114               | 3.69        | 112                             | 116                             |
| Uganda                 | 115               | 3.66        | 113                             | 122                             |
| Egypt                  | 116               | 3.66        | 114                             | 119                             |
| Bolivia                | 117               | 3.60        | 115                             | 105                             |
| Paraguay               | 118               | 3.60        | 116                             | 120                             |
| Ghana                  | 119               | 3.58        | 117                             | 111                             |
| Tanzania               | 120               | 3.57        | 118                             | 121                             |
| Guyana                 | 121               | 3.56        | 119                             | 117                             |
| Benin                  | 122               | 3.55        | n/a                             | n/a                             |
| Gambia, The            | 123               | 3.48        | 120                             | 125                             |
| Nigeria                | 124               | 3.46        | 121                             | 127                             |
| Zimbabwe               | 125               | 3.45        | 122                             | 124                             |
| Pakistan               | 126               | 3.45        | 123                             | 129                             |
| Mali                   | 127               | 3.44        | 124                             | 128                             |
| Swaziland              | 128               | 3.40        | 125                             | 123                             |
| Liberia                | 129               | 3.37        | n/a                             | n/a                             |
| Madagascar             | 130               | 3.32        | 126                             | 130                             |
| Myanmar                | 131               | 3.32        | 127                             | 134                             |
| Venezuela              | 132               | 3.30        | 128                             | 131                             |
| Mozambique             | 133               | 3.20        | 129                             | 133                             |
| Haiti                  | 134               | 3.18        | 130                             | 137                             |
| Malawi                 | 135               | 3.15        | 131                             | 132                             |
| Burundi                | 136               | 3.11        | 132                             | 139                             |
| Sierra Leone           | 137               | 3.06        | 133                             | 138                             |
| Mauritania             | 138               | 3.03        | 134                             | 141                             |
| Chad                   | 139               | 2.96        | 135                             | 143                             |
| Guinea                 | 140               | 2.84        | 136                             | 144                             |

Note: The Global Competitiveness Index captures the fundamentals of an economy. Recent developments, including currency (e.g., Switzerland) and commodity price fluctuations (e.g., Azerbaijan, Qatar, Saudi Arabia), geopolitical uncertainties (e.g., Ukraine), and security issues (e.g., Turkey) must be kept in mind when interpreting the results. See "Country highlights" on pages 23–32 for a more detailed description for selected economies.

\* This column ranks all those economies for 2015–2016 that have been covered both in 2014–2015 and 2015–2016 editions, hence a constant sample of 136 economies. Benin, Bosnia and Herzegovina, Ecuador, and Liberia were not included in the analysis last year, and therefore appear as n/a.

Table 2: The Global Competitiveness Index 2015–2016

| Country/Economy      | OVERALL INDEX |       | SUBINDEXES         |       |                      |       |                                       |       |
|----------------------|---------------|-------|--------------------|-------|----------------------|-------|---------------------------------------|-------|
|                      | Rank          | Score | Basic requirements |       | Efficiency enhancers |       | Innovation and sophistication factors |       |
|                      |               |       | Rank               | Score | Rank                 | Score | Rank                                  | Score |
| Switzerland          | 1             | 5.76  | 2                  | 6.26  | 4                    | 5.55  | 1                                     | 5.78  |
| Singapore            | 2             | 5.68  | 1                  | 6.36  | 2                    | 5.70  | 11                                    | 5.19  |
| United States        | 3             | 5.61  | 30                 | 5.27  | 1                    | 5.76  | 4                                     | 5.59  |
| Germany              | 4             | 5.53  | 8                  | 5.95  | 10                   | 5.31  | 3                                     | 5.61  |
| Netherlands          | 5             | 5.50  | 7                  | 6.05  | 9                    | 5.31  | 6                                     | 5.46  |
| Japan                | 6             | 5.47  | 24                 | 5.52  | 8                    | 5.33  | 2                                     | 5.66  |
| Hong Kong SAR        | 7             | 5.46  | 3                  | 6.20  | 3                    | 5.57  | 23                                    | 4.80  |
| Finland              | 8             | 5.45  | 11                 | 5.95  | 13                   | 5.22  | 5                                     | 5.50  |
| Sweden               | 9             | 5.43  | 13                 | 5.90  | 12                   | 5.24  | 7                                     | 5.45  |
| United Kingdom       | 10            | 5.43  | 25                 | 5.52  | 5                    | 5.49  | 9                                     | 5.28  |
| Norway               | 11            | 5.41  | 6                  | 6.06  | 11                   | 5.29  | 13                                    | 5.16  |
| Denmark              | 12            | 5.33  | 12                 | 5.91  | 16                   | 5.15  | 10                                    | 5.25  |
| Canada               | 13            | 5.31  | 16                 | 5.77  | 6                    | 5.45  | 24                                    | 4.77  |
| Qatar                | 14            | 5.30  | 5                  | 6.13  | 21                   | 5.05  | 12                                    | 5.18  |
| Taiwan, China        | 15            | 5.28  | 14                 | 5.84  | 15                   | 5.19  | 16                                    | 5.06  |
| New Zealand          | 16            | 5.25  | 9                  | 5.95  | 7                    | 5.33  | 25                                    | 4.66  |
| United Arab Emirates | 17            | 5.24  | 4                  | 6.17  | 17                   | 5.11  | 21                                    | 4.83  |
| Malaysia             | 18            | 5.23  | 22                 | 5.59  | 22                   | 5.01  | 17                                    | 5.05  |
| Belgium              | 19            | 5.20  | 23                 | 5.56  | 18                   | 5.09  | 15                                    | 5.14  |
| Luxembourg           | 20            | 5.20  | 10                 | 5.95  | 23                   | 5.00  | 18                                    | 5.04  |
| Australia            | 21            | 5.15  | 15                 | 5.79  | 14                   | 5.21  | 26                                    | 4.61  |
| France               | 22            | 5.13  | 26                 | 5.48  | 19                   | 5.08  | 20                                    | 4.97  |
| Austria              | 23            | 5.12  | 20                 | 5.61  | 24                   | 4.89  | 14                                    | 5.16  |
| Ireland              | 24            | 5.11  | 27                 | 5.46  | 20                   | 5.06  | 19                                    | 4.98  |
| Saudi Arabia         | 25            | 5.07  | 17                 | 5.70  | 30                   | 4.69  | 29                                    | 4.18  |
| Korea, Rep.          | 26            | 4.99  | 18                 | 5.66  | 25                   | 4.82  | 22                                    | 4.82  |
| Israel               | 27            | 4.98  | 38                 | 5.10  | 27                   | 4.75  | 8                                     | 5.29  |
| China                | 28            | 4.89  | 28                 | 5.37  | 32                   | 4.66  | 34                                    | 4.11  |
| Iceland              | 29            | 4.83  | 19                 | 5.66  | 33                   | 4.65  | 27                                    | 4.58  |
| Estonia              | 30            | 4.74  | 21                 | 5.60  | 28                   | 4.74  | 31                                    | 4.15  |
| Czech Republic       | 31            | 4.69  | 31                 | 5.27  | 26                   | 4.78  | 32                                    | 4.14  |
| Thailand             | 32            | 4.64  | 42                 | 4.94  | 38                   | 4.56  | 48                                    | 3.88  |
| Spain                | 33            | 4.59  | 40                 | 5.04  | 29                   | 4.71  | 35                                    | 4.09  |
| Kuwait               | 34            | 4.59  | 33                 | 5.18  | 72                   | 4.03  | 82                                    | 3.48  |
| Chile                | 35            | 4.58  | 36                 | 5.12  | 31                   | 4.67  | 50                                    | 3.81  |
| Lithuania            | 36            | 4.55  | 35                 | 5.14  | 36                   | 4.59  | 37                                    | 4.02  |
| Indonesia            | 37            | 4.52  | 49                 | 4.84  | 46                   | 4.34  | 33                                    | 4.14  |
| Portugal             | 38            | 4.52  | 41                 | 4.94  | 37                   | 4.56  | 30                                    | 4.16  |
| Bahrain              | 39            | 4.52  | 32                 | 5.21  | 35                   | 4.60  | 43                                    | 3.92  |
| Azerbaijan           | 40            | 4.50  | 43                 | 4.92  | 69                   | 4.05  | 66                                    | 3.59  |
| Poland               | 41            | 4.49  | 44                 | 4.91  | 34                   | 4.64  | 57                                    | 3.70  |
| Kazakhstan           | 42            | 4.49  | 46                 | 4.87  | 45                   | 4.36  | 78                                    | 3.53  |
| Italy                | 43            | 4.46  | 53                 | 4.80  | 43                   | 4.39  | 28                                    | 4.35  |
| Latvia               | 44            | 4.45  | 37                 | 5.10  | 39                   | 4.56  | 58                                    | 3.69  |
| Russian Federation   | 45            | 4.44  | 47                 | 4.87  | 40                   | 4.53  | 76                                    | 3.54  |
| Mauritius            | 46            | 4.43  | 39                 | 5.04  | 61                   | 4.17  | 51                                    | 3.79  |
| Philippines          | 47            | 4.39  | 66                 | 4.60  | 51                   | 4.30  | 47                                    | 3.88  |
| Malta                | 48            | 4.39  | 34                 | 5.17  | 42                   | 4.39  | 49                                    | 3.86  |
| South Africa         | 49            | 4.39  | 85                 | 4.32  | 41                   | 4.51  | 36                                    | 4.06  |
| Panama               | 50            | 4.38  | 54                 | 4.74  | 52                   | 4.29  | 44                                    | 3.91  |
| Turkey               | 51            | 4.37  | 57                 | 4.68  | 48                   | 4.33  | 56                                    | 3.71  |
| Costa Rica           | 52            | 4.33  | 64                 | 4.63  | 57                   | 4.20  | 38                                    | 4.01  |
| Romania              | 53            | 4.32  | 70                 | 4.55  | 44                   | 4.37  | 84                                    | 3.48  |
| Bulgaria             | 54            | 4.32  | 68                 | 4.57  | 50                   | 4.31  | 94                                    | 3.37  |
| India                | 55            | 4.31  | 80                 | 4.41  | 58                   | 4.19  | 46                                    | 3.90  |
| Vietnam              | 56            | 4.30  | 72                 | 4.54  | 70                   | 4.04  | 88                                    | 3.44  |
| Mexico               | 57            | 4.29  | 73                 | 4.53  | 53                   | 4.27  | 52                                    | 3.78  |
| Rwanda               | 58            | 4.29  | 65                 | 4.60  | 85                   | 3.84  | 55                                    | 3.74  |
| Slovenia             | 59            | 4.28  | 45                 | 4.90  | 56                   | 4.21  | 39                                    | 3.99  |
| Macedonia, FYR       | 60            | 4.28  | 60                 | 4.65  | 64                   | 4.11  | 62                                    | 3.62  |
| Colombia             | 61            | 4.28  | 77                 | 4.46  | 54                   | 4.26  | 61                                    | 3.65  |
| Oman                 | 62            | 4.25  | 29                 | 5.33  | 63                   | 4.13  | 85                                    | 3.45  |
| Hungary              | 63            | 4.25  | 59                 | 4.67  | 49                   | 4.31  | 69                                    | 3.57  |
| Jordan               | 64            | 4.23  | 75                 | 4.48  | 67                   | 4.09  | 40                                    | 3.99  |
| Cyprus               | 65            | 4.23  | 50                 | 4.83  | 59                   | 4.18  | 45                                    | 3.91  |
| Georgia              | 66            | 4.22  | 51                 | 4.83  | 77                   | 3.96  | 118                                   | 3.10  |
| Slovak Republic      | 67            | 4.22  | 56                 | 4.73  | 47                   | 4.34  | 59                                    | 3.68  |
| Sri Lanka            | 68            | 4.21  | 67                 | 4.60  | 76                   | 3.96  | 41                                    | 3.95  |
| Peru                 | 69            | 4.21  | 76                 | 4.48  | 60                   | 4.18  | 106                                   | 3.28  |
| Montenegro           | 70            | 4.20  | 58                 | 4.67  | 75                   | 3.97  | 86                                    | 3.45  |

(Cont'd.)

Table 2: The Global Competitiveness Index 2015–2016 (cont'd.)

| Country/Economy        | OVERALL INDEX |       | SUBINDEXES         |       |                      |       |                                       |       |
|------------------------|---------------|-------|--------------------|-------|----------------------|-------|---------------------------------------|-------|
|                        |               |       | Basic requirements |       | Efficiency enhancers |       | Innovation and sophistication factors |       |
|                        | Rank          | Score | Rank               | Score | Rank                 | Score | Rank                                  | Score |
| Botswana               | 71            | 4.19  | 61                 | 4.65  | 91                   | 3.77  | 111                                   | 3.26  |
| Morocco                | 72            | 4.17  | 55                 | 4.73  | 82                   | 3.86  | 92                                    | 3.42  |
| Uruguay                | 73            | 4.09  | 48                 | 4.85  | 66                   | 4.09  | 83                                    | 3.48  |
| Iran, Islamic Rep.     | 74            | 4.09  | 63                 | 4.64  | 90                   | 3.77  | 102                                   | 3.33  |
| Brazil                 | 75            | 4.08  | 103                | 4.07  | 55                   | 4.23  | 64                                    | 3.62  |
| Ecuador                | 76            | 4.07  | 71                 | 4.54  | 86                   | 3.82  | 87                                    | 3.44  |
| Croatia                | 77            | 4.07  | 69                 | 4.56  | 68                   | 4.05  | 90                                    | 3.43  |
| Guatemala              | 78            | 4.05  | 91                 | 4.23  | 74                   | 3.99  | 60                                    | 3.67  |
| Ukraine                | 79            | 4.03  | 101                | 4.08  | 65                   | 4.09  | 72                                    | 3.55  |
| Tajikistan             | 80            | 4.03  | 84                 | 4.32  | 104                  | 3.60  | 71                                    | 3.56  |
| Greece                 | 81            | 4.02  | 74                 | 4.49  | 62                   | 4.13  | 77                                    | 3.54  |
| Armenia                | 82            | 4.01  | 81                 | 4.39  | 84                   | 3.84  | 101                                   | 3.33  |
| Lao PDR                | 83            | 4.00  | 86                 | 4.30  | 106                  | 3.58  | 103                                   | 3.32  |
| Moldova                | 84            | 4.00  | 89                 | 4.28  | 94                   | 3.76  | 128                                   | 2.93  |
| Namibia                | 85            | 3.99  | 79                 | 4.43  | 97                   | 3.72  | 79                                    | 3.52  |
| Jamaica                | 86            | 3.97  | 94                 | 4.16  | 79                   | 3.89  | 63                                    | 3.62  |
| Algeria                | 87            | 3.97  | 82                 | 4.37  | 117                  | 3.44  | 124                                   | 3.02  |
| Honduras               | 88            | 3.95  | 98                 | 4.12  | 93                   | 3.76  | 53                                    | 3.75  |
| Trinidad and Tobago    | 89            | 3.94  | 62                 | 4.65  | 78                   | 3.93  | 81                                    | 3.49  |
| Cambodia               | 90            | 3.94  | 93                 | 4.19  | 101                  | 3.63  | 121                                   | 3.05  |
| Côte d'Ivoire          | 91            | 3.93  | 102                | 4.08  | 96                   | 3.74  | 73                                    | 3.55  |
| Tunisia                | 92            | 3.93  | 78                 | 4.43  | 98                   | 3.65  | 110                                   | 3.26  |
| Albania                | 93            | 3.93  | 87                 | 4.29  | 89                   | 3.78  | 115                                   | 3.21  |
| Serbia                 | 94            | 3.89  | 96                 | 4.15  | 83                   | 3.85  | 125                                   | 3.02  |
| El Salvador            | 95            | 3.87  | 88                 | 4.28  | 102                  | 3.62  | 80                                    | 3.51  |
| Zambia                 | 96            | 3.87  | 110                | 3.92  | 87                   | 3.81  | 68                                    | 3.58  |
| Seychelles             | 97            | 3.86  | 52                 | 4.80  | 108                  | 3.54  | 70                                    | 3.57  |
| Dominican Republic     | 98            | 3.86  | 100                | 4.10  | 92                   | 3.76  | 97                                    | 3.36  |
| Kenya                  | 99            | 3.85  | 116                | 3.76  | 73                   | 3.99  | 42                                    | 3.93  |
| Nepal                  | 100           | 3.85  | 97                 | 4.14  | 111                  | 3.48  | 127                                   | 2.99  |
| Lebanon                | 101           | 3.84  | 121                | 3.70  | 71                   | 4.03  | 67                                    | 3.58  |
| Kyrgyz Republic        | 102           | 3.83  | 106                | 4.01  | 99                   | 3.65  | 122                                   | 3.04  |
| Gabon                  | 103           | 3.83  | 83                 | 4.34  | 123                  | 3.35  | 129                                   | 2.92  |
| Mongolia               | 104           | 3.81  | 112                | 3.84  | 80                   | 3.88  | 107                                   | 3.28  |
| Bhutan                 | 105           | 3.80  | 90                 | 4.25  | 116                  | 3.45  | 105                                   | 3.29  |
| Argentina              | 106           | 3.79  | 104                | 4.07  | 88                   | 3.80  | 99                                    | 3.36  |
| Bangladesh             | 107           | 3.76  | 109                | 3.93  | 105                  | 3.58  | 123                                   | 3.04  |
| Nicaragua              | 108           | 3.75  | 99                 | 4.11  | 124                  | 3.28  | 133                                   | 2.77  |
| Ethiopia               | 109           | 3.75  | 108                | 3.95  | 114                  | 3.45  | 95                                    | 3.37  |
| Senegal                | 110           | 3.73  | 114                | 3.80  | 103                  | 3.61  | 54                                    | 3.75  |
| Bosnia and Herzegovina | 111           | 3.71  | 95                 | 4.15  | 112                  | 3.48  | 120                                   | 3.05  |
| Cape Verde             | 112           | 3.70  | 92                 | 4.22  | 122                  | 3.37  | 104                                   | 3.30  |
| Lesotho                | 113           | 3.70  | 105                | 4.02  | 130                  | 3.19  | 91                                    | 3.43  |
| Cameroon               | 114           | 3.69  | 113                | 3.83  | 113                  | 3.48  | 93                                    | 3.40  |
| Uganda                 | 115           | 3.66  | 117                | 3.76  | 109                  | 3.54  | 100                                   | 3.35  |
| Egypt                  | 116           | 3.66  | 115                | 3.79  | 100                  | 3.64  | 113                                   | 3.23  |
| Bolivia                | 117           | 3.60  | 107                | 3.98  | 121                  | 3.39  | 117                                   | 3.16  |
| Paraguay               | 118           | 3.60  | 111                | 3.84  | 110                  | 3.53  | 131                                   | 2.90  |
| Ghana                  | 119           | 3.58  | 127                | 3.48  | 95                   | 3.76  | 65                                    | 3.60  |
| Tanzania               | 120           | 3.57  | 123                | 3.69  | 120                  | 3.41  | 112                                   | 3.23  |
| Guyana                 | 121           | 3.56  | 122                | 3.69  | 115                  | 3.45  | 74                                    | 3.54  |
| Benin                  | 122           | 3.55  | 118                | 3.73  | 125                  | 3.27  | 96                                    | 3.37  |
| Gambia, The            | 123           | 3.48  | 126                | 3.51  | 118                  | 3.44  | 75                                    | 3.54  |
| Nigeria                | 124           | 3.46  | 136                | 3.19  | 81                   | 3.87  | 114                                   | 3.22  |
| Zimbabwe               | 125           | 3.45  | 120                | 3.70  | 134                  | 3.11  | 130                                   | 2.90  |
| Pakistan               | 126           | 3.45  | 131                | 3.37  | 107                  | 3.57  | 89                                    | 3.44  |
| Mali                   | 127           | 3.44  | 124                | 3.56  | 126                  | 3.27  | 109                                   | 3.27  |
| Swaziland              | 128           | 3.40  | 119                | 3.71  | 128                  | 3.24  | 126                                   | 3.02  |
| Liberia                | 129           | 3.37  | 125                | 3.51  | 133                  | 3.12  | 98                                    | 3.36  |
| Madagascar             | 130           | 3.32  | 130                | 3.40  | 129                  | 3.21  | 116                                   | 3.20  |
| Myanmar                | 131           | 3.32  | 128                | 3.45  | 131                  | 3.17  | 134                                   | 2.71  |
| Venezuela              | 132           | 3.30  | 133                | 3.28  | 119                  | 3.43  | 135                                   | 2.71  |
| Mozambique             | 133           | 3.20  | 135                | 3.22  | 132                  | 3.16  | 108                                   | 3.28  |
| Haiti                  | 134           | 3.18  | 132                | 3.29  | 135                  | 3.07  | 139                                   | 2.54  |
| Malawi                 | 135           | 3.15  | 138                | 3.11  | 127                  | 3.24  | 119                                   | 3.05  |
| Burundi                | 136           | 3.11  | 129                | 3.43  | 140                  | 2.62  | 136                                   | 2.68  |
| Sierra Leone           | 137           | 3.06  | 137                | 3.13  | 136                  | 2.98  | 132                                   | 2.82  |
| Mauritania             | 138           | 3.03  | 134                | 3.26  | 139                  | 2.72  | 140                                   | 2.47  |
| Chad                   | 139           | 2.96  | 139                | 3.08  | 138                  | 2.82  | 137                                   | 2.59  |
| Guinea                 | 140           | 2.84  | 140                | 2.84  | 137                  | 2.88  | 138                                   | 2.55  |

Note: Ranks out of 140 economies and scores measured on a 1-to-7 scale.



Table 3: The Global Competitiveness Index 2015–2016: Basic requirements

| Country/Economy        | PILLARS            |       |                 |       |                   |       |                              |       |                                 |       |
|------------------------|--------------------|-------|-----------------|-------|-------------------|-------|------------------------------|-------|---------------------------------|-------|
|                        | BASIC REQUIREMENTS |       | 1. Institutions |       | 2. Infrastructure |       | 3. Macroeconomic environment |       | 4. Health and primary education |       |
|                        | Rank               | Score | Rank            | Score | Rank              | Score | Rank                         | Score | Rank                            | Score |
| Albania                | 87                 | 4.29  | 84              | 3.68  | 88                | 3.55  | 118                          | 3.96  | 52                              | 5.97  |
| Algeria                | 82                 | 4.37  | 99              | 3.49  | 105               | 3.08  | 38                           | 5.35  | 81                              | 5.58  |
| Argentina              | 104                | 4.07  | 135             | 2.86  | 87                | 3.58  | 114                          | 4.07  | 68                              | 5.75  |
| Armenia                | 81                 | 4.39  | 76              | 3.78  | 82                | 3.72  | 72                           | 4.71  | 95                              | 5.35  |
| Australia              | 15                 | 5.79  | 19              | 5.31  | 16                | 5.66  | 28                           | 5.62  | 9                               | 6.54  |
| Austria                | 20                 | 5.61  | 21              | 5.19  | 15                | 5.71  | 45                           | 5.13  | 19                              | 6.41  |
| Azerbaijan             | 43                 | 4.92  | 64              | 3.94  | 65                | 4.15  | 10                           | 6.35  | 102                             | 5.22  |
| Bahrain                | 32                 | 5.21  | 26              | 4.92  | 29                | 5.10  | 82                           | 4.60  | 35                              | 6.20  |
| Bangladesh             | 109                | 3.93  | 132             | 2.94  | 123               | 2.56  | 49                           | 4.98  | 101                             | 5.24  |
| Belgium                | 23                 | 5.56  | 22              | 5.17  | 21                | 5.55  | 65                           | 4.79  | 3                               | 6.73  |
| Benin                  | 118                | 3.73  | 90              | 3.62  | 130               | 2.26  | 88                           | 4.45  | 117                             | 4.58  |
| Bhutan                 | 90                 | 4.25  | 33              | 4.60  | 92                | 3.41  | 126                          | 3.60  | 89                              | 5.39  |
| Bolivia                | 107                | 3.98  | 110             | 3.34  | 107               | 3.07  | 63                           | 4.81  | 109                             | 4.71  |
| Bosnia and Herzegovina | 95                 | 4.15  | 127             | 3.18  | 103               | 3.08  | 98                           | 4.32  | 48                              | 6.03  |
| Botswana               | 61                 | 4.65  | 37              | 4.43  | 96                | 3.25  | 9                            | 6.46  | 119                             | 4.46  |
| Brazil                 | 103                | 4.07  | 121             | 3.23  | 74                | 3.92  | 117                          | 4.01  | 103                             | 5.13  |
| Bulgaria               | 68                 | 4.57  | 107             | 3.39  | 72                | 4.00  | 53                           | 4.94  | 53                              | 5.97  |
| Burundi                | 129                | 3.43  | 134             | 2.90  | 136               | 2.01  | 110                          | 4.11  | 110                             | 4.71  |
| Cambodia               | 93                 | 4.19  | 111             | 3.33  | 101               | 3.19  | 64                           | 4.80  | 87                              | 5.44  |
| Cameroon               | 113                | 3.83  | 93              | 3.58  | 125               | 2.45  | 90                           | 4.41  | 107                             | 4.88  |
| Canada                 | 16                 | 5.77  | 16              | 5.44  | 14                | 5.73  | 39                           | 5.34  | 7                               | 6.58  |
| Cape Verde             | 92                 | 4.22  | 66              | 3.94  | 94                | 3.33  | 124                          | 3.61  | 51                              | 5.99  |
| Chad                   | 139                | 3.08  | 137             | 2.80  | 140               | 1.73  | 113                          | 4.07  | 132                             | 3.72  |
| Chile                  | 36                 | 5.12  | 32              | 4.64  | 45                | 4.60  | 29                           | 5.61  | 74                              | 5.64  |
| China                  | 28                 | 5.37  | 51              | 4.15  | 39                | 4.73  | 8                            | 6.52  | 44                              | 6.09  |
| Colombia               | 77                 | 4.46  | 114             | 3.31  | 84                | 3.67  | 32                           | 5.53  | 97                              | 5.32  |
| Costa Rica             | 64                 | 4.63  | 49              | 4.17  | 71                | 4.03  | 94                           | 4.37  | 55                              | 5.94  |
| Côte d'Ivoire          | 102                | 4.08  | 62              | 4.03  | 85                | 3.63  | 74                           | 4.70  | 129                             | 3.95  |
| Croatia                | 69                 | 4.56  | 89              | 3.63  | 46                | 4.59  | 107                          | 4.19  | 63                              | 5.85  |
| Cyprus                 | 51                 | 4.83  | 43              | 4.28  | 50                | 4.46  | 109                          | 4.16  | 17                              | 6.42  |
| Czech Republic         | 31                 | 5.26  | 57              | 4.09  | 41                | 4.70  | 21                           | 5.97  | 27                              | 6.31  |
| Denmark                | 12                 | 5.91  | 15              | 5.45  | 22                | 5.54  | 11                           | 6.29  | 21                              | 6.36  |
| Dominican Republic     | 100                | 4.09  | 118             | 3.27  | 100               | 3.21  | 57                           | 4.85  | 104                             | 5.04  |
| Ecuador                | 71                 | 4.54  | 105             | 3.42  | 67                | 4.14  | 75                           | 4.70  | 59                              | 5.91  |
| Egypt                  | 115                | 3.79  | 87              | 3.65  | 91                | 3.42  | 137                          | 2.77  | 96                              | 5.34  |
| El Salvador            | 88                 | 4.28  | 117             | 3.28  | 60                | 4.21  | 100                          | 4.28  | 94                              | 5.37  |
| Estonia                | 21                 | 5.60  | 25              | 5.03  | 33                | 4.87  | 15                           | 6.15  | 22                              | 6.34  |
| Ethiopia               | 108                | 3.95  | 83              | 3.69  | 121               | 2.62  | 76                           | 4.69  | 108                             | 4.80  |
| Finland                | 11                 | 5.94  | 1               | 6.10  | 25                | 5.45  | 36                           | 5.37  | 1                               | 6.87  |
| France                 | 26                 | 5.48  | 29              | 4.78  | 8                 | 6.04  | 77                           | 4.66  | 16                              | 6.43  |
| Gabon                  | 83                 | 4.34  | 78              | 3.76  | 110               | 2.93  | 18                           | 6.01  | 111                             | 4.66  |
| Gambia, The            | 126                | 3.51  | 42              | 4.28  | 95                | 3.29  | 138                          | 2.69  | 131                             | 3.76  |
| Georgia                | 50                 | 4.83  | 40              | 4.38  | 61                | 4.20  | 51                           | 4.95  | 65                              | 5.79  |
| Germany                | 8                  | 5.95  | 20              | 5.22  | 7                 | 6.12  | 20                           | 5.98  | 13                              | 6.48  |
| Ghana                  | 127                | 3.48  | 72              | 3.86  | 115               | 2.74  | 136                          | 2.79  | 118                             | 4.53  |
| Greece                 | 74                 | 4.48  | 81              | 3.72  | 34                | 4.83  | 132                          | 3.26  | 41                              | 6.13  |
| Guatemala              | 91                 | 4.23  | 113             | 3.32  | 77                | 3.84  | 59                           | 4.83  | 105                             | 4.94  |
| Guinea                 | 140                | 2.84  | 136             | 2.83  | 139               | 1.79  | 129                          | 3.51  | 138                             | 3.26  |
| Guyana                 | 122                | 3.69  | 102             | 3.43  | 108               | 3.01  | 120                          | 3.73  | 115                             | 4.59  |
| Haiti                  | 132                | 3.29  | 138             | 2.80  | 137               | 1.92  | 102                          | 4.22  | 125                             | 4.24  |
| Honduras               | 98                 | 4.12  | 88              | 3.64  | 93                | 3.39  | 112                          | 4.08  | 92                              | 5.38  |
| Hong Kong SAR          | 3                  | 6.20  | 8               | 5.72  | 1                 | 6.69  | 16                           | 6.10  | 29                              | 6.28  |
| Hungary                | 59                 | 4.67  | 97              | 3.52  | 48                | 4.51  | 52                           | 4.94  | 72                              | 5.71  |
| Iceland                | 19                 | 5.66  | 18              | 5.32  | 19                | 5.57  | 42                           | 5.20  | 8                               | 6.55  |
| India                  | 80                 | 4.41  | 60              | 4.06  | 81                | 3.72  | 91                           | 4.40  | 84                              | 5.48  |
| Indonesia              | 49                 | 4.84  | 55              | 4.09  | 62                | 4.19  | 33                           | 5.50  | 80                              | 5.59  |
| Iran, Islamic Rep.     | 63                 | 4.64  | 94              | 3.58  | 63                | 4.16  | 66                           | 4.78  | 47                              | 6.05  |
| Ireland                | 27                 | 5.46  | 12              | 5.53  | 27                | 5.34  | 87                           | 4.45  | 12                              | 6.51  |
| Israel                 | 38                 | 5.09  | 41              | 4.36  | 32                | 4.89  | 50                           | 4.98  | 39                              | 6.15  |
| Italy                  | 53                 | 4.80  | 106             | 3.42  | 26                | 5.38  | 111                          | 4.09  | 26                              | 6.32  |
| Jamaica                | 94                 | 4.16  | 80              | 3.74  | 79                | 3.74  | 131                          | 3.45  | 70                              | 5.71  |
| Japan                  | 24                 | 5.52  | 13              | 5.51  | 5                 | 6.21  | 121                          | 3.67  | 4                               | 6.68  |
| Jordan                 | 75                 | 4.48  | 36              | 4.45  | 70                | 4.05  | 130                          | 3.45  | 54                              | 5.97  |
| Kazakhstan             | 46                 | 4.87  | 50              | 4.16  | 58                | 4.25  | 25                           | 5.72  | 93                              | 5.37  |
| Kenya                  | 116                | 3.76  | 91              | 3.61  | 99                | 3.22  | 123                          | 3.63  | 114                             | 4.60  |
| Korea, Rep.            | 18                 | 5.66  | 69              | 3.90  | 13                | 5.82  | 5                            | 6.58  | 23                              | 6.34  |
| Kuwait                 | 33                 | 5.18  | 56              | 4.09  | 54                | 4.32  | 3                            | 6.72  | 79                              | 5.60  |
| Kyrgyz Republic        | 106                | 4.01  | 115             | 3.29  | 114               | 2.84  | 80                           | 4.62  | 98                              | 5.30  |
| Lao PDR                | 86                 | 4.30  | 71              | 3.87  | 98                | 3.23  | 70                           | 4.73  | 90                              | 5.39  |
| Latvia                 | 37                 | 5.10  | 48              | 4.18  | 49                | 4.47  | 31                           | 5.56  | 37                              | 6.18  |

(Cont'd.)



Table 3: The Global Competitiveness Index 2015–2016: Basic requirements (cont'd.)

| Country/Economy      | PILLARS            |       |                 |       |                   |       |                              |       |                                 |       |
|----------------------|--------------------|-------|-----------------|-------|-------------------|-------|------------------------------|-------|---------------------------------|-------|
|                      | BASIC REQUIREMENTS |       | 1. Institutions |       | 2. Infrastructure |       | 3. Macroeconomic environment |       | 4. Health and primary education |       |
|                      | Rank               | Score | Rank            | Score | Rank              | Score | Rank                         | Score | Rank                            | Score |
| Lebanon              | 121                | 3.70  | 128             | 3.15  | 116               | 2.73  | 139                          | 2.63  | 30                              | 6.28  |
| Lesotho              | 105                | 4.02  | 45              | 4.24  | 113               | 2.86  | 44                           | 5.14  | 130                             | 3.85  |
| Liberia              | 125                | 3.51  | 68              | 3.92  | 122               | 2.61  | 105                          | 4.20  | 136                             | 3.30  |
| Lithuania            | 35                 | 5.14  | 53              | 4.12  | 42                | 4.68  | 30                           | 5.56  | 36                              | 6.19  |
| Luxembourg           | 9                  | 5.95  | 6               | 5.78  | 17                | 5.66  | 14                           | 6.16  | 34                              | 6.20  |
| Macedonia, FYR       | 60                 | 4.65  | 52              | 4.14  | 78                | 3.77  | 47                           | 5.09  | 76                              | 5.61  |
| Madagascar           | 130                | 3.40  | 129             | 3.14  | 138               | 1.88  | 101                          | 4.27  | 123                             | 4.31  |
| Malawi               | 138                | 3.11  | 92              | 3.60  | 135               | 2.04  | 140                          | 2.44  | 121                             | 4.38  |
| Malaysia             | 22                 | 5.59  | 23              | 5.13  | 24                | 5.51  | 35                           | 5.41  | 24                              | 6.33  |
| Mali                 | 124                | 3.56  | 98              | 3.52  | 106               | 3.07  | 86                           | 4.47  | 139                             | 3.17  |
| Malta                | 34                 | 5.17  | 35              | 4.52  | 43                | 4.66  | 43                           | 5.18  | 25                              | 6.33  |
| Mauritania           | 134                | 3.26  | 139             | 2.64  | 124               | 2.47  | 95                           | 4.35  | 134                             | 3.59  |
| Mauritius            | 39                 | 5.04  | 34              | 4.53  | 37                | 4.80  | 73                           | 4.71  | 42                              | 6.11  |
| Mexico               | 73                 | 4.53  | 109             | 3.34  | 59                | 4.22  | 56                           | 4.85  | 71                              | 5.71  |
| Moldova              | 89                 | 4.28  | 123             | 3.20  | 83                | 3.69  | 55                           | 4.86  | 91                              | 5.39  |
| Mongolia             | 112                | 3.84  | 95              | 3.56  | 112               | 2.86  | 133                          | 3.22  | 69                              | 5.72  |
| Montenegro           | 58                 | 4.67  | 70              | 3.89  | 73                | 3.98  | 79                           | 4.62  | 33                              | 6.21  |
| Morocco              | 55                 | 4.73  | 47              | 4.19  | 55                | 4.30  | 58                           | 4.83  | 77                              | 5.61  |
| Mozambique           | 135                | 3.22  | 126             | 3.18  | 126               | 2.43  | 122                          | 3.66  | 133                             | 3.60  |
| Myanmar              | 128                | 3.45  | 133             | 2.92  | 134               | 2.09  | 106                          | 4.19  | 113                             | 4.61  |
| Namibia              | 79                 | 4.43  | 44              | 4.27  | 66                | 4.14  | 71                           | 4.72  | 116                             | 4.59  |
| Nepal                | 97                 | 4.14  | 103             | 3.43  | 131               | 2.15  | 37                           | 5.35  | 75                              | 5.62  |
| Netherlands          | 7                  | 6.05  | 10              | 5.60  | 3                 | 6.30  | 26                           | 5.70  | 6                               | 6.60  |
| New Zealand          | 10                 | 5.95  | 3               | 5.99  | 28                | 5.25  | 22                           | 5.93  | 5                               | 6.63  |
| Nicaragua            | 99                 | 4.11  | 125             | 3.18  | 102               | 3.18  | 62                           | 4.81  | 99                              | 5.28  |
| Nigeria              | 136                | 3.19  | 124             | 3.19  | 133               | 2.10  | 81                           | 4.61  | 140                             | 2.86  |
| Norway               | 6                  | 6.06  | 5               | 5.85  | 31                | 5.03  | 1                            | 6.83  | 10                              | 6.53  |
| Oman                 | 29                 | 5.33  | 31              | 4.73  | 36                | 4.81  | 19                           | 5.99  | 66                              | 5.78  |
| Pakistan             | 131                | 3.37  | 119             | 3.27  | 117               | 2.71  | 128                          | 3.51  | 127                             | 4.00  |
| Panama               | 54                 | 4.73  | 73              | 3.85  | 40                | 4.73  | 60                           | 4.83  | 82                              | 5.54  |
| Paraguay             | 111                | 3.84  | 131             | 2.95  | 118               | 2.70  | 48                           | 5.07  | 112                             | 4.66  |
| Peru                 | 76                 | 4.48  | 116             | 3.28  | 89                | 3.49  | 23                           | 5.86  | 100                             | 5.28  |
| Philippines          | 66                 | 4.60  | 77              | 3.78  | 90                | 3.44  | 24                           | 5.74  | 86                              | 5.45  |
| Poland               | 44                 | 4.91  | 58              | 4.07  | 56                | 4.30  | 46                           | 5.11  | 40                              | 6.15  |
| Portugal             | 41                 | 4.94  | 39              | 4.39  | 23                | 5.53  | 127                          | 3.57  | 31                              | 6.28  |
| Qatar                | 5                  | 6.13  | 4               | 5.86  | 18                | 5.62  | 2                            | 6.72  | 28                              | 6.31  |
| Romania              | 70                 | 4.55  | 86              | 3.66  | 86                | 3.61  | 34                           | 5.44  | 83                              | 5.49  |
| Russian Federation   | 47                 | 4.87  | 100             | 3.46  | 35                | 4.81  | 40                           | 5.29  | 56                              | 5.94  |
| Rwanda               | 65                 | 4.60  | 17              | 5.39  | 97                | 3.24  | 92                           | 4.40  | 88                              | 5.39  |
| Saudi Arabia         | 17                 | 5.70  | 24              | 5.07  | 30                | 5.09  | 4                            | 6.63  | 49                              | 6.01  |
| Senegal              | 114                | 3.80  | 63              | 3.99  | 109               | 3.00  | 103                          | 4.22  | 128                             | 4.00  |
| Serbia               | 96                 | 4.15  | 120             | 3.24  | 75                | 3.87  | 125                          | 3.60  | 62                              | 5.87  |
| Seychelles           | 52                 | 4.80  | 61              | 4.04  | 47                | 4.51  | 61                           | 4.82  | 64                              | 5.84  |
| Sierra Leone         | 137                | 3.13  | 122             | 3.21  | 132               | 2.11  | 119                          | 3.89  | 137                             | 3.29  |
| Singapore            | 1                  | 6.36  | 2               | 6.01  | 2                 | 6.49  | 12                           | 6.21  | 2                               | 6.74  |
| Slovak Republic      | 56                 | 4.73  | 104             | 3.43  | 57                | 4.28  | 41                           | 5.21  | 50                              | 6.01  |
| Slovenia             | 45                 | 4.90  | 67              | 3.93  | 38                | 4.79  | 89                           | 4.45  | 15                              | 6.44  |
| South Africa         | 85                 | 4.32  | 38              | 4.42  | 68                | 4.12  | 85                           | 4.50  | 126                             | 4.22  |
| Spain                | 40                 | 5.04  | 65              | 3.94  | 10                | 5.93  | 116                          | 4.03  | 32                              | 6.24  |
| Sri Lanka            | 67                 | 4.60  | 59              | 4.06  | 64                | 4.16  | 115                          | 4.06  | 43                              | 6.10  |
| Swaziland            | 119                | 3.71  | 74              | 3.85  | 104               | 3.08  | 93                           | 4.38  | 135                             | 3.52  |
| Sweden               | 13                 | 5.90  | 11              | 5.58  | 20                | 5.56  | 17                           | 6.08  | 20                              | 6.39  |
| Switzerland          | 2                  | 6.26  | 7               | 5.77  | 6                 | 6.20  | 6                            | 6.54  | 11                              | 6.53  |
| Taiwan, China        | 14                 | 5.84  | 27              | 4.86  | 12                | 5.87  | 13                           | 6.16  | 14                              | 6.47  |
| Tajikistan           | 84                 | 4.32  | 54              | 4.10  | 111               | 2.93  | 78                           | 4.64  | 78                              | 5.61  |
| Tanzania             | 123                | 3.69  | 96              | 3.54  | 127               | 2.41  | 84                           | 4.53  | 124                             | 4.28  |
| Thailand             | 42                 | 4.94  | 82              | 3.69  | 44                | 4.62  | 27                           | 5.68  | 67                              | 5.76  |
| Trinidad and Tobago  | 62                 | 4.65  | 108             | 3.37  | 51                | 4.46  | 54                           | 4.87  | 60                              | 5.90  |
| Tunisia              | 78                 | 4.43  | 79              | 3.76  | 80                | 3.73  | 97                           | 4.33  | 58                              | 5.92  |
| Turkey               | 57                 | 4.68  | 75              | 3.84  | 53                | 4.43  | 68                           | 4.75  | 73                              | 5.69  |
| Uganda               | 117                | 3.76  | 101             | 3.45  | 128               | 2.37  | 67                           | 4.76  | 120                             | 4.46  |
| Ukraine              | 101                | 4.08  | 130             | 3.07  | 69                | 4.07  | 134                          | 3.12  | 45                              | 6.06  |
| United Arab Emirates | 4                  | 6.17  | 9               | 5.71  | 4                 | 6.30  | 7                            | 6.53  | 38                              | 6.15  |
| United Kingdom       | 25                 | 5.52  | 14              | 5.46  | 9                 | 6.03  | 108                          | 4.17  | 18                              | 6.41  |
| United States        | 30                 | 5.27  | 28              | 4.82  | 11                | 5.87  | 96                           | 4.35  | 46                              | 6.05  |
| Uruguay              | 48                 | 4.85  | 30              | 4.74  | 52                | 4.44  | 99                           | 4.31  | 57                              | 5.93  |
| Venezuela            | 133                | 3.28  | 140             | 2.09  | 119               | 2.63  | 135                          | 2.92  | 85                              | 5.48  |
| Vietnam              | 72                 | 4.54  | 85              | 3.68  | 76                | 3.84  | 69                           | 4.74  | 61                              | 5.89  |
| Zambia               | 110                | 3.92  | 46              | 4.20  | 120               | 2.63  | 83                           | 4.53  | 122                             | 4.33  |
| Zimbabwe             | 120                | 3.70  | 112             | 3.32  | 129               | 2.35  | 104                          | 4.20  | 106                             | 4.94  |

Note: Ranks out of 140 economies and scores measured on a 1-to-7 scale.

Table 4: The Global Competitiveness Index 2015–2016: Efficiency enhancers

| Country/Economy        | EFFICIENCY ENHANCERS |       | PILLARS                          |       |                            |       |                            |       |                                 |       |                            |       |                 |       |
|------------------------|----------------------|-------|----------------------------------|-------|----------------------------|-------|----------------------------|-------|---------------------------------|-------|----------------------------|-------|-----------------|-------|
|                        |                      |       | 5. Higher education and training |       | 6. Goods market efficiency |       | 7. Labor market efficiency |       | 8. Financial market development |       | 9. Technological readiness |       | 10. Market size |       |
|                        | Rank                 | Score | Rank                             | Score | Rank                       | Score | Rank                       | Score | Rank                            | Score | Rank                       | Score | Rank            | Score |
| Albania                | 89                   | 3.78  | 47                               | 4.74  | 63                         | 4.34  | 97                         | 3.97  | 118                             | 3.24  | 89                         | 3.40  | 104             | 2.97  |
| Algeria                | 117                  | 3.44  | 99                               | 3.75  | 134                        | 3.51  | 135                        | 3.23  | 135                             | 2.77  | 126                        | 2.63  | 37              | 4.75  |
| Argentina              | 88                   | 3.80  | 39                               | 4.89  | 138                        | 3.12  | 139                        | 3.10  | 132                             | 2.81  | 69                         | 3.86  | 27              | 5.00  |
| Armenia                | 84                   | 3.84  | 72                               | 4.26  | 50                         | 4.46  | 58                         | 4.30  | 94                              | 3.53  | 75                         | 3.67  | 116             | 2.81  |
| Australia              | 14                   | 5.21  | 8                                | 5.84  | 27                         | 4.79  | 36                         | 4.51  | 7                               | 5.36  | 21                         | 5.65  | 22              | 5.13  |
| Austria                | 24                   | 4.89  | 16                               | 5.58  | 24                         | 4.89  | 40                         | 4.47  | 47                              | 4.21  | 24                         | 5.62  | 42              | 4.59  |
| Azerbaijan             | 69                   | 4.05  | 89                               | 3.90  | 66                         | 4.31  | 30                         | 4.57  | 114                             | 3.33  | 57                         | 4.26  | 67              | 3.90  |
| Bahrain                | 35                   | 4.60  | 44                               | 4.82  | 18                         | 5.04  | 24                         | 4.73  | 33                              | 4.42  | 34                         | 5.29  | 92              | 3.27  |
| Bangladesh             | 105                  | 3.58  | 122                              | 2.86  | 101                        | 4.07  | 121                        | 3.69  | 90                              | 3.57  | 127                        | 2.62  | 40              | 4.68  |
| Belgium                | 18                   | 5.09  | 5                                | 5.94  | 14                         | 5.14  | 54                         | 4.35  | 36                              | 4.40  | 14                         | 5.91  | 34              | 4.80  |
| Benin                  | 125                  | 3.27  | 121                              | 2.93  | 122                        | 3.83  | 59                         | 4.30  | 103                             | 3.43  | 130                        | 2.49  | 122             | 2.62  |
| Bhutan                 | 116                  | 3.45  | 103                              | 3.58  | 107                        | 4.02  | 23                         | 4.76  | 86                              | 3.62  | 111                        | 2.89  | 136             | 1.83  |
| Bolivia                | 121                  | 3.39  | 101                              | 3.70  | 132                        | 3.51  | 129                        | 3.39  | 104                             | 3.43  | 110                        | 2.89  | 84              | 3.41  |
| Bosnia and Herzegovina | 112                  | 3.48  | 97                               | 3.77  | 129                        | 3.69  | 131                        | 3.36  | 113                             | 3.34  | 79                         | 3.60  | 97              | 3.13  |
| Botswana               | 91                   | 3.77  | 100                              | 3.73  | 95                         | 4.14  | 39                         | 4.49  | 63                              | 3.96  | 91                         | 3.34  | 105             | 2.97  |
| Brazil                 | 55                   | 4.23  | 93                               | 3.85  | 128                        | 3.72  | 122                        | 3.68  | 58                              | 3.99  | 54                         | 4.39  | 7               | 5.78  |
| Bulgaria               | 50                   | 4.31  | 64                               | 4.48  | 61                         | 4.35  | 68                         | 4.23  | 59                              | 3.98  | 38                         | 4.87  | 65              | 3.91  |
| Burundi                | 140                  | 2.62  | 139                              | 2.14  | 133                        | 3.51  | 102                        | 3.89  | 140                             | 2.24  | 139                        | 2.10  | 135             | 1.87  |
| Cambodia               | 101                  | 3.63  | 123                              | 2.84  | 93                         | 4.15  | 38                         | 4.49  | 66                              | 3.92  | 105                        | 3.04  | 90              | 3.33  |
| Cameroon               | 113                  | 3.48  | 114                              | 3.24  | 113                        | 3.97  | 79                         | 4.13  | 98                              | 3.49  | 122                        | 2.68  | 87              | 3.35  |
| Canada                 | 6                    | 5.45  | 19                               | 5.52  | 15                         | 5.13  | 7                          | 5.29  | 4                               | 5.47  | 18                         | 5.83  | 14              | 5.45  |
| Cape Verde             | 122                  | 3.37  | 81                               | 4.08  | 99                         | 4.07  | 125                        | 3.59  | 111                             | 3.37  | 77                         | 3.64  | 138             | 1.50  |
| Chad                   | 138                  | 2.82  | 138                              | 2.19  | 139                        | 3.11  | 106                        | 3.82  | 130                             | 2.83  | 140                        | 2.05  | 111             | 2.91  |
| Chile                  | 31                   | 4.67  | 33                               | 5.03  | 40                         | 4.62  | 63                         | 4.29  | 21                              | 4.65  | 39                         | 4.85  | 44              | 4.56  |
| China                  | 32                   | 4.66  | 68                               | 4.33  | 58                         | 4.37  | 37                         | 4.50  | 54                              | 4.08  | 74                         | 3.70  | 1               | 6.98  |
| Colombia               | 54                   | 4.26  | 70                               | 4.30  | 108                        | 4.00  | 86                         | 4.06  | 25                              | 4.61  | 70                         | 3.82  | 36              | 4.77  |
| Costa Rica             | 57                   | 4.20  | 35                               | 4.97  | 67                         | 4.31  | 70                         | 4.23  | 85                              | 3.65  | 49                         | 4.59  | 83              | 3.43  |
| Côte d'Ivoire          | 96                   | 3.74  | 108                              | 3.36  | 75                         | 4.27  | 69                         | 4.23  | 60                              | 3.98  | 102                        | 3.13  | 81              | 3.46  |
| Croatia                | 68                   | 4.05  | 51                               | 4.62  | 105                        | 4.05  | 105                        | 3.83  | 88                              | 3.59  | 43                         | 4.65  | 79              | 3.59  |
| Cyprus                 | 59                   | 4.18  | 41                               | 4.88  | 28                         | 4.76  | 34                         | 4.55  | 108                             | 3.41  | 45                         | 4.64  | 112             | 2.87  |
| Czech Republic         | 26                   | 4.78  | 29                               | 5.10  | 37                         | 4.63  | 47                         | 4.44  | 24                              | 4.62  | 29                         | 5.43  | 47              | 4.47  |
| Denmark                | 16                   | 5.15  | 9                                | 5.79  | 20                         | 5.01  | 10                         | 5.11  | 22                              | 4.64  | 9                          | 6.11  | 55              | 4.26  |
| Dominican Republic     | 92                   | 3.76  | 96                               | 3.80  | 97                         | 4.09  | 108                        | 3.81  | 93                              | 3.53  | 84                         | 3.52  | 70              | 3.83  |
| Ecuador                | 86                   | 3.82  | 67                               | 4.33  | 126                        | 3.77  | 112                        | 3.76  | 92                              | 3.54  | 83                         | 3.54  | 63              | 4.00  |
| Egypt                  | 100                  | 3.64  | 111                              | 3.25  | 115                        | 3.95  | 137                        | 3.15  | 119                             | 3.23  | 98                         | 3.19  | 24              | 5.07  |
| El Salvador            | 102                  | 3.62  | 105                              | 3.56  | 86                         | 4.19  | 124                        | 3.61  | 89                              | 3.57  | 81                         | 3.55  | 93              | 3.25  |
| Estonia                | 28                   | 4.74  | 20                               | 5.50  | 22                         | 4.93  | 15                         | 5.00  | 23                              | 4.63  | 32                         | 5.32  | 98              | 3.09  |
| Ethiopia               | 114                  | 3.45  | 129                              | 2.74  | 102                        | 4.07  | 62                         | 4.29  | 116                             | 3.27  | 132                        | 2.46  | 68              | 3.88  |
| Finland                | 13                   | 5.22  | 2                                | 6.13  | 21                         | 4.97  | 26                         | 4.70  | 6                               | 5.40  | 13                         | 5.98  | 59              | 4.17  |
| France                 | 19                   | 5.08  | 25                               | 5.30  | 35                         | 4.64  | 51                         | 4.39  | 29                              | 4.53  | 16                         | 5.88  | 8               | 5.76  |
| Gabon                  | 123                  | 3.35  | 125                              | 2.78  | 124                        | 3.78  | 71                         | 4.22  | 97                              | 3.49  | 112                        | 2.88  | 110             | 2.91  |
| Gambia, The            | 118                  | 3.44  | 91                               | 3.85  | 77                         | 4.26  | 33                         | 4.55  | 96                              | 3.53  | 107                        | 3.00  | 139             | 1.43  |
| Georgia                | 77                   | 3.96  | 87                               | 4.00  | 48                         | 4.48  | 32                         | 4.56  | 68                              | 3.87  | 72                         | 3.81  | 99              | 3.05  |
| Germany                | 10                   | 5.31  | 17                               | 5.57  | 23                         | 4.92  | 28                         | 4.64  | 18                              | 4.71  | 12                         | 6.01  | 5               | 6.02  |
| Ghana                  | 95                   | 3.76  | 104                              | 3.57  | 87                         | 4.19  | 94                         | 4.01  | 76                              | 3.78  | 96                         | 3.24  | 74              | 3.74  |
| Greece                 | 62                   | 4.13  | 43                               | 4.84  | 89                         | 4.18  | 116                        | 3.74  | 131                             | 2.81  | 36                         | 4.92  | 52              | 4.31  |
| Guatemala              | 74                   | 3.99  | 102                              | 3.62  | 43                         | 4.58  | 90                         | 4.05  | 27                              | 4.58  | 90                         | 3.36  | 73              | 3.75  |
| Guinea                 | 137                  | 2.88  | 137                              | 2.19  | 135                        | 3.49  | 91                         | 4.04  | 137                             | 2.75  | 134                        | 2.38  | 128             | 2.42  |
| Guyana                 | 115                  | 3.45  | 74                               | 4.12  | 94                         | 4.15  | 111                        | 3.78  | 83                              | 3.67  | 104                        | 3.08  | 134             | 1.90  |
| Haiti                  | 135                  | 3.07  | 107                              | 3.39  | 137                        | 3.19  | 76                         | 4.16  | 136                             | 2.75  | 136                        | 2.34  | 125             | 2.57  |
| Honduras               | 93                   | 3.76  | 94                               | 3.81  | 68                         | 4.31  | 120                        | 3.71  | 38                              | 4.39  | 97                         | 3.24  | 96              | 3.13  |
| Hong Kong SAR          | 3                    | 5.57  | 13                               | 5.63  | 2                          | 5.70  | 3                          | 5.56  | 3                               | 5.50  | 8                          | 6.13  | 32              | 4.87  |
| Hungary                | 49                   | 4.31  | 57                               | 4.56  | 72                         | 4.29  | 77                         | 4.15  | 65                              | 3.93  | 48                         | 4.60  | 51              | 4.32  |
| Iceland                | 33                   | 4.65  | 11                               | 5.75  | 31                         | 4.65  | 12                         | 5.08  | 67                              | 3.89  | 6                          | 6.15  | 129             | 2.39  |
| India                  | 58                   | 4.19  | 90                               | 3.87  | 91                         | 4.17  | 103                        | 3.86  | 53                              | 4.08  | 120                        | 2.73  | 3               | 6.44  |
| Indonesia              | 46                   | 4.34  | 65                               | 4.45  | 55                         | 4.43  | 115                        | 3.74  | 49                              | 4.19  | 85                         | 3.49  | 10              | 5.74  |
| Iran, Islamic Rep.     | 90                   | 3.77  | 69                               | 4.31  | 109                        | 3.99  | 138                        | 3.15  | 134                             | 2.77  | 99                         | 3.17  | 19              | 5.24  |
| Ireland                | 20                   | 5.06  | 15                               | 5.59  | 7                          | 5.41  | 13                         | 5.05  | 61                              | 3.98  | 11                         | 6.08  | 57              | 4.23  |
| Israel                 | 27                   | 4.75  | 28                               | 5.10  | 57                         | 4.42  | 45                         | 4.45  | 26                              | 4.59  | 20                         | 5.68  | 54              | 4.27  |
| Italy                  | 43                   | 4.39  | 45                               | 4.81  | 71                         | 4.29  | 126                        | 3.46  | 117                             | 3.25  | 37                         | 4.90  | 12              | 5.61  |
| Jamaica                | 79                   | 3.89  | 84                               | 4.05  | 74                         | 4.27  | 65                         | 4.28  | 32                              | 4.42  | 82                         | 3.54  | 117             | 2.80  |
| Japan                  | 8                    | 5.33  | 21                               | 5.41  | 11                         | 5.24  | 21                         | 4.80  | 19                              | 4.71  | 19                         | 5.72  | 4               | 6.10  |
| Jordan                 | 67                   | 4.09  | 50                               | 4.70  | 39                         | 4.63  | 93                         | 4.03  | 71                              | 3.84  | 76                         | 3.65  | 76              | 3.66  |
| Kazakhstan             | 45                   | 4.36  | 60                               | 4.53  | 49                         | 4.48  | 18                         | 4.90  | 91                              | 3.56  | 61                         | 4.19  | 46              | 4.51  |
| Kenya                  | 73                   | 3.99  | 98                               | 3.76  | 84                         | 4.23  | 31                         | 4.56  | 42                              | 4.29  | 94                         | 3.30  | 71              | 3.80  |
| Korea, Rep.            | 25                   | 4.82  | 23                               | 5.36  | 26                         | 4.81  | 83                         | 4.08  | 87                              | 3.60  | 27                         | 5.50  | 13              | 5.56  |
| Kuwait                 | 72                   | 4.03  | 85                               | 4.01  | 98                         | 4.08  | 117                        | 3.73  | 73                              | 3.82  | 56                         | 4.33  | 58              | 4.20  |
| Kyrgyz Republic        | 99                   | 3.65  | 80                               | 4.09  | 81                         | 4.23  | 88                         | 4.06  | 102                             | 3.44  | 95                         | 3.27  | 118             | 2.78  |
| Lao PDR                | 106                  | 3.58  | 112                              | 3.24  | 76                         | 4.27  | 44                         | 4.45  | 74                              | 3.81  | 119                        | 2.76  | 109             | 2.92  |
| Latvia                 | 39                   | 4.56  | 32                               | 5.05  | 34                         | 4.64  | 25                         | 4.72  | 37                              | 4.39  | 33                         | 5.29  | 94              | 3.24  |

(Cont'd.)

Table 4: The Global Competitiveness Index 2015–2016: Efficiency enhancers (cont'd.)

| Country/Economy      | EFFICIENCY ENHANCERS |       | PILLARS                          |       |                            |       |                            |       |                                 |       |                            |       |                 |       |
|----------------------|----------------------|-------|----------------------------------|-------|----------------------------|-------|----------------------------|-------|---------------------------------|-------|----------------------------|-------|-----------------|-------|
|                      | Rank                 | Score | 5. Higher education and training |       | 6. Goods market efficiency |       | 7. Labor market efficiency |       | 8. Financial market development |       | 9. Technological readiness |       | 10. Market size |       |
|                      | Rank                 | Score | Rank                             | Score | Rank                       | Score | Rank                       | Score | Rank                            | Score | Rank                       | Score | Rank            | Score |
| Lebanon              | 71                   | 4.03  | 58                               | 4.55  | 56                         | 4.43  | 109                        | 3.80  | 78                              | 3.76  | 66                         | 3.99  | 77              | 3.64  |
| Lesotho              | 130                  | 3.19  | 116                              | 3.18  | 88                         | 4.19  | 75                         | 4.16  | 127                             | 2.97  | 123                        | 2.67  | 133             | 1.99  |
| Liberia              | 133                  | 3.12  | 126                              | 2.77  | 78                         | 4.25  | 61                         | 4.30  | 109                             | 3.38  | 135                        | 2.36  | 137             | 1.67  |
| Lithuania            | 36                   | 4.59  | 24                               | 5.35  | 36                         | 4.64  | 53                         | 4.35  | 57                              | 3.99  | 22                         | 5.63  | 78              | 3.61  |
| Luxembourg           | 23                   | 5.00  | 40                               | 4.89  | 4                          | 5.54  | 16                         | 4.93  | 11                              | 5.04  | 1                          | 6.42  | 95              | 3.18  |
| Macedonia, FYR       | 64                   | 4.11  | 46                               | 4.79  | 33                         | 4.65  | 84                         | 4.07  | 52                              | 4.09  | 63                         | 4.15  | 108             | 2.94  |
| Madagascar           | 129                  | 3.21  | 131                              | 2.64  | 119                        | 3.90  | 42                         | 4.46  | 133                             | 2.79  | 129                        | 2.52  | 106             | 2.96  |
| Malawi               | 127                  | 3.24  | 133                              | 2.53  | 117                        | 3.94  | 29                         | 4.60  | 100                             | 3.47  | 133                        | 2.38  | 127             | 2.52  |
| Malaysia             | 22                   | 5.01  | 36                               | 4.97  | 6                          | 5.42  | 19                         | 4.86  | 9                               | 5.16  | 47                         | 4.63  | 26              | 5.05  |
| Mali                 | 126                  | 3.27  | 127                              | 2.76  | 110                        | 3.98  | 113                        | 3.76  | 105                             | 3.42  | 114                        | 2.85  | 113             | 2.83  |
| Malta                | 42                   | 4.39  | 42                               | 4.85  | 42                         | 4.59  | 55                         | 4.34  | 40                              | 4.37  | 23                         | 5.62  | 123             | 2.61  |
| Mauritania           | 139                  | 2.72  | 140                              | 2.13  | 136                        | 3.37  | 136                        | 3.18  | 139                             | 2.40  | 121                        | 2.68  | 124             | 2.58  |
| Mauritius            | 61                   | 4.17  | 52                               | 4.62  | 25                         | 4.85  | 57                         | 4.31  | 34                              | 4.42  | 65                         | 4.06  | 119             | 2.78  |
| Mexico               | 53                   | 4.27  | 86                               | 4.00  | 82                         | 4.23  | 114                        | 3.75  | 46                              | 4.24  | 73                         | 3.77  | 11              | 5.65  |
| Moldova              | 94                   | 3.76  | 79                               | 4.09  | 103                        | 4.06  | 85                         | 4.07  | 115                             | 3.28  | 53                         | 4.39  | 121             | 2.68  |
| Mongolia             | 80                   | 3.88  | 62                               | 4.50  | 79                         | 4.24  | 41                         | 4.46  | 125                             | 3.04  | 67                         | 3.98  | 100             | 3.04  |
| Montenegro           | 75                   | 3.97  | 54                               | 4.58  | 70                         | 4.30  | 74                         | 4.18  | 44                              | 4.26  | 55                         | 4.33  | 131             | 2.20  |
| Morocco              | 82                   | 3.86  | 106                              | 3.42  | 64                         | 4.33  | 123                        | 3.62  | 70                              | 3.86  | 78                         | 3.62  | 53              | 4.31  |
| Mozambique           | 132                  | 3.16  | 136                              | 2.35  | 112                        | 3.97  | 98                         | 3.96  | 126                             | 2.99  | 124                        | 2.66  | 101             | 3.04  |
| Myanmar              | 131                  | 3.17  | 134                              | 2.49  | 130                        | 3.62  | 73                         | 4.19  | 138                             | 2.40  | 138                        | 2.16  | 60              | 4.16  |
| Namibia              | 97                   | 3.72  | 109                              | 3.30  | 85                         | 4.20  | 49                         | 4.41  | 50                              | 4.18  | 87                         | 3.42  | 114             | 2.82  |
| Nepal                | 111                  | 3.48  | 113                              | 3.24  | 114                        | 3.96  | 99                         | 3.91  | 72                              | 3.83  | 128                        | 2.62  | 88              | 3.34  |
| Netherlands          | 9                    | 5.31  | 3                                | 6.03  | 10                         | 5.34  | 17                         | 4.90  | 31                              | 4.43  | 10                         | 6.10  | 23              | 5.07  |
| New Zealand          | 7                    | 5.33  | 10                               | 5.78  | 8                          | 5.39  | 6                          | 5.29  | 1                               | 5.73  | 15                         | 5.90  | 66              | 3.91  |
| Nicaragua            | 124                  | 3.28  | 119                              | 3.07  | 125                        | 3.77  | 119                        | 3.71  | 112                             | 3.34  | 116                        | 2.81  | 107             | 2.95  |
| Nigeria              | 81                   | 3.87  | 128                              | 2.75  | 100                        | 4.07  | 35                         | 4.55  | 79                              | 3.75  | 106                        | 3.03  | 25              | 5.07  |
| Norway               | 11                   | 5.29  | 7                                | 5.85  | 19                         | 5.01  | 9                          | 5.12  | 8                               | 5.21  | 7                          | 6.14  | 49              | 4.41  |
| Oman                 | 63                   | 4.13  | 88                               | 3.90  | 52                         | 4.45  | 89                         | 4.06  | 45                              | 4.24  | 62                         | 4.18  | 64              | 3.94  |
| Pakistan             | 107                  | 3.57  | 124                              | 2.82  | 116                        | 3.95  | 132                        | 3.34  | 99                              | 3.47  | 113                        | 2.88  | 28              | 4.96  |
| Panama               | 52                   | 4.29  | 77                               | 4.10  | 41                         | 4.59  | 80                         | 4.13  | 15                              | 4.91  | 52                         | 4.44  | 80              | 3.54  |
| Paraguay             | 110                  | 3.53  | 115                              | 3.21  | 90                         | 4.17  | 110                        | 3.78  | 80                              | 3.75  | 109                        | 2.97  | 91              | 3.33  |
| Peru                 | 60                   | 4.18  | 82                               | 4.07  | 60                         | 4.36  | 64                         | 4.29  | 30                              | 4.53  | 88                         | 3.40  | 48              | 4.44  |
| Philippines          | 51                   | 4.30  | 63                               | 4.48  | 80                         | 4.24  | 82                         | 4.09  | 48                              | 4.21  | 68                         | 3.91  | 30              | 4.89  |
| Poland               | 34                   | 4.64  | 31                               | 5.05  | 46                         | 4.51  | 81                         | 4.11  | 43                              | 4.26  | 41                         | 4.78  | 21              | 5.16  |
| Portugal             | 37                   | 4.56  | 26                               | 5.19  | 32                         | 4.65  | 66                         | 4.27  | 107                             | 3.41  | 26                         | 5.54  | 50              | 4.33  |
| Qatar                | 21                   | 5.05  | 27                               | 5.12  | 5                          | 5.52  | 14                         | 5.00  | 13                              | 5.02  | 31                         | 5.41  | 56              | 4.25  |
| Romania              | 44                   | 4.37  | 59                               | 4.55  | 73                         | 4.28  | 78                         | 4.13  | 55                              | 4.05  | 46                         | 4.63  | 43              | 4.57  |
| Russian Federation   | 40                   | 4.53  | 38                               | 4.96  | 92                         | 4.16  | 50                         | 4.40  | 95                              | 3.53  | 60                         | 4.22  | 6               | 5.93  |
| Rwanda               | 85                   | 3.84  | 120                              | 3.05  | 44                         | 4.57  | 8                          | 5.21  | 28                              | 4.54  | 103                        | 3.12  | 126             | 2.53  |
| Saudi Arabia         | 30                   | 4.69  | 49                               | 4.73  | 29                         | 4.70  | 60                         | 4.30  | 41                              | 4.32  | 42                         | 4.70  | 17              | 5.40  |
| Senegal              | 103                  | 3.61  | 110                              | 3.25  | 69                         | 4.30  | 72                         | 4.19  | 75                              | 3.80  | 100                        | 3.15  | 103             | 3.00  |
| Serbia               | 83                   | 3.85  | 71                               | 4.27  | 127                        | 3.74  | 118                        | 3.72  | 120                             | 3.23  | 51                         | 4.47  | 75              | 3.70  |
| Seychelles           | 108                  | 3.54  | 92                               | 3.85  | 65                         | 4.33  | 43                         | 4.45  | 106                             | 3.41  | 71                         | 3.81  | 140             | 1.40  |
| Sierra Leone         | 136                  | 2.98  | 132                              | 2.54  | 123                        | 3.79  | 104                        | 3.84  | 123                             | 3.06  | 137                        | 2.34  | 130             | 2.33  |
| Singapore            | 2                    | 5.70  | 1                                | 6.20  | 1                          | 5.72  | 2                          | 5.71  | 2                               | 5.57  | 5                          | 6.20  | 35              | 4.78  |
| Slovak Republic      | 47                   | 4.34  | 53                               | 4.62  | 54                         | 4.43  | 100                        | 3.90  | 35                              | 4.41  | 44                         | 4.64  | 62              | 4.03  |
| Slovenia             | 56                   | 4.21  | 22                               | 5.41  | 47                         | 4.50  | 95                         | 4.00  | 128                             | 2.85  | 35                         | 5.14  | 85              | 3.39  |
| South Africa         | 41                   | 4.51  | 83                               | 4.07  | 38                         | 4.63  | 107                        | 3.82  | 12                              | 5.03  | 50                         | 4.56  | 29              | 4.94  |
| Spain                | 29                   | 4.71  | 30                               | 5.08  | 62                         | 4.35  | 92                         | 4.04  | 77                              | 3.78  | 25                         | 5.56  | 15              | 5.42  |
| Sri Lanka            | 76                   | 3.96  | 66                               | 4.38  | 51                         | 4.45  | 130                        | 3.37  | 51                              | 4.12  | 93                         | 3.31  | 61              | 4.14  |
| Swaziland            | 128                  | 3.24  | 118                              | 3.11  | 111                        | 3.98  | 101                        | 3.90  | 82                              | 3.68  | 125                        | 2.64  | 132             | 2.11  |
| Sweden               | 12                   | 5.24  | 12                               | 5.67  | 17                         | 5.08  | 20                         | 4.82  | 14                              | 4.99  | 4                          | 6.24  | 41              | 4.64  |
| Switzerland          | 4                    | 5.55  | 4                                | 6.00  | 9                          | 5.38  | 1                          | 5.80  | 10                              | 5.10  | 2                          | 6.31  | 39              | 4.69  |
| Taiwan, China        | 15                   | 5.19  | 14                               | 5.60  | 13                         | 5.19  | 22                         | 4.77  | 17                              | 4.82  | 28                         | 5.49  | 20              | 5.24  |
| Tajikistan           | 104                  | 3.60  | 75                               | 4.12  | 96                         | 4.12  | 48                         | 4.42  | 110                             | 3.38  | 115                        | 2.81  | 120             | 2.72  |
| Tanzania             | 120                  | 3.41  | 135                              | 2.47  | 121                        | 3.89  | 46                         | 4.44  | 101                             | 3.45  | 131                        | 2.46  | 72              | 3.76  |
| Thailand             | 38                   | 4.56  | 56                               | 4.57  | 30                         | 4.69  | 67                         | 4.23  | 39                              | 4.38  | 58                         | 4.24  | 18              | 5.25  |
| Trinidad and Tobago  | 78                   | 3.93  | 73                               | 4.26  | 104                        | 4.05  | 96                         | 3.97  | 56                              | 4.04  | 59                         | 4.23  | 102             | 3.03  |
| Tunisia              | 98                   | 3.65  | 76                               | 4.12  | 118                        | 3.92  | 133                        | 3.33  | 122                             | 3.11  | 80                         | 3.57  | 69              | 3.87  |
| Turkey               | 48                   | 4.33  | 55                               | 4.58  | 45                         | 4.53  | 127                        | 3.46  | 64                              | 3.93  | 64                         | 4.08  | 16              | 5.41  |
| Uganda               | 109                  | 3.54  | 130                              | 2.71  | 120                        | 3.90  | 27                         | 4.65  | 81                              | 3.74  | 117                        | 2.80  | 82              | 3.43  |
| Ukraine              | 65                   | 4.09  | 34                               | 5.03  | 106                        | 4.02  | 56                         | 4.33  | 121                             | 3.18  | 86                         | 3.45  | 45              | 4.54  |
| United Arab Emirates | 17                   | 5.11  | 37                               | 4.97  | 3                          | 5.59  | 11                         | 5.10  | 20                              | 4.70  | 30                         | 5.43  | 31              | 4.89  |
| United Kingdom       | 5                    | 5.49  | 18                               | 5.56  | 12                         | 5.22  | 5                          | 5.31  | 16                              | 4.83  | 3                          | 6.30  | 9               | 5.74  |
| United States        | 1                    | 5.76  | 6                                | 5.87  | 16                         | 5.10  | 4                          | 5.40  | 5                               | 5.45  | 17                         | 5.85  | 2               | 6.91  |
| Uruguay              | 66                   | 4.09  | 48                               | 4.74  | 59                         | 4.37  | 128                        | 3.41  | 69                              | 3.86  | 40                         | 4.81  | 86              | 3.36  |
| Venezuela            | 119                  | 3.43  | 61                               | 4.52  | 140                        | 2.81  | 140                        | 2.59  | 129                             | 2.84  | 101                        | 3.14  | 38              | 4.70  |
| Vietnam              | 70                   | 4.04  | 95                               | 3.80  | 83                         | 4.23  | 52                         | 4.38  | 84                              | 3.65  | 92                         | 3.32  | 33              | 4.84  |
| Zambia               | 87                   | 3.81  | 78                               | 4.09  | 53                         | 4.43  | 87                         | 4.06  | 62                              | 3.96  | 108                        | 3.00  | 89              | 3.34  |
| Zimbabwe             | 134                  | 3.11  | 117                              | 3.14  | 131                        | 3.54  | 134                        | 3.29  | 124                             | 3.06  | 118                        | 2.79  | 115             | 2.81  |

Note: Ranks out of 140 economies and scores measured on a 1-to-7 scale.

Table 5: The Global Competitiveness Index 2015–2016: Innovation and sophistication factors

| Country/Economy        | PILLARS                               |       |                             |       |                |       |
|------------------------|---------------------------------------|-------|-----------------------------|-------|----------------|-------|
|                        | INNOVATION AND SOPHISTICATION FACTORS |       | 11. Business sophistication |       | 12. Innovation |       |
|                        | Rank                                  | Score | Rank                        | Score | Rank           | Score |
| Albania                | 115                                   | 3.21  | 95                          | 3.65  | 118            | 2.76  |
| Algeria                | 124                                   | 3.02  | 128                         | 3.29  | 119            | 2.76  |
| Argentina              | 99                                    | 3.36  | 101                         | 3.62  | 93             | 3.11  |
| Armenia                | 101                                   | 3.33  | 97                          | 3.65  | 107            | 3.02  |
| Australia              | 26                                    | 4.61  | 27                          | 4.70  | 23             | 4.53  |
| Austria                | 14                                    | 5.16  | 8                           | 5.43  | 17             | 4.90  |
| Azerbaijan             | 66                                    | 3.59  | 73                          | 3.86  | 61             | 3.33  |
| Bahrain                | 43                                    | 3.92  | 32                          | 4.43  | 56             | 3.41  |
| Bangladesh             | 123                                   | 3.04  | 117                         | 3.43  | 127            | 2.65  |
| Belgium                | 15                                    | 5.14  | 12                          | 5.33  | 16             | 4.96  |
| Benin                  | 96                                    | 3.37  | 109                         | 3.52  | 82             | 3.21  |
| Bhutan                 | 105                                   | 3.29  | 99                          | 3.63  | 111            | 2.94  |
| Bolivia                | 117                                   | 3.16  | 116                         | 3.43  | 114            | 2.89  |
| Bosnia and Herzegovina | 120                                   | 3.05  | 125                         | 3.31  | 115            | 2.79  |
| Botswana               | 111                                   | 3.26  | 111                         | 3.48  | 102            | 3.04  |
| Brazil                 | 64                                    | 3.62  | 56                          | 4.08  | 84             | 3.16  |
| Bulgaria               | 94                                    | 3.37  | 98                          | 3.64  | 94             | 3.11  |
| Burundi                | 136                                   | 2.68  | 136                         | 2.91  | 133            | 2.46  |
| Cambodia               | 121                                   | 3.05  | 122                         | 3.35  | 122            | 2.74  |
| Cameroon               | 93                                    | 3.40  | 103                         | 3.59  | 79             | 3.22  |
| Canada                 | 24                                    | 4.77  | 22                          | 4.94  | 22             | 4.60  |
| Cape Verde             | 104                                   | 3.30  | 106                         | 3.54  | 100            | 3.06  |
| Chad                   | 137                                   | 2.59  | 139                         | 2.73  | 135            | 2.45  |
| Chile                  | 50                                    | 3.81  | 53                          | 4.14  | 50             | 3.47  |
| China                  | 34                                    | 4.11  | 38                          | 4.32  | 31             | 3.89  |
| Colombia               | 61                                    | 3.65  | 59                          | 4.06  | 76             | 3.24  |
| Costa Rica             | 38                                    | 4.01  | 37                          | 4.34  | 39             | 3.68  |
| Côte d'Ivoire          | 73                                    | 3.55  | 93                          | 3.69  | 53             | 3.41  |
| Croatia                | 90                                    | 3.43  | 84                          | 3.74  | 92             | 3.13  |
| Cyprus                 | 45                                    | 3.91  | 47                          | 4.21  | 44             | 3.60  |
| Czech Republic         | 32                                    | 4.14  | 30                          | 4.49  | 35             | 3.79  |
| Denmark                | 10                                    | 5.25  | 9                           | 5.39  | 10             | 5.11  |
| Dominican Republic     | 97                                    | 3.36  | 76                          | 3.81  | 112            | 2.92  |
| Ecuador                | 87                                    | 3.44  | 87                          | 3.73  | 86             | 3.15  |
| Egypt                  | 113                                   | 3.23  | 89                          | 3.71  | 120            | 2.75  |
| El Salvador            | 80                                    | 3.51  | 64                          | 3.95  | 99             | 3.06  |
| Estonia                | 31                                    | 4.15  | 43                          | 4.26  | 29             | 4.03  |
| Ethiopia               | 95                                    | 3.37  | 108                         | 3.53  | 81             | 3.21  |
| Finland                | 5                                     | 5.50  | 14                          | 5.28  | 2              | 5.73  |
| France                 | 20                                    | 4.97  | 20                          | 5.06  | 18             | 4.88  |
| Gabon                  | 129                                   | 2.92  | 129                         | 3.21  | 129            | 2.63  |
| Gambia, The            | 75                                    | 3.54  | 67                          | 3.94  | 88             | 3.14  |
| Georgia                | 118                                   | 3.10  | 112                         | 3.48  | 123            | 2.71  |
| Germany                | 3                                     | 5.61  | 3                           | 5.70  | 6              | 5.51  |
| Ghana                  | 65                                    | 3.60  | 70                          | 3.90  | 65             | 3.31  |
| Greece                 | 77                                    | 3.54  | 74                          | 3.84  | 77             | 3.23  |
| Guatemala              | 60                                    | 3.67  | 49                          | 4.20  | 91             | 3.13  |
| Guinea                 | 138                                   | 2.55  | 137                         | 2.85  | 139            | 2.25  |
| Guyana                 | 74                                    | 3.54  | 75                          | 3.81  | 71             | 3.27  |
| Haiti                  | 139                                   | 2.54  | 138                         | 2.80  | 138            | 2.28  |
| Honduras               | 53                                    | 3.75  | 54                          | 4.09  | 55             | 3.41  |
| Hong Kong SAR          | 23                                    | 4.80  | 16                          | 5.20  | 27             | 4.40  |
| Hungary                | 69                                    | 3.57  | 90                          | 3.70  | 51             | 3.44  |
| Iceland                | 27                                    | 4.58  | 28                          | 4.69  | 25             | 4.47  |
| India                  | 46                                    | 3.90  | 52                          | 4.15  | 42             | 3.65  |
| Indonesia              | 33                                    | 4.14  | 36                          | 4.35  | 30             | 3.94  |
| Iran, Islamic Rep.     | 102                                   | 3.33  | 110                         | 3.52  | 90             | 3.14  |
| Ireland                | 19                                    | 4.98  | 17                          | 5.14  | 21             | 4.81  |
| Israel                 | 8                                     | 5.29  | 23                          | 4.93  | 3              | 5.65  |
| Italy                  | 28                                    | 4.35  | 24                          | 4.84  | 32             | 3.86  |
| Jamaica                | 63                                    | 3.62  | 66                          | 3.95  | 67             | 3.29  |
| Japan                  | 2                                     | 5.66  | 2                           | 5.77  | 5              | 5.54  |
| Jordan                 | 40                                    | 3.99  | 40                          | 4.31  | 40             | 3.67  |
| Kazakhstan             | 78                                    | 3.53  | 79                          | 3.79  | 72             | 3.27  |
| Kenya                  | 42                                    | 3.93  | 48                          | 4.21  | 41             | 3.65  |
| Korea, Rep.            | 22                                    | 4.82  | 26                          | 4.80  | 19             | 4.83  |
| Kuwait                 | 82                                    | 3.48  | 63                          | 3.98  | 109            | 2.99  |
| Kyrgyz Republic        | 122                                   | 3.04  | 118                         | 3.41  | 125            | 2.67  |
| Lao PDR                | 103                                   | 3.32  | 96                          | 3.65  | 108            | 2.99  |
| Latvia                 | 58                                    | 3.69  | 60                          | 4.06  | 62             | 3.33  |
| Lebanon                | 67                                    | 3.58  | 61                          | 4.05  | 95             | 3.10  |
| Lesotho                | 91                                    | 3.43  | 105                         | 3.58  | 70             | 3.28  |
| Liberia                | 98                                    | 3.36  | 92                          | 3.69  | 104            | 3.03  |
| Lithuania              | 37                                    | 4.02  | 39                          | 4.32  | 36             | 3.73  |
| Luxembourg             | 18                                    | 5.04  | 19                          | 5.10  | 15             | 4.98  |
| Macedonia, FYR         | 62                                    | 3.62  | 72                          | 3.87  | 58             | 3.38  |
| Madagascar             | 116                                   | 3.20  | 119                         | 3.37  | 106            | 3.03  |
| Malawi                 | 119                                   | 3.05  | 121                         | 3.37  | 121            | 2.74  |
| Malaysia               | 17                                    | 5.05  | 13                          | 5.29  | 20             | 4.82  |
| Mali                   | 109                                   | 3.27  | 115                         | 3.43  | 96             | 3.10  |
| Malta                  | 49                                    | 3.86  | 46                          | 4.22  | 49             | 3.50  |
| Mauritania             | 140                                   | 2.47  | 140                         | 2.72  | 140            | 2.23  |
| Mauritius              | 51                                    | 3.79  | 34                          | 4.36  | 78             | 3.23  |
| Mexico                 | 52                                    | 3.78  | 50                          | 4.18  | 59             | 3.38  |
| Moldova                | 128                                   | 2.93  | 127                         | 3.29  | 130            | 2.56  |
| Mongolia               | 107                                   | 3.28  | 113                         | 3.46  | 97             | 3.10  |
| Montenegro             | 86                                    | 3.45  | 102                         | 3.62  | 69             | 3.28  |
| Morocco                | 92                                    | 3.42  | 82                          | 3.77  | 98             | 3.07  |
| Mozambique             | 108                                   | 3.28  | 120                         | 3.37  | 83             | 3.18  |
| Myanmar                | 134                                   | 2.71  | 135                         | 2.94  | 132            | 2.47  |
| Namibia                | 79                                    | 3.52  | 77                          | 3.81  | 74             | 3.24  |
| Nepal                  | 127                                   | 2.99  | 126                         | 3.31  | 126            | 2.66  |
| Netherlands            | 6                                     | 5.46  | 5                           | 5.56  | 8              | 5.37  |
| New Zealand            | 25                                    | 4.66  | 25                          | 4.82  | 24             | 4.51  |
| Nicaragua              | 133                                   | 2.77  | 133                         | 3.12  | 137            | 2.42  |
| Nigeria                | 114                                   | 3.22  | 94                          | 3.65  | 117            | 2.78  |
| Norway                 | 13                                    | 5.16  | 11                          | 5.34  | 13             | 4.99  |
| Oman                   | 85                                    | 3.45  | 71                          | 3.87  | 103            | 3.04  |
| Pakistan               | 89                                    | 3.44  | 86                          | 3.73  | 89             | 3.14  |
| Panama                 | 44                                    | 3.91  | 45                          | 4.23  | 45             | 3.59  |
| Paraguay               | 131                                   | 2.90  | 124                         | 3.34  | 134            | 2.46  |
| Peru                   | 106                                   | 3.28  | 81                          | 3.79  | 116            | 2.78  |
| Philippines            | 47                                    | 3.88  | 42                          | 4.26  | 48             | 3.50  |
| Poland                 | 57                                    | 3.70  | 55                          | 4.09  | 64             | 3.32  |
| Portugal               | 30                                    | 4.16  | 41                          | 4.27  | 28             | 4.05  |
| Qatar                  | 12                                    | 5.18  | 10                          | 5.38  | 14             | 4.98  |
| Romania                | 84                                    | 3.48  | 88                          | 3.71  | 75             | 3.24  |
| Russian Federation     | 76                                    | 3.54  | 80                          | 3.79  | 68             | 3.29  |
| Rwanda                 | 55                                    | 3.74  | 69                          | 3.91  | 46             | 3.57  |
| Saudi Arabia           | 29                                    | 4.18  | 29                          | 4.54  | 34             | 3.83  |
| Senegal                | 54                                    | 3.75  | 65                          | 3.95  | 47             | 3.55  |
| Serbia                 | 125                                   | 3.02  | 132                         | 3.14  | 113            | 2.90  |
| Seychelles             | 70                                    | 3.57  | 62                          | 3.99  | 87             | 3.15  |
| Sierra Leone           | 132                                   | 2.82  | 131                         | 3.14  | 131            | 2.49  |
| Singapore              | 11                                    | 5.19  | 18                          | 5.13  | 9              | 5.24  |
| Slovak Republic        | 59                                    | 3.68  | 57                          | 4.07  | 66             | 3.29  |
| Slovenia               | 39                                    | 3.99  | 51                          | 4.15  | 33             | 3.83  |
| South Africa           | 36                                    | 4.06  | 33                          | 4.42  | 38             | 3.69  |
| Spain                  | 35                                    | 4.09  | 31                          | 4.46  | 37             | 3.72  |
| Sri Lanka              | 41                                    | 3.95  | 44                          | 4.25  | 43             | 3.65  |
| Swaziland              | 126                                   | 3.02  | 123                         | 3.34  | 124            | 2.69  |
| Sweden                 | 7                                     | 5.45  | 7                           | 5.44  | 7              | 5.46  |
| Switzerland            | 1                                     | 5.78  | 1                           | 5.79  | 1              | 5.76  |
| Taiwan, China          | 16                                    | 5.06  | 21                          | 5.01  | 11             | 5.10  |
| Tajikistan             | 71                                    | 3.56  | 78                          | 3.80  | 63             | 3.32  |
| Tanzania               | 112                                   | 3.23  | 114                         | 3.43  | 105            | 3.03  |
| Thailand               | 48                                    | 3.88  | 35                          | 4.36  | 57             | 3.41  |
| Trinidad and Tobago    | 81                                    | 3.49  | 68                          | 3.93  | 101            | 3.05  |
| Tunisia                | 110                                   | 3.26  | 104                         | 3.58  | 110            | 2.94  |
| Turkey                 | 56                                    | 3.71  | 58                          | 4.07  | 60             | 3.35  |
| Uganda                 | 100                                   | 3.35  | 107                         | 3.54  | 85             | 3.16  |
| Ukraine                | 72                                    | 3.55  | 91                          | 3.70  | 54             | 3.41  |
| United Arab Emirates   | 21                                    | 4.83  | 15                          | 5.25  | 26             | 4.41  |
| United Kingdom         | 9                                     | 5.28  | 6                           | 5.54  | 12             | 5.02  |
| United States          | 4                                     | 5.59  | 4                           | 5.60  | 4              | 5.58  |
| Uruguay                | 83                                    | 3.48  | 83                          | 3.75  | 80             | 3.21  |
| Venezuela              | 135                                   | 2.71  | 134                         | 2.98  | 136            | 2.43  |
| Vietnam                | 88                                    | 3.44  | 100                         | 3.63  | 73             | 3.25  |
| Zambia                 | 68                                    | 3.58  | 85                          | 3.74  | 52             | 3.42  |
| Zimbabwe               | 130                                   | 2.90  | 130                         | 3.18  | 128            | 2.63  |

Note: Ranks out of 140 economies and scores measured on a 1-to-7 scale.

## Box 2: The Case for Trade and Competitiveness

Trade and competitiveness are intimately connected. As demonstrated by the East Asian “miracle economies” (Hong Kong SAR, the Republic of Korea, Singapore, and Taiwan), trade and investment integration can improve competitiveness through two channels: first, by increasing the size of the market available to domestic firms; and second, by driving productivity and innovation by exposing firms to international competition, expertise, and technology. No country has developed successfully in modern times without opening its economy to international trade, investment, and the movement of people across borders.

Conversely, it is the competitiveness of economies—the level of productivity of continents, nations, subnational regions, and even cities—that determines how well they translate openness to trade and investment into opportunities for their firms, farms, and people.

Trade and competitiveness come together in global value chains (GVCs). Trade no longer means merely goods crossing borders; rather it is the international, interconnected flow of goods, services, investment, people, and ideas along a value chain. Production stages that previously took place in a single factory, or in a single country, are now dispersed across many factories in many countries. GVCs are the key drivers of employment, productivity, and growth in international trade. They create niches for developing countries to industrialize faster and better, and they enable developed countries to specialize in higher-value production in goods and services, thus improving wages and consumer choice.

Taking advantage of GVCs demands more than keeping borders open to trade and investment: a whole host of domestic non-tariff and regulatory barriers also need to be removed as well as a welcoming business climate provided. Unilateral measures can help countries take advantage of GVCs, but they work best when they are locked in by international agreements such as those negotiated by the

World Trade Organization, bilateral investment treaties, and regional trade agreements.

Openness has non-economic benefits, too. Wider and deeper cross-border economic integration has contributed greatly to overall peace and stability since World War II. It has increased individuals’ freedom to produce and consume in daily life, widening the life choices and chances of large numbers of ordinary people.

However, openness and the links between trade and competitiveness have fallen off the agenda in recent years. Since the 2008–09 crisis, policymakers have been in fire-fighting mode, focusing on fiscal and monetary macroeconomic stimulus and financial reregulation. This has arguably come at the expense of supply-side issues and structural reforms needed to address sluggish productivity growth. Supply-side constraints to growth—distortions in product and factor markets, education, skills, infrastructure—have not been sufficiently addressed; if anything, market distortions have increased since the crisis, undermining competitiveness. And although protectionism has not surged, there is evidence of creeping protectionism, especially with increasing non-tariff barriers to trade. Global trade growth is weaker than at any time in the last two decades.

Strengthening both global openness and domestic competitiveness has never been more important. To revive sluggish productivity and tap new sources of growth, innovation, job creation, and development, a trade-and-competitiveness agenda should be a priority for policymakers around the world.

### Note

This box is based on a report prepared by the Global Agenda Councils on Competitiveness and Trade and FDI. For the full report, go to <http://www.weforum.org/content/global-agenda-council-competitiveness-2014-2016-0>.

inventions of the last decade, such as social networks and the sharing economy, having a more limited effect on productivity than the Internet revolution of the previous decade (and also creating value of a kind not captured in national accounts and hence not showing up in productivity data);<sup>10</sup> barriers to knowledge diffusion that prevent smaller companies from assimilating knowledge from larger firms;<sup>11</sup> and a slowdown in the growth of global trade, which is only partly explained by the slowing growth in GDP. Other structural factors at play include a slower pace of trade liberalization or even the introduction of trade barriers, and a slower expansion of cross-border value-chain trade.<sup>12</sup> Box 2 discusses the links between trade and competitiveness. Factors that contribute to the GCI can also help to explain the slowdown in productivity growth: these include lack of infrastructure, rigid labor and goods markets, underdeveloped financial markets, inefficient use of talent, lack of access to or poor quality of education, slow adoption of technologies, and low innovation rates.

Raising productivity growth increases potential output and can contribute to boosting overall growth.

In emerging markets and developing countries in particular, there is scope for raising productivity through structural reforms. The GCI results reveal that considerable room for improvement exists in every country in all areas that drive productivity (Figure 3), and in each instance this constitutes a potential source of productivity gain.

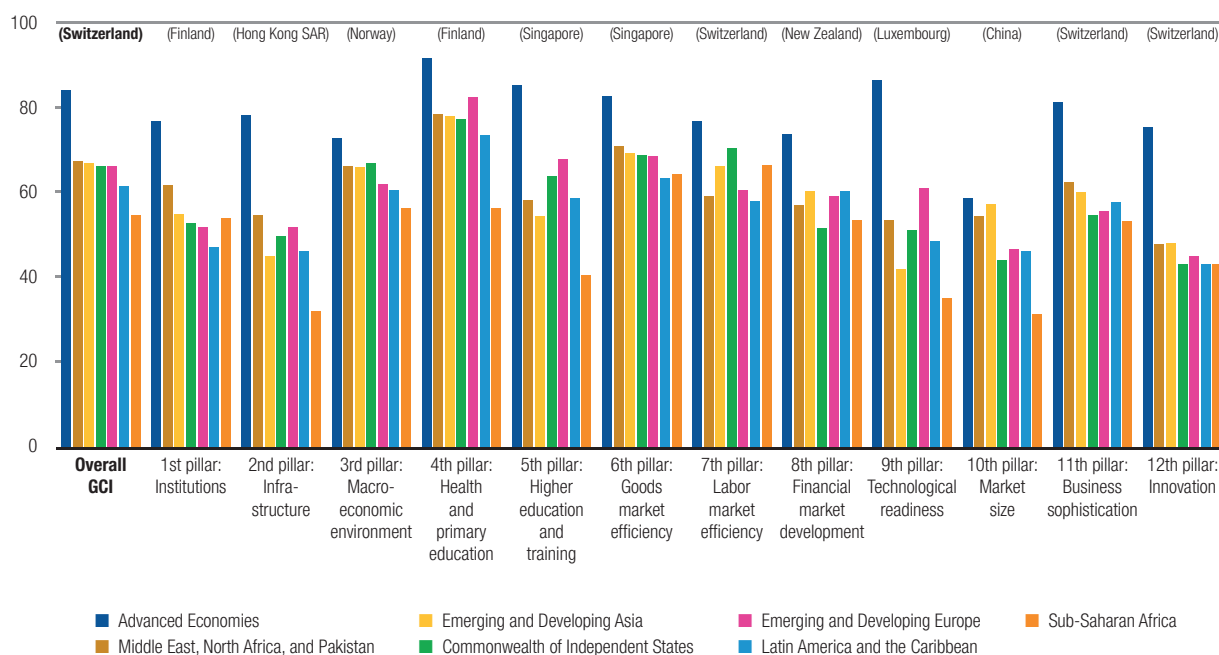
Another explanation for low economic growth, particularly in Europe, is that lending has not yet fully recovered since the financial crisis (Figure 4). Despite very low interest rates, banks are reluctant to lend because of the uncertain environment and, arguably, also because of much stricter regulations that were implemented in the wake of the financial crisis to stabilize the banking sector. Small- and medium-sized enterprises are being particularly affected.<sup>13</sup>

### Competitiveness improves resilience

A number of risks, including geopolitical tensions and currency and commodity price fluctuations, could derail the still weak recovery, should they materialize. Trends since 2007 support the hypothesis that competitiveness

**Figure 3: Distance to the best-performing economy in the GCI and pillars**

Index value (0–100, 100 = best-performing economy listed in parentheses)



Note: The distance to the frontier is a group's average score (on a 1-to-7 scale) minus 1 divided by the score of the best-performing economy minus 1. See page xv for group composition.

contributes to an economy's resilience, providing another reason to prioritize productivity growth now.

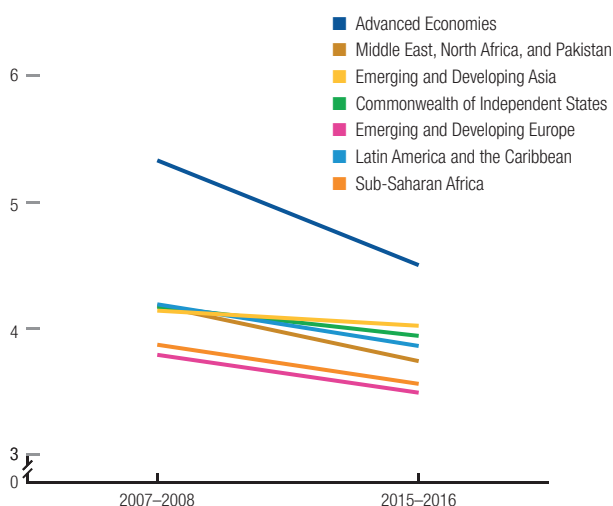
Countries rated as more competitive before the crisis tended either to withstand it better (e.g., Germany, Switzerland) or bounce back more quickly. For example, the United States started growing again by 2010, while Greece took until 2014 to return to positive territory, its economy having contracted by 25 percent in the meantime. Figure 5 compares the growth trajectory of the five most and five least competitive advanced economies as identified in the 2007–2008 Global Competitiveness

Index.<sup>14</sup> The growth differential between the two groups averaged around 4 percent between 2010 and 2013.

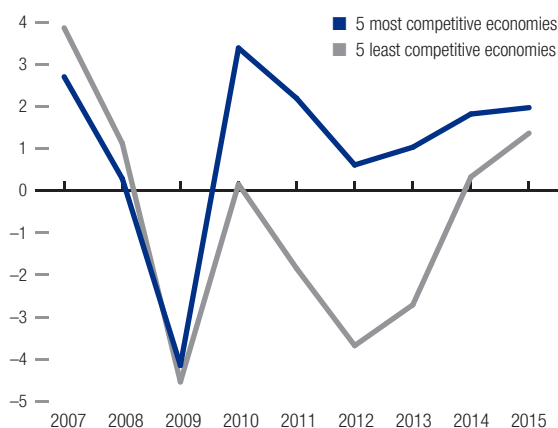
The contribution of competitiveness to resilience appears to hold for economies at most stages of development.<sup>15</sup> Figure 6 reports average growth over the period 2008–14 for the GCI 2007–2008's three most and least competitive economies in each of the five income groups. In each group, the most competitive economies have grown significantly more since the beginning of the crisis.

**Figure 4: Financial development pillar**

Evolution of average scores (1–7 scale), constant sample



Note: See page xv for group composition.

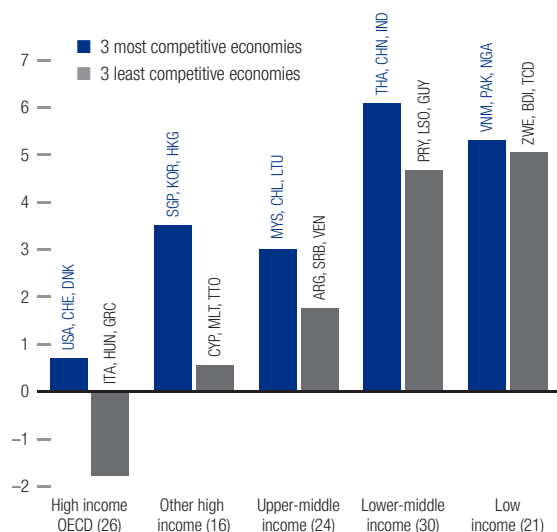
**Figure 5: Average GDP growth rate (%) of selected advanced economies**

Sources: World Economic Forum; IMF 2015c.

Note: The five most competitive advanced economies in the GCI 2007–2008 were the United States, Switzerland, Denmark, Sweden, and Germany; the five least competitive were Slovenia, Portugal, Italy, Cyprus, and Greece. Data are given as the simple average of growth rates. Advanced economy status is as of April 2007.

**Figure 6: Growth rates of the most and least competitive economies, by income group**

Average annual growth rate, 2007–14



Sources: World Economic Forum; IMF 2015c.

Note: The number of economies included in each group is indicated in parentheses along the x axis. The GCI 2007–2008 rank is in parentheses in the following list: ARG = Argentina (85); BDI = Burundi (130); CHE = Switzerland (2); CHL = Chile (26); CHN = China (34); CYP = Cyprus (55); DNK = Denmark (3); GRC = Greece (65); GUY = Guyana (126); HKG = Hong Kong SAR (12); HUN = Hungary (47); IND = India (48); ITA = Italy (46); KOR = Korea, Rep. (11); LSO = Lesotho (124); LTU = Lithuania (38); MLT = Malta (56); MYS = Malaysia (21); NGA = Nigeria (95); PAK = Pakistan (92); PRY = Paraguay (121); SGP = Singapore (7); SRB = Serbia (91); TCD = Chad (131); THA = Thailand (28); TTO = Trinidad and Tobago (84); USA = United States (1); VEN = Venezuela (98); VNM = Vietnam (68); ZWE = Zimbabwe (129).

### Leveraging the human factor

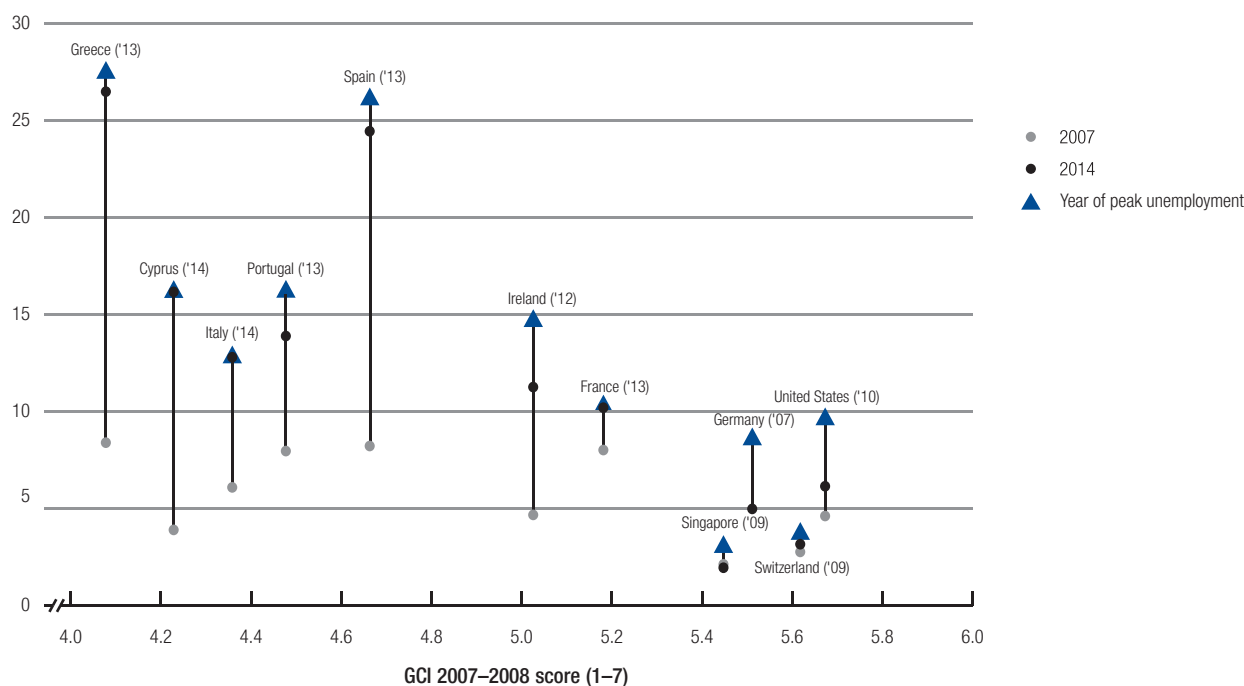
According to International Labour Organization (ILO) estimates, the global unemployment rate in 2014 was 5.9 percent—some 201 million people—with youth unemployment running at 13 percent.<sup>16</sup> Unemployment spiked in almost every country after the crisis, but individual countries have widely different trajectories. From a peak in 2010, the most competitive economies have managed to bring unemployment down toward pre-crisis levels. In less competitive countries, unemployment has remained well above pre-crisis levels.

Figure 7 depicts the evolution in unemployment rate over the period 2007–14 in selected advanced economies. At the left of the chart, for example, Greece's trajectory shows the unemployment rate soaring. In the bottom-right of the chart, by contrast, Switzerland's consistently high GCI results coincide with a relatively steady unemployment rate.

Although the relationship between unemployment and competitiveness is complex, both rely heavily on the adequacy of the education system and the efficiency of the labor market: by educating, training, and rewarding people appropriately, a country ensures that its workers have the skills to attain productive employment and that it can attract and retain talent. This is true for both advanced economies and developing ones, because talent generates ideas that in turn power innovation, and

**Figure 7: Evolution of unemployment rate in selected advanced economies, 2007–14**

Percent of total labor force



Sources: World Economic Forum; IMF 2015c.

Note: Year of peak unemployment indicated in parentheses.



**Table 6: Performance of selected advanced economies on selected human capital-related indicators**

Rank out of 140

|                 |             | INDICATORS                              |                                  |                                               |                                                   |                                             |                              |                                     |                                                 |                                           |                                           |                                            |
|-----------------|-------------|-----------------------------------------|----------------------------------|-----------------------------------------------|---------------------------------------------------|---------------------------------------------|------------------------------|-------------------------------------|-------------------------------------------------|-------------------------------------------|-------------------------------------------|--------------------------------------------|
| Country/economy | Overall GCI | 5.03<br>Quality of the education system | 5.08<br>Extent of staff training | 5.04<br>Quality of math and science education | 12.06<br>Availability of scientists and engineers | 7.07<br>Reliance on professional management | 7.06<br>Pay and productivity | 7.03<br>Hiring and firing practices | 7.01<br>Cooperation in labor-employer relations | 7.02<br>Flexibility of wage determination | 7.08<br>Country capacity to retain talent | 7.09<br>Country capacity to attract talent |
| Switzerland     | 1           | 1                                       | 1                                | 4                                             | 23                                                | 6                                           | 4                            | 2                                   | 1                                               | 16                                        | 1                                         | 1                                          |
| Singapore       | 2           | 3                                       | 4                                | 1                                             | 11                                                | 5                                           | 3                            | 4                                   | 3                                               | 6                                         | 6                                         | 2                                          |
| United States   | 3           | 18                                      | 14                               | 44                                            | 4                                                 | 9                                           | 8                            | 10                                  | 31                                              | 19                                        | 2                                         | 6                                          |
| Germany         | 4           | 10                                      | 13                               | 16                                            | 15                                                | 15                                          | 13                           | 107                                 | 20                                              | 132                                       | 13                                        | 19                                         |
| Netherlands     | 5           | 8                                       | 9                                | 7                                             | 22                                                | 4                                           | 46                           | 89                                  | 8                                               | 131                                       | 11                                        | 13                                         |
| Japan           | 6           | 27                                      | 6                                | 9                                             | 3                                                 | 18                                          | 14                           | 123                                 | 5                                               | 7                                         | 29                                        | 78                                         |
| United Kingdom  | 10          | 21                                      | 21                               | 46                                            | 18                                                | 12                                          | 21                           | 11                                  | 21                                              | 15                                        | 9                                         | 4                                          |
| France          | 22          | 30                                      | 28                               | 19                                            | 19                                                | 29                                          | 59                           | 127                                 | 116                                             | 69                                        | 63                                        | 42                                         |
| Ireland         | 24          | 9                                       | 20                               | 21                                            | 9                                                 | 7                                           | 7                            | 19                                  | 15                                              | 56                                        | 19                                        | 9                                          |
| Korea, Rep.     | 26          | 66                                      | 36                               | 30                                            | 40                                                | 37                                          | 24                           | 115                                 | 132                                             | 66                                        | 25                                        | 35                                         |
| Estonia         | 30          | 34                                      | 32                               | 14                                            | 73                                                | 25                                          | 10                           | 13                                  | 28                                              | 1                                         | 93                                        | 86                                         |
| Spain           | 33          | 85                                      | 104                              | 84                                            | 16                                                | 49                                          | 115                          | 121                                 | 84                                              | 97                                        | 94                                        | 98                                         |
| Italy           | 43          | 65                                      | 132                              | 41                                            | 26                                                | 119                                         | 131                          | 132                                 | 127                                             | 134                                       | 113                                       | 115                                        |
| Greece          | 81          | 114                                     | 91                               | 61                                            | 6                                                 | 101                                         | 103                          | 91                                  | 107                                             | 115                                       | 111                                       | 131                                        |

Note: Color is coded according to rank: ■ 1–20 ■ 21–40 ■ 41–60 ■ 61–80 ■ 81–100 ■ 101–120 ■ 121–140

because strong vocational skills remain an important source of comparative advantage.

Table 6 presents the performance of selected advanced economies on indicators of education and labor market efficiency. The world's three most competitive economies—Switzerland, Singapore, and the United States—score well in the vast majority of these indicators. Southern European countries where unemployment has spiked, such as Spain and Italy, perform poorly on most. Some countries with positive overall performance but shortcomings in at least one dimension—such as Germany, the Republic of Korea, and Japan—may still have positive unemployment trajectories, but they are also exposed to the risk of creating a two-tier labor market that discriminates between permanent employees and others.

While the shortcomings in advanced economies are most likely to center on higher education, the skills gap, as well as labor market and wage-setting rigidities, in less-developed countries the issues center on public health and basic education. Even in countries where primary and secondary education is almost universal, the quality of that education can be mediocre and curricula are not adapted to the needs of businesses. The difficulty of finding jobs in the formal sector reduces the incentives for workers to invest in their own education.

## Results overview

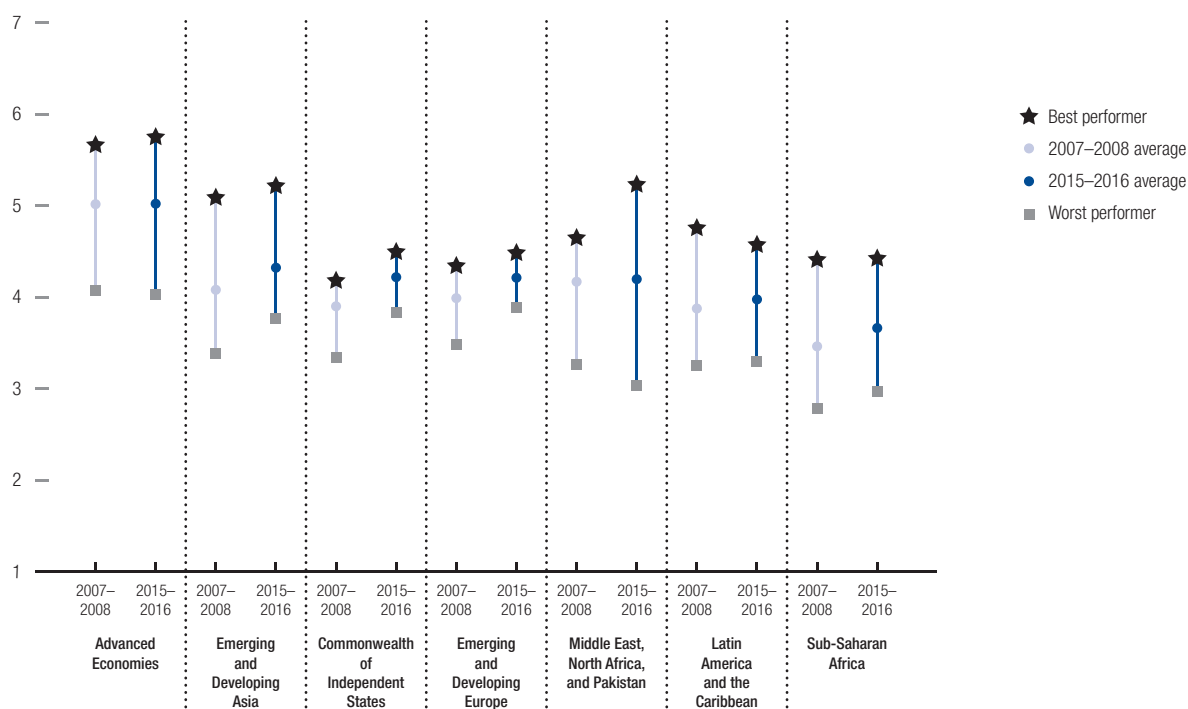
This section presents an overview of the GCI results by region, identifies patterns, and puts them in context.<sup>17</sup> Figure 8 compares the range of results between advanced economies and others in different regions between 2007 and 2008 (before the economic crisis) and the current edition of the Index. In most cases the gap is large, with sub-Saharan Africa continuing to be furthest behind despite improving on average. The figure also shows the diversity of performance within each region, with the Middle East and North Africa showing the largest disparities between best and worst performers.

Most **advanced economies** have recovered to their pre-crisis level of competitiveness. As in previous years, they fill all the top positions in the rankings. Yet some disparity remains, with some Eastern and Southern European countries occupying the lowest rankings in this group: most notable is Greece, which at 81st place is the least competitive economy of this group.

Access to finance is still the main drag on growth in most of these economies, with the United States representing a positive exception—it is now close to pre-crisis levels in terms of access to finance. At the other end of the spectrum, in the eurozone finance is much more difficult to access than it was eight years ago, underscoring one of the most important factors slowing down growth on the continent.



Figure 8: Distribution of GCI scores



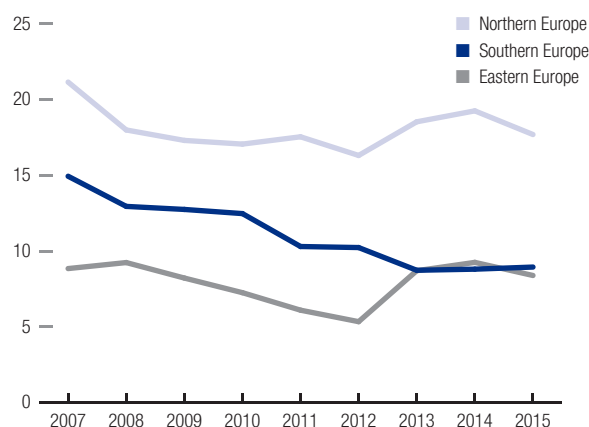
Note: Groups sorted according to average GCI 2015–2016 score. See page xv for group composition.

Analysis of other pillars provides a mixed picture. Almost a decade of economic instability and a double-dip recession have eroded trust in public institutions since 2007 in most advanced economies, especially in Southern Europe. At the same time, the quality of infrastructure improved in Southern Europe, with Italy showing the highest growth, especially in the railway sector, thanks to heavy investments and increased market competition. However, infrastructure quality deteriorated in the United States, Switzerland, and Northern Europe, with Germany and France displaced from top positions by Hong Kong SAR and Singapore. Firms in the eurozone responded to the sluggishness of recovery by doing the most to improve their level of innovation, with Southern European countries showing small signs of convergence with their northern counterparts.

There is further evidence of the emergence of a divide in Europe between reformist countries and the other countries. In France, Ireland, Italy, Portugal, and Spain, we observe significant improvement in the areas of market competition and labor market efficiency thanks to the reforms these countries have been implementing. By contrast, Cyprus and Greece have failed to improve in these pillars.

The analysis of the most problematic factors for doing business between 2007 and 2015 shows that the relative level of concern among firms around restrictive labor regulations has indeed progressively decreased in

Figure 9: Restrictive labor regulations as the most problematic factor for doing business  
Average score\*



Source: World Economic Forum, Executive Opinion Survey.

\* See Box 3 for methodology.

Southern Europe (Figure 9). In most countries, access to finance has replaced labor regulations as the most problematic factor for doing business in those countries (Box 3 presents a trend analysis of these factors).

**Emerging and Developing Asia** has been the world's fastest-growing region since 2005 and looks set to retain this status in the medium term. The region now accounts for some 30 percent of global GDP, with China alone accounting for 16 percent.<sup>18</sup> This dynamism is reflected in the GCI results. Since the beginning of the

### Box 3: The most problematic factors for doing business: Impacts of the global crisis

Respondents to the Executive Opinion Survey are asked every year to identify and rank the five most problematic factors for doing business in their country. The scores calculated on the basis of the 2015 data are presented in the country profiles at the end of this *Report*.

A comparative analysis of the results from 2007 and 2015 can help us understand how the global financial crisis has created new obstacles for doing business across the world, highlighted previously existing weaknesses, and changed the priorities of firms in countries at all stages of development (Table 1).

The most striking change is the surge of access to finance as one of the most serious problems for business in many countries, a consequence of the global financial crisis (Figure 1).

Because of deleveraging and stricter regulations in the banking sector, uncertain economic prospects, and despite extremely low interest rates, obtaining finance is still very difficult, especially for small- and medium-sized enterprises. In advanced economies, firms surveyed in 2015 indicate this factor as the 4th most pressing concern.<sup>1</sup> This has more than doubled since 2007, when it was only 7th.<sup>2</sup> Access to finance is now almost as problematic in advanced as in developing economies, where it has risen from 3rd in 2007 to become the number 1 priority (Table 1).

**Table 1: The most problematic factors for doing business in 2007 and 2015**

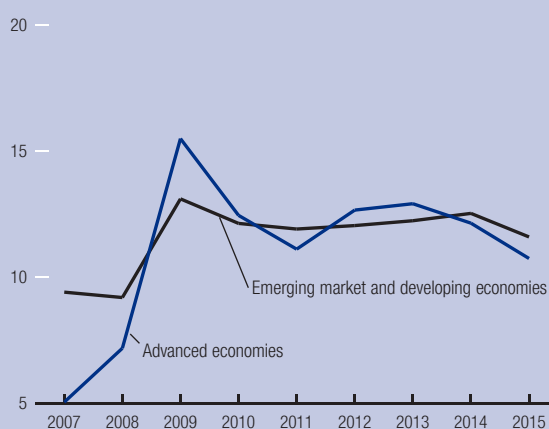
| ADVANCED ECONOMIES                       |        |                                     |        |
|------------------------------------------|--------|-------------------------------------|--------|
| 2007                                     |        | 2015                                |        |
| Factor                                   | Score* | Factor                              | Score* |
| Government bureaucracy                   | 13.6   | Government bureaucracy              | 14.2   |
| Restrictive labor regulations            | 13.6   | Tax rates                           | 13.1   |
| Tax rates                                | 11.9   | Restrictive labor regulations       | 12.8   |
| Complexity of tax regulations            | 10.7   | Access to finance                   | 10.8   |
| Inadequately educated workforce          | 9.0    | Complexity of tax regulations       | 8.8    |
| EMERGING MARKET AND DEVELOPING ECONOMIES |        |                                     |        |
| 2007                                     |        | 2015                                |        |
| Factor                                   | Score* | Factor                              | Score* |
| Government bureaucracy                   | 12.3   | Access to finance                   | 11.7   |
| Corruption                               | 11.4   | Corruption                          | 11.4   |
| Access to finance                        | 9.8    | Government bureaucracy              | 11.3   |
| Inadequate supply of infrastructure      | 8.9    | Tax rates                           | 8.1    |
| Policy instability                       | 8.1    | Inadequate supply of infrastructure | 8.0    |

Sources: World Economic Forum, Executive Opinion Survey, 2007 and 2015 editions.

\* See Note 2 of this box.

**Figure 1: Access to finance as the most problematic factor for doing business, 2007–15**

1a: Absolute value

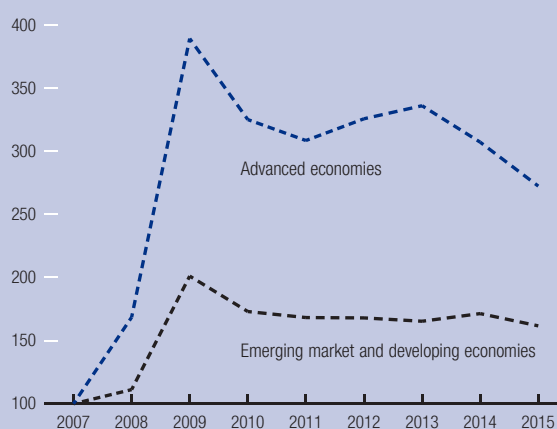


Sources: World Economic Forum, Executive Opinion Survey, 2007 and 2015 editions.

Tax rates also climbed the priority list in both advanced and developing economies. In their quest for a reduction of debt and deficits, governments in many countries have implemented austerity measures that include new taxes that depressed business activity further.

The analysis also reveals the persistence of institutional factors as top priorities in most economies, showing how difficult it is for countries at all levels of development to improve their institutional framework. Government bureaucracy is still the top priority in advanced economies and remains one of the three most pressing issues in developing economies; corruption—another factor related to governance—ranks second on the list. Corruption has gained in prominence especially in countries where recent scandals

1b: Index = 100 (2007)



have exposed its economic costs, such as Brazil, Hungary, Italy, Mexico, and Spain.

#### Notes

- 1 See page xv for group composition.
- 2 Respondents to the Executive Opinion Survey were asked to select the five most problematic factors for doing business in their country and to rank them between 1 (most problematic) and 5. The numbers presented in this box show the responses weighted according to their rankings. The historical scores have been adjusted to reflect the introduction of new factors to the list used in the Survey. For the list of problematic factors for each economy, refer to the Country/Economy Profiles at the end of the *Report*.

crisis, competitiveness trends have been mostly positive. However, regional averages conceal profound disparities across the region (Figure 10). China (28th) and most of the Southeast Asian countries are performing well, while South Asian countries and Mongolia (104th) continue to lag behind.

Behind Singapore (2nd), the five largest members of the Association of Southeast Asian Nations (ASEAN)—namely Malaysia (18th, up two), Thailand (32nd, down one), Indonesia (37th, down four), the Philippines (47, up five), and Vietnam (56th, up 12)—all rank in the top half of the overall GCI rankings. With the exception of Thailand, all five have improved their showing since 2007, most notably the Philippines, which has leapfrogged 17 places. Although ranked much lower, the three other ASEAN members—Lao PDR (83rd, up 10), Cambodia (90th, up five), and Myanmar (131st, up three)—all move up the ladder.

In contrast, no member of the South Asian Association for Regional Cooperation (SAARC) features in the top 50. India leads the way at 55th, followed by Sri Lanka (68th, up five). Nepal (100th, up two), Bhutan (105th, down two), Bangladesh (107th, up two), and Pakistan (126th, up three) all rank 100th or below. Although last year all SAARC countries except Bhutan posted small gains, since 2007 only Nepal has managed to progress significantly (14 places gained); Pakistan lost 34 places during that period and India, despite leapfrogging 16 places this year, still ranks seven notches lower than it did in 2007.

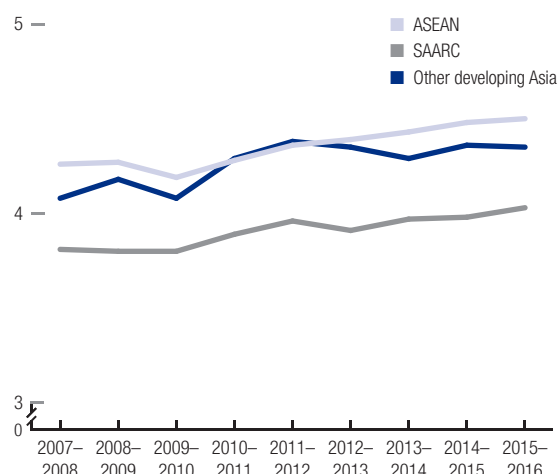
Despite the region's dynamism, it faces many challenges. Most countries have a gaping infrastructure deficit because investment has not kept up with rapid growth. The uptake of technology, in particular of ICTs, is also very low across the region. For middle-income countries, innovation capacity remains limited, which poses a risk to their growth in the long run. For instance, the results of the Executive Opinion Survey reveal that the difficulty of innovating has become the biggest concern of the business community in China (see Box 4).

Three factors had an impact on the regional economy in **Emerging Europe** in 2014–2015: some Balkan countries were hit by floods, which reduced agriculture yields, capital formation, and industry capacity; the recession in Russia reduced exports, particularly of the Baltic countries; and changes in monetary policy from both the European Central Bank and the Swiss National Bank have had double-edged effects by increasing the costs of mortgages denominated in Swiss francs on one hand and reducing interest rates on the other. Despite these difficulties, however, the region's growth is projected to remain steady, and only three countries fell in their GCI ranking.

The Baltic countries are generally doing better than those in Central and Southern Europe. Lithuania is the most competitive economy in the region (36th),

**Figure 10: Emerging and Developing Asia competitiveness trends**

Average GCI score (1–7), constant sample



Note: ASEAN = Association of Southeast Asian Nations; SAARC = South Asian Association for Cooperation.

only six positions behind Estonia.<sup>19</sup> Poland (41st) and Turkey (51st) take the second and third position in the region. Only Albania (93rd), Serbia (94th), and Bosnia and Herzegovina (111th) are outside the top 80. Gaps are particularly wide on technological readiness, with the Baltics outperforming Southern Europe. Lithuania leads the region in technological and ICT adoption and innovation, with less promising trends in countries such as Albania, Turkey, and Bosnia and Herzegovina.

All countries need to continue implementing structural reforms to achieve higher levels of competitiveness. In particular, all would benefit from improving the flexibility of their labor markets (with the possible exception of Hungary), developing the financial sector, and reducing red tape, which is reported as one of the most problematic factors for doing business in the region.

Competitiveness has been slowly improving overall in the **Commonwealth of Independent States (CIS)** in recent years, sustained by a positive macroeconomic environment, especially in energy-exporting countries, and slight progress in goods market efficiency and education. Innovation capacity has also improved, but only slightly and from a low base. However, the strong overall performance is under threat from expectations of prolonged low commodity prices and regional knock-on effects of recent geopolitical developments. Russia (45th) still faces economic sanctions, while the situation in the eastern part of Ukraine (79th) remains tense. Recession in both countries will necessarily affect the region's prospects.

The CIS region needs to diversify to become more competitive and resilient to commodity price and demand shocks, but it may be hampered by the reduced capacity of its financial sector to lend to non-oil sectors.

Efforts to shield the economy from shocks in the short term should not derail structural progress toward longer-term competitiveness. Countries must step up efforts to improve economic fundamentals such as the efficiency of the goods and labor markets, financial development, competition policy, governance, and enterprise restructuring.

Performance across countries is more homogenous than in other regions, with the best performer (Azerbaijan, 40th) losing one position this year, while the poorest performer (Kyrgyz Republic, 102nd) registers the fastest recent improvement in the region. The largest gaps between countries are in technology readiness and ICTs (where Moldova is leading the group) and infrastructure (led by Russia).

The deceleration experienced in **Latin America and the Caribbean** since 2012 continues in 2015, with the IMF projecting growth of below 1 percent—down from 1.3 percent in 2014 and 2.9 percent in 2013.<sup>20</sup> Falling commodity prices add to the persisting challenge of low levels of trade, investment, and savings, and low productivity growth. As a result, the region has seen its performance on the GCI stagnate over the past five years. On a brighter note, some countries are likely to benefit from the US recovery, given their strong trade and investment links.

The region is heterogenous and the competitiveness divide among these countries remains wide. The top Latin American performer is Chile (35th), followed by Panama (50th) and Costa Rica (52nd). Mexico and Colombia are rapidly approaching the top three after improving four and five positions, respectively. Three Latin American countries experience dramatic declines this year: Bolivia, Brazil, and El Salvador. All three countries suffer from deteriorating institutions and low macroeconomic performance stability. At the bottom of the region are Venezuela (132nd) and Haiti (134th). Most countries from the region cluster toward the middle—that is, between 50th and 100th, with Argentina slightly outside this range at 106th.

To create sustainable long-term growth, the region must build resilience against external economic shocks. Infrastructure, skills, and innovation—areas in which the region performs relatively poorly—are among the fundamentals to be strengthened. Structural reforms and measures to improve the business environment and to foster innovation, coupled with a better-educated workforce—through more on-the-job training, for example—would increase resilience by diversifying the economy away from commodity price dependence and enable production with more value-added.<sup>21</sup>

There is a sense of urgency for the region to overcome its productivity challenges to enhance competitiveness, even in an environment of slower economic growth. The region needs not only to boost

productivity but also to share the resulting prosperity, reducing and preserving social gains that might be at risk.

There are stark differences in competitiveness across the **Middle East and North Africa** region. Led by Qatar (14th), the United Arab Emirates (17th), Saudi Arabia (25th), and Bahrain (39th), many Gulf Cooperation Council (GCC) countries are already fairly competitive and can build on past progress to improve further. However, the Levant and North Africa lag significantly behind, the best performers being Jordan (64th) and Morocco (72nd).

Although most of its countries have made progress in improving competitiveness, the region is marked by fragility and vulnerability to shocks. Rising geopolitical security concerns made it impossible to cover Yemen, Syria, or Libya in this year's *Report*. Spillovers from the Syrian war have affected security elsewhere in the Levant, while in North Africa, terrorist events in the Spring of 2015 undermined recent positive developments in Tunisia (92nd).

Despite the diversity of their economies, most of the region's countries share the major—and daunting—challenge of creating sufficient employment opportunities for their youthful populations.

More jobs can be achieved only by creating the right conditions for the private sector to grow. The region is also home to some of the world's biggest energy exporters; the recent drop in energy prices further demonstrates the need for economic diversification and developing a strong and vibrant private sector. The recent agreement with Iran on its nuclear program (73rd) may provide important growth opportunities if conditions for implementation are fulfilled.

**Sub-Saharan Africa's** solid growth rates—more than 5 percent over the past 15 years—bear witness to the region's impressive economic potential.<sup>22</sup> However, Africa's levels of productivity remain low. The recent fall in resource prices has affected many countries,<sup>23</sup> and the normalization of US monetary policy may lead to increased investor scrutiny of emerging market risk, undermining growth prospects. Both these developments emphasize the region's need to prioritize competitiveness-enhancing reforms.

The region's most pressing challenges are weak institutions, poor infrastructure, and insufficient health and education sectors. Improving education and the enabling environment for employment will largely determine whether or not the region will be able to reap the unprecedented growth opportunities of its growing labor force—the number of sub-Saharan Africans reaching working age (15–64) will exceed that of the rest of the world by 2035.<sup>24</sup> The region's comparatively efficient markets demonstrate its capacity for reform, as reflected in its rapidly improving goods market efficiency.<sup>25</sup> However, reforms to improve institutions and

bridge the infrastructure and human capital gaps will take time to produce results.

There are wide regional disparities in competitiveness. The top performers are Mauritius (46th), South Africa (49th, and reversing its four-year downward trend), Rwanda (58th), and Botswana (71st). However, 15 out of the bottom 20 economies are sub-Saharan African, with Guinea propping up the list in 140th. The other two countries hardest hit by Ebola—Liberia (129th) and Sierra Leone (137th)—also rank low. Côte d'Ivoire (91st) and Ethiopia (109th) are this year's largest improvers: both have strengthened institutions, while Côte d'Ivoire has also improved its financial markets and domestic competition and Ethiopia has made progress in its goods and labor market as well as its business sophistication and innovation.

### Country highlights

This section discusses performance highlights for selected economies, including the top 10 most competitive, the best performers in each main region, and G-20 economies outside the top 10. Economies are listed in rank order (see Table 7).

**Switzerland** tops the GCI for the seventh consecutive year. Switzerland leads the innovation pillar, thanks to its world-class research institutions (1st), high spending on research and development (R&D) by companies (1st), and strong cooperation between the academic world and the private sector (3rd). But many other factors contribute to Switzerland's innovation ecosystem, including the level of business sophistication (1st) and the country's capacity to nurture and attract talent. Switzerland boasts an excellent education system at all levels and is a pioneer of the dual education system. The labor market is highly efficient (1st), with high levels of collaboration between labor and employers (1st) and balancing employee protection with flexibility and business needs. Swiss public institutions are among the most effective and transparent in the world (6th), and competitiveness is further buttressed by excellent infrastructure and connectivity (6th) and highly developed financial markets (10th). Last but not least, Switzerland's macroeconomic environment is among the most stable worldwide (6th) at a time when many developed countries continue to struggle in this area.

These very strong economic fundamentals help to explain Switzerland's resilience throughout the crisis. Yet recent developments have created a number of downside risks and leave little policy space. These include the sluggish recovery in key trading partner countries; the appreciation of the Swiss franc following the exit of the exchange rate floor; near-zero inflation; and negative real interest rates. Uncertainty about future immigration policy following the referendum against "mass immigration" could undermine Switzerland's capacity to tap into the global talent pool needed to

**Table 7: List of economies covered in this section**

Rank out of 140

| Economy              | GCI rank | Page of description |
|----------------------|----------|---------------------|
| Switzerland          | 1        | 23                  |
| Singapore            | 2        | 23                  |
| United States        | 3        | 24                  |
| Germany              | 4        | 24                  |
| Netherlands          | 5        | 24                  |
| Japan                | 6        | 24                  |
| Hong Kong SAR        | 7        | 24                  |
| Finland              | 8        | 25                  |
| Sweden               | 9        | 25                  |
| United Kingdom       | 10       | 25                  |
| Canada               | 13       | 25                  |
| Qatar                | 14       | 25                  |
| United Arab Emirates | 17       | 26                  |
| Malaysia             | 18       | 26                  |
| Australia            | 21       | 26                  |
| France               | 22       | 26                  |
| Saudi Arabia         | 25       | 26                  |
| Korea, Rep.          | 26       | 27                  |
| China                | 28       | 27                  |
| Chile                | 35       | 27                  |
| Indonesia            | 37       | 27                  |
| Azerbaijan           | 40       | 27                  |
| Italy                | 43       | 27                  |
| Russian Federation   | 45       | 30                  |
| Mauritius            | 46       | 30                  |
| South Africa         | 49       | 30                  |
| Turkey               | 51       | 30                  |
| India                | 55       | 30                  |
| Mexico               | 57       | 31                  |
| Rwanda               | 58       | 31                  |
| Colombia             | 61       | 31                  |
| Brazil               | 75       | 31                  |
| Argentina            | 106      | 31                  |
| Egypt                | 116      | 32                  |
| Nigeria              | 124      | 32                  |

power its economy. Switzerland must continue to sharpen its competitive edge to justify the high cost of doing business in the country.

**Singapore** ranks 2nd for the fifth year in a row, with one of the most consistent performances of all economies, being in the top 10 in nine out of 12 pillars. Singapore remains the best performer when it comes to the overall efficiency of markets, and one of the two economies—together with Hong Kong SAR—ranking in the top three in goods, labor, and financial market efficiency. In particular, Singapore can rely on the most flexible and the second most attractive labor market in the world, although the participation of women in the workforce remains relatively low (75th). With the best higher education and training system in the world (1st, overtaking Finland), Singapore is well placed to increase technological adoption (5th, up two), business sophistication (18th, up one), and innovation (stable at 9th). The economy can rely on top-notch infrastructure (2nd), a transparent and efficient institutional framework (2nd), and a stable macroeconomic environment (12th). In particular, the government produced a large budget



surplus equivalent to 4.2 percent of GDP in 2014 (6th largest).

The **United States** retains 3rd place. Although many risks arguably loom on the horizon, the country's recovery can build on improvements in institutions—public-sector performance is rated higher than in previous years—its macroeconomic environment, and the soundness of its financial markets. The United States' major strength is its unique combination of exceptional innovation capacity (4th), large market size (2nd), and sophisticated businesses (4th). The country's innovation capacity is driven by collaboration between firms and universities (2nd), human capital (4th on availability of scientists and engineers), and company spending on R&D (3rd). The United States also benefits from flexible labor markets (4th) and an overall well-developed financial sector (5th).

However, as accommodative monetary policy will slowly phase out and the US dollar has strengthened, the country will have to embark on a range of reforms to ensure that productivity growth picks up. These include improving the quality of education (18th), in particular at the primary level, and continuing to stabilize its macroeconomic environment (96th), which must include addressing high health and social security costs and ensuring continued strengthening of the financial system.<sup>26</sup> Last but not least, further improvements to the institutional environment (28th) would put growth on a more sustainable footing.

**Germany** climbs by one spot to 4th place this year on the back of strengthened labor and financial market efficiency (up seven places each to 28th and 18th, respectively) and a strengthened macroeconomic environment (up four places to 20th), reflecting its positive budget balance and reduction in government debt, which stands at 73 percent of GDP. Germany excels especially in the more complex areas of competitiveness: businesses are highly sophisticated (3rd), exerting a high degree of control of international distribution (3rd) and employing latest technologies in the production process (3rd). The country's innovation system (6th) is characterized by high levels of company spending on R&D (6th) and a supportive research environment, including business collaboration with universities (10th) and strong scientific research institutions (9th). This is supported by excellent on-the-job training (8th), ensuring that skills match businesses' needs; high readiness to adopt new technologies (16th); and successful use of ICTs (11th). The country uses its talent efficiently (11th), although more could be done to encourage greater participation of women in the labor force (43rd). Germany's economy could also be made more competitive by increasing flexibility in the labor market, which—despite gradual recent improvements—remains low (106th).

In 5th place, the **Netherlands** is up three and back to its highest position ever, last occupied three years ago. It experienced a small but generalized improvement and confirmed its strong performance in areas such as education (3rd), infrastructure (3rd) and institutions (10th). The Dutch economy remains one of the most sophisticated and innovative in the world (5th and 8th, respectively), with an open and efficient goods market. Although improving, the labor market is still a relative weakness (17th), especially when it comes to flexibility of wage determination (131th). Although its macroeconomic environment improved (up 13 places, at 26th),<sup>27</sup> the Netherlands has yet to recover from the bursting of its domestic real estate bubble in 2009, which left it with the highest household debt in the eurozone and GDP levels that still remain below 2008 levels. The financial market is still suffering, with the country's score in this area still one full point lower than it was in 2007.

**Japan** remains in 6th place this year, registering slight improvements in half of the pillars—most notably in the macroeconomic environment, thanks to the return of moderate inflation generated by the increase in the consumption tax. Japan benefits from excellent infrastructure and one of the world's healthiest workforces, with a life expectancy of over 80 years. The country performs well in the more complex areas of competitiveness: businesses are highly sophisticated (2nd), employing unique products and production processes (1st) with large control over international distribution (2nd) and benefitting from the world's best local suppliers (1st). Similarly, high-quality research institutions (7th) and company spending on R&D (2nd), coupled with an excellent availability of scientists and engineers (3rd), contribute to the country's overall highly innovative environment (5th). Japan's goods and financial markets have experienced a steady and gradual improvement over the past seven years, and are up to 11th and 19th place, respectively, this year, while institutions have been on a steady upward path to reach 13th this year.

In the future, it will be critical for the country to strengthen human capital (21st), where it lags behind many other advanced economies. For the first time this year, Japan is not among the top 10 in on-the-job-training. Although labor market flexibility has improved overall (15th), it could be further raised by easing hiring and firing practices (123rd), and a low share of female participation (83rd) shows that the country is failing to use its talent efficiently. Finally, the country remains an early and eager adopter of new technologies (13th) and boasts one of the highest penetration rates of smartphones (5th).

A member of the top 10 since the 2012–2013 edition, **Hong Kong SAR** has now placed 7th for three consecutive editions. Its performance—almost unchanged from last year—is remarkably consistent

across the 12 pillars. It continues to lead in infrastructure, ahead of Singapore, reflecting the outstanding quality of its facilities across all modes of transportation. Although slipping from top place, its financial sector (3rd) remains very well developed, with a high level of sophistication, trustworthiness, and stability, and relatively good availability of credit. As with Singapore, the dynamism and efficiency of Hong Kong's goods market (2nd) and labor market (3rd) contribute to its excellent overall positioning. Hong Kong is also one of the top adopters of technology, in particular ICTs (8th). The challenge for Hong Kong is to evolve from one of the world's foremost financial hubs to an innovative powerhouse. Innovation is the weakest aspect of the economy's performance (27th, with a relatively low score of 4.4), and the business community consistently cites the capacity to innovate as their biggest concern.

**Finland** continues to slide down the rankings and is now 8th. Historically characterized by relatively low diversification of economic sectors and export destinations, the Finnish economy has suffered successive shocks to its main industries (information technology and paper) and one of its largest export markets (the Russia). Its trade balance turned negative in 2011, and in 2014 its GDP was still 6 percent smaller than in 2008. Yet robust fundamentals could help Finland to overcome the current crisis. Its public institutions are transparent and efficient (1st), its higher education and training system is among the best in the world (2nd), and its business sector is one of the most innovative (2nd overall and 4th for PCT patent applications per capita). To facilitate the recovery, Finland should fix long-standing rigidities in its labor market (26th), especially the centralized wage-bargaining system (140th, the most centralized in our rankings), which contributes to unemployment (currently at 9.5 percent). Although still one of the best among advanced economies, its macroeconomic environment has also deteriorated significantly during the crisis, with public debt increasing by 20 percentage points as a proportion of GDP since 2006 and public deficit further increasing in 2014 to 2.7 percent of GDP.

**Sweden** climbs one spot to overtake the United Kingdom in 9th place. Like the other Scandinavian countries, Sweden benefits from an efficient and transparent institutional framework (11th), which, paired with an excellent education system (12th), make it one of the world's top innovators (7th) with more than 300 PCT patents filed per million people (3rd). The innovation ecosystem in Sweden benefits from high levels of technological adoption and ICT usage (11th and 4th, respectively) and a sophisticated private sector (7th). Restrictive labor regulations are still identified as the most problematic factor for doing business, although this is mitigated by very cooperative employer-worker relations (7th) and efficient use of talent (9th). Although

the total tax rate on profits decreased in 2013 to 49.4 percent, the first time below 50 percent and down from 57 percent in 2007, it remains high by international standards (112th), representing a potential source of distortion in otherwise competitive and open domestic markets.

The **United Kingdom** improves its performance across the board, but not enough to keep up with its peers, slipping down one place to 10th position. The country has created a good set of conditions for its vibrant service sector to develop and for London to become the epicenter of the European tech and start-up scene. It boasts solid public and private institutions (14th), strong property protection rights (5th), and an efficient judicial system. Thanks to its capacity to attract talent from abroad (4th) and some of the best universities in the world, the United Kingdom can count on a well-educated workforce, contributing to high levels of technological adoption (9th) and ICT penetration (2nd). Although still recovering from the global financial crisis, the UK financial market remains one of world's best developed, able to provide venture capital and equity financing to start-ups and entrepreneurs. In the long run, the country will have to continue efforts to improve its macroeconomic environment (108th); the government deficit is still very high (5.7 percent of GDP, ranked 118th) and its public debt has doubled since 2007, now accounting for almost 90 percent of GDP (123nd).

**Canada** improves from 15th to 13th position, mainly fueled by a lower budget deficit (based on 2014 data) and a more favorable assessment of its financial market development (4th). Canada's competitiveness is also built on highly efficient labor markets (7th), good outcomes in health and primary education (7th), and a solid institutional environment (16th), in particular for private institutions (8th). The country's banking system is considered sound, although exposure to a potentially overvalued housing market could become a risk in the near future.<sup>28</sup> To benefit more fully from the recovery in the United States and counter the effects of lower energy prices, Canada should continue to foster innovation at the company level. Company spending on R&D (26th) and capacity to innovate (23nd) are significantly below levels in the United States. Sophistication of businesses, which tend to be concentrated at the lower end of the value chain, will also need to be improved to maintain productivity.

**Qatar** leads the Middle East and North Africa region at 14th position. The country's main strength is its stable macroeconomic environment (2nd), which is driven by public budget surpluses and low government debt—the result of high windfall revenues from energy exports. However, the recent decline in the price of oil and gas, which is not captured in this year's edition because of the time lag in the data, may undermine the country's performance in future. Additional strengths include

high efficiency in goods and services markets (5th) and a very high level of physical security (4th). Access to finance is world class (1st on ease of access to loans) and businesses and individuals use latest technologies, including the Internet, widely. To maintain its strong position, Qatar will have to invest its exceptional wealth in the types of innovation and transfer of technology and know-how that can translate into future economic growth. Currently government procurement plays a key role in promoting innovation (1st on government procurement of advanced technology products), yet the patenting rate of Qatari nationals remains low (29th). With imports standing at 30.77 percent of GDP, promoting inward trade and investment could contribute to bringing in new technologies and know-how and enhancing a culture of innovation.

The **United Arab Emirates (UAE)** ranks 17th this year, building on the positive trend of the last five years. Its excellent macroeconomic environment, highly developed infrastructure (4th), and strong institutions (9th) provide a solid base, and the Emirati economy is significantly more diversified than other GCC countries. The UAE has benefitted from high levels of openness to trade and investment (5th on foreign competition), which ensure intense competition and high levels of innovation. Its business environment is welcoming to investment and characterized by regulations that are easy to comply with (3rd), a fairly efficient labor market (11th), and the presence of sophisticated businesses (15th). The drop in rank is a result of the new availability of an indicator on tertiary education, which led to a significant drop in the assessment of higher education and training.<sup>29</sup> The country will have to continue its gradual path of fiscal consolidation to ensure that its fiscal position remains strong despite the drop in oil prices; the recent decision to abolish energy subsidies is a step in the right direction. The UAE will also need to strengthen its capacity for innovation (26th), including by upgrading scientific research.

Up for the fourth consecutive edition, **Malaysia** (18th, up two) consolidates its position among the world's top 20 most competitive economies and remains the highest ranked among the developing Asian economies. It ranks in the top 50 of each of the 12 pillars, performing most strongly in goods market efficiency (6th) and financial market development (9th, although down five this year). The country improves in most pillars, notably by 13 places in technological readiness (47th), which nonetheless remains its weakest feature. Small gains in macroeconomic stability (35th, up nine) are mainly the result of a reduced budget deficit (3.7 percent of GDP), the lowest in six years, although the country has not managed to balance its budget in almost 20 years. Amid the good general assessment, the GCI points to specific areas for improvement, including the low participation rate of women in the labor force.

The ratio—59 women for every 100 men—is one of the lowest (118th) outside the Arab world.

Reversing a four-year slide in the rankings, **Australia** is up one to 21st. The country's performance remains strong across all categories of the Index, particularly in education (9th in basic education and 8th in higher education) and financial market development (7th). Australia leapfrogs 20 places in the labor market efficiency pillar (36th), which has traditionally been its weakest aspect. Despite world-class education and universities, however, it continues to lag behind most advanced economies in innovation (23rd, up two). With global commodity prices set to remain low for the foreseeable future, along with the slowdown in China, the country must diversify further and move up the value chain.

**France** moves up to 22nd place, with encouraging improvements in past areas of weakness—labor and goods markets efficiency, and the macroeconomic environment. The labor market is perceived by the business community as more efficient than in previous years (51st, up 20 places since 2013), in particular on measures of flexibility, though absolute performance remains poor (96th). The country improves on measures of public-sector performance, red tape, and taxation, reflecting recent reform efforts to intensify domestic market competition. France's competitive edge remains centered on its solid innovative capacity (18th), buttressed by sophisticated businesses (20th), large market size (8th), and high-quality infrastructure (8th). Nonetheless, there is further scope to improve structural rigidities in goods (35rd) and labor (51th) markets: for example, addressing high youth unemployment by improving access to education (44th on the quantity of education), and further improving the effect of taxation on incentives to invest (122nd) and non-tariff barriers (76th). The current recovery—driven by lower oil prices, among other factors—provides a window of opportunity for further macroeconomic consolidation, which will be needed to reduce the persistent budget deficit (95th, at 4.2 percent of GDP, based on 2014 data).

**Saudi Arabia** drops one place to 25th. Its strong macroeconomic environment remains the country's most distinctive strength—although the recent oil price drop, which is not yet fully reflected in the data, may lead to a less favorable assessment in this respect. Increased spending has already seen the country move from a budgetary surplus in 2013 to a deficit in 2014, and an additional fiscal spending package of about 4 percent of GDP was announced in February.<sup>30</sup> It is estimated that Saudi Arabia needs the price of oil to be at about US\$100 per barrel to achieve fiscal neutrality.<sup>31</sup> The lower oil price will also necessitate further efforts toward diversification and private-sector growth to create employment opportunities. Entrepreneurship and private-sector growth could be supported by reducing administrative barriers to entry (104th), further developing



the financial sector (41st), and improving corporate governance standards (55th on efficacy of corporate boards). More focus on broad-based access to quality education (54th) and promoting access to and use of ICTs (56th) could also create employment opportunities.

The **Republic of Korea** remains in 26th place. For the first time in close to a decade, our data suggest an improvement in institutions (69th, up 13 places), an area where Korea remains one of the poorest performers among advanced economies. This improvement in the quality of institutions is driven by improved property rights, a more efficient legal system in challenging and settling disputes, and improved accountability of private institutions. However, policy instability remains a concern for doing business and is ranked as the most problematic factor in this respect. The country registers improvements in the efficiency of the goods market (up seven places to 26th) and domestic competition (up eight places to 34th). Overall, Korea benefits from a stable macroeconomic environment (5th), sound infrastructure (13th), and the highest enrollment rates in the world (1st). However, more needs to be done to leverage the country's human capital potential: the quality of education (35th) is low compared to other advanced economies, and a highly inflexible labor market (121st) impedes allocation of workers to their most productive uses. Restrictive labor relations rank as one of the most problematic factors for doing business in the country. The country is not fully leveraging its human capital potential, as evidenced by the low female participation in the labor force (91st). Although still high, the country's innovation potential (19th) has been gradually falling over the years. The financial market also continues to perform poorly (87th), as access to finance across all modes remains difficult.

**China** ranks 28th—unchanged from last year. Its overall performance has barely budged in the past six years. Faced with rising production costs, an aging population, and diminishing returns on the massive capital investments of the past three decades, China must now evolve to a model where productivity gains are generated through innovation and demand through domestic consumption. Box 4 details the performance of China in the GCI and highlights the priority areas on which it must focus to meet the challenges ahead.

**Chile** remains the most competitive country in Latin America and the Caribbean, although dropping two places to 35th. Its strengths include solid institutions (32nd), a stable macroeconomic environment (29th), well-functioning financial markets (21st), high technological readiness (39th), and widespread uptake of ICTs (47th). The data suggest a downward trend in the efficiency of the goods market (40th, down 6 places) and labor market (63rd, down 13 places), with increasingly rigid hiring and firing practices (110th, down 44 places). Restrictive labor regulation is identified as the most problematic factor for

doing business in Chile. In its transformation toward a more diversified and knowledge-based economy, Chile will also need to address long-standing issues such as its education system, specifically the overall quality of primary education (108th) and math and science education (107th). Higher education and training is in much better shape (33rd), but Chile must do more to improve its capacity to innovate (85th) in areas such as R&D (92nd) to diversify and foster robust growth.

After leapfrogging 16 places in the past two years, **Indonesia** posts a performance almost unchanged from last year (37th, down three) and remaining uneven across the different categories of the Index. Under new leadership, Southeast Asia's largest economy still faces major challenges in the basic areas of competitiveness, including infrastructure (62th, down six) and institutions (53rd, down two). Our data suggest that efforts to tackle corruption—a priority for the previous as well as the current administration—are paying off, with Indonesia improving on almost all measures related to bribery and ethics. Another area of concern is public health (96th, up three), with the incidence of communicable diseases and the infant mortality rate among the highest outside sub-Saharan Africa. Lack of labor market efficiency remains the weakest aspect of the country's performance (115th, down five), the result of persisting rigidities in wage setting and hiring and firing procedures. The macroeconomic situation remains satisfactory (33rd, up one), thanks to a moderate government budget deficit of around 2 percent of GDP, low debt levels, and a high savings rate. The fiscal situation could worsen, though, because depressed energy prices lead to lower proceeds from oil exports.

**Azerbaijan** scores highest in its region (40th), having weathered the recent crisis better than neighboring economies, yet it declines two places. It benefits from a strong macroeconomic environment (10th), characterized by low inflation and favorable public finances. However, the recent decline in the price of oil and gas, which is not captured in this year's edition because of a time lag in the data, may have an impact on the public budget. The country also boasts a relatively efficient labor market (30th). On the less positive side, Azerbaijan faces two main challenges to further development. First, corruption is still the most problematic factor for doing business; and second, its financial sector is still underdeveloped (114th). This is particularly problematic for a country that needs private investments to diversify its economy. At a time when commodity prices are projected to remain relatively low, diversification and the implementation of market-based policies will be particularly important to achieve long-term growth.

**Italy** is in 43rd, up six positions. After a positive first quarter, it is forecast to return to growth for the current year, fueled by increasing domestic demand, expansionary monetary policy in the euro area, and

## Box 4: China's new normal

China has come a long way since the 1978 election of President Deng Xiaoping heralded a new era of market-oriented reforms. From 1980 to 2010, its economy grew 18-fold, averaging 10 percent a year. It progressed from low-income to upper-middle income country status, lifting hundreds of millions out of poverty: by 2011 just 6 percent of people were in extreme poverty, compared with 61 percent in 1990.<sup>1</sup>

Recent developments—including the weakening of the yuan, the stock market crash, rapid credit growth, and a stalling property market—have cast some doubt on China's economic prospects. Yet a hard landing of the Chinese economy still seems unlikely, for three reasons.

First, as the Global Competitiveness Index (GCI) shows, China possesses strong economic foundations. The country ranks 28th out of 140 economies in the 2015–2016 edition. China has achieved near universal primary education and high levels of public health, invested massively in transport and energy infrastructure, and ensured a relatively stable macroeconomic environment. These successes not only have contributed to China's emergence as a manufacturing hub, they also represent assets on which to build. China's advantages are not shared by many neighboring economies at a similar stage of development, as shown by Figure 1.

Second, an eventual slowdown was inevitable, predictable, and entirely normal, given China's impressive growth trajectory over the past two decades. Figure 2 compares China's annual real growth rate since 1980 to the GDP-weighted average growth rate of other countries in the income group to which it belonged in each year. Since 1991, China has grown faster than its peers every year. For several years in the 1990s, the differential was almost 10 percentage points. Since achieving upper-middle-income status in 2010, the differential has been around 5 percentage points.

Third, even though it has not yet abandoned the official 7 percent target, there are signs that the government has

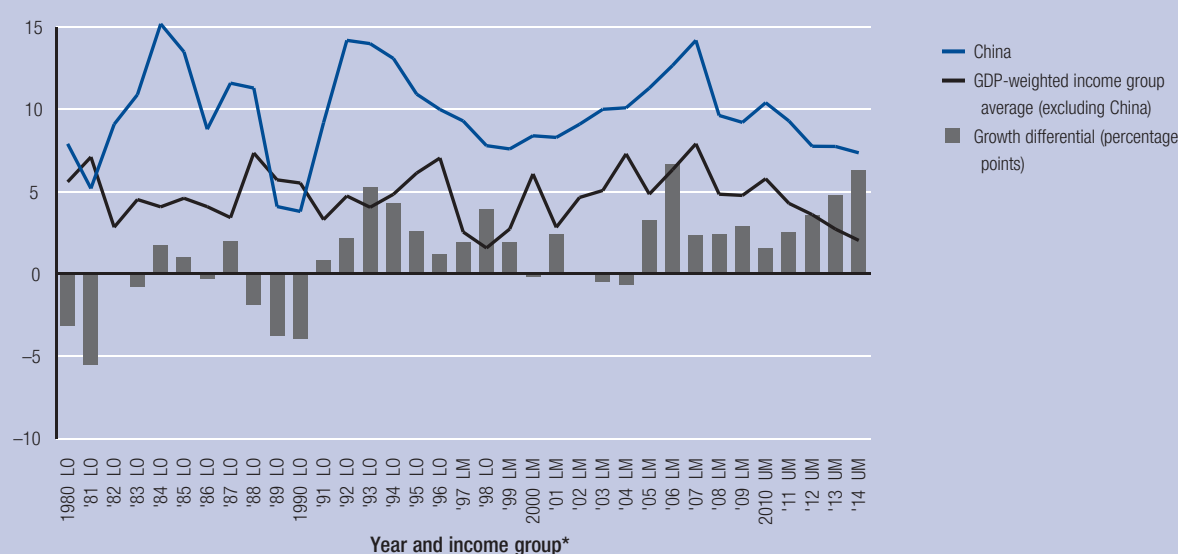
**Figure 1: China in the 12 pillars of the GCI**  
Score 1–7



been preparing for the economy's new phase and has been recalibrating its growth objectives from the quantitative to the qualitative. The 12th five-year plan, adopted in 2011 and covering 2010–15, had called for a rebalancing of the economy; more recently, President Xi referred to a "new normal" under which growth will be lower.

Even though the economy is unlikely to experience a hard landing, the challenges and downside risks are many. Under the new normal, productivity gains will be harder to achieve. This is reflected in China's stagnation in the GCI rankings for the past four years. The drivers that fueled China's growth—investment, low wages, urbanization—are yielding diminishing returns or even vanishing, as shown

**Figure 2: Real GDP growth**  
Percent



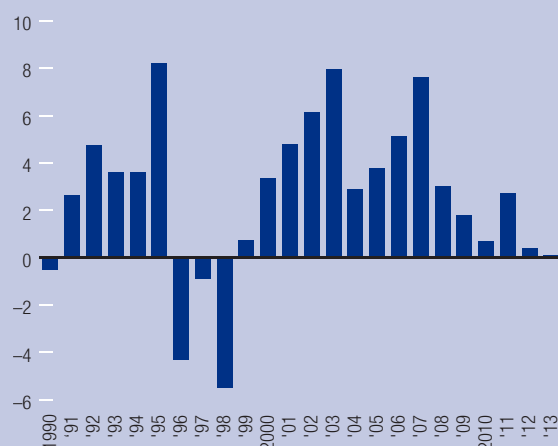
Sources: World Economic Forum's calculation; IMF 2015c; World Bank for classification (see <http://go.worldbank.org/U9BK7IA1J0>).

\* LO = Low income; LM = Lower-middle income; UM = Upper-middle income.

(Cont'd.)

## Box 4: China's new normal (cont'd.)

**Figure 3: China's total factor productivity growth**  
Percentage points



Source: The Conference Board, *Total Economy Database™* (May 2015).

Note: Estimated as a Tornqvist index, log change. See <https://www.conference-board.org/data/economydatabase/> for more information.

by the downward trend of overall productivity since 2007 (Figure 3). Future gains will have to come through more market-oriented reforms that tackle remaining distortions, controls, and rigidities across the economy and that enable more efficient use of factors of production.

The GCI points to the structural weaknesses of China's financial sector: it ranks 78th for the soundness of its banks, which have accumulated many non-performing loans. The sector is dominated by large state-owned banks, and credit flows more to state-owned enterprises or large corporations with connections than to small- and medium-sized enterprises: access to finance is rated as the second most problematic factor for doing business in China (Figure

4). A rank of 58th on goods market efficiency highlights the need to create a level playing field in non-strategic economic sectors by reforming state-owned enterprises and subjecting them to fair domestic and foreign competition, and by tackling corruption (China ranks 67th for incidence of bribery) and bureaucracy (123rd for the time it takes to start a new company).

Moving beyond market efficiency, the list of the most problematic factors for doing business in China is topped by its lack of capacity to innovate, which has become a growing concern in recent years (Figure 4). Evolving from a manufacturing-based economy to an innovation powerhouse for design and R&D requires a holistic approach to the innovation ecosystem, including nurturing talent (China ranks 68th in higher education and training) and technological readiness (ranking 74th; technology is still far from universally available, let alone used).

The progress that China has already made in rebalancing its economy suggests its capacity to identify and rectify weaknesses in its growth model. Since 2005, the relative importance of manufacturing in China's economy has been declining steadily, and services now account for a bigger share of GDP.<sup>1</sup> Meanwhile, a fledgling social safety net consisting of a healthcare and pension system, along with rising incomes and lower exports, have initiated a rebalancing of demand toward domestic consumption. China's "new normal" will bring further challenges in improving productivity, but its strong performance elsewhere in the GCI indicates that the country is well positioned to meet them.

#### Note

- 1 World Bank, *World Development Indicators Database* (accessed September 9, 2015).

**Figure 4: The most problematic factors for doing business in China**  
Score\*



Source: World Economic Forum, Executive Opinion Survey 2012 and 2015.

\* See Box 3 for methodology.

some progress in implementing structural reforms: it is up 10 places in efficiency of the labor market, although starting from a low base, and has put more emphasis on fostering companies' innovation (32st, up three places). Although Italy has begun to improve the fundamentals needed for long-term growth, its recovery is still brittle. It needs to continue implementing structural reforms to improve productivity, which remains low compared to other European countries as a result of long-standing constraints such as burdensome red tape (139th) and labor market inefficiency (126th). Access to finance remains difficult for firms, as financial efficiency continues to deteriorate (117th): banks are still under pressure because of nonaccrual assets, while the large public debt (136th) continues to impact financing conditions and crowd out private investments.

The **Russian Federation** improves eight places to 45th, although this is explained mostly by a major revision of purchasing power parity estimates by the IMF, which led to a 40 percent increase in Russia's GDP when valued at PPP. At the same time, the country improves on some market efficiency aspects, such as the regulatory business environment and domestic competition (96th), reflecting the government's efforts to improve domestic conditions for doing business.<sup>32</sup> Import tariffs have been significantly reduced as an effect of Russia's accession to the World Trade Organization in 2012. However, the recession following the 2014 currency crisis has already dented the country's macroeconomic environment, with rising inflation and worsening public finances. This rather pessimistic outlook is compounded by weakening domestic demand, economic sanctions on the part of certain countries, and the uncertainty regarding future prices for mineral commodities. Tackling structural weaknesses in institutions (100th), financial market development (95th), and goods market efficiency (92nd) will be necessary to achieve higher prosperity beyond the current downturn—for Russia itself and for the other economies in the region to which it is strongly connected.

The decade-long improvement of **Mauritius** comes to a halt this year with a fall of seven places to 46th. Small improvements in the basic factors for competitiveness—institutions (34th, up one), infrastructure (37th, up five), and higher education (52, up two ) are offset by declines in the efficiency of labor (down by five places to 57th) and the financial market (down by eight places to 34th). Despite this, Mauritius remains sub-Saharan Africa's most competitive economy, ahead of South Africa in 49th. It boasts the region's best infrastructure (37th), most healthy and educated workforce (63rd on health and 52nd in higher education and training), and most efficient goods market (25th). Institutions are a further asset (34th). However, as the country transitions moves up the development ladder, more needs to be done to unlock the areas of competitiveness conducive to a

knowledge-driven economy: higher education, especially its quality; the use of ICTs and ability to absorb new technologies (65th), where it has steadily declined over the past decade; the capacity to innovate, about which business leaders are particularly concerned; and an inadequately educated workforce.

**South Africa** climbs seven places to reach 49th, reversing its four-year downward trend thanks largely to increased uptake of ICTs—especially higher Internet bandwidth—and improvements in innovation (up by five places to 38th), which establish the economy as the region's most innovative. South Africa also hosts the continent's most efficient financial market (12th) and benefits from a sound goods market (38th), which is driven by strong domestic competition (28th) and an efficient transport infrastructure (29th). It further benefits from strong institutions (38th), particularly property rights (24th) and a robust and independent legal framework. Reducing corruption (76th) and the burden of government regulation (117th) and improving the security situation (102nd) would further improve institutions. The country also needs to address its inefficient electricity supply (116th) and inflexible labor market (107th). Even more worrisome are health (128th) and the quality of education (120th), where higher secondary enrollment rates will not be enough to create the skills needed for a competitive economy.

**Turkey** drops six places to 51st. This result has been driven by a general decline in almost all factors driving competitiveness, with 10 out of 12 pillars registering a lower score than in the past edition. The assessment of institutions experiences the most severe drop, falling to 75th. The country's delicate political phase (elections took place in June 2015) along with the geopolitical conflicts the country engaged in have set a climate of uncertainty that tends to hold back private investments, especially those coming from international investors, which are crucial for Turkey's development. Investments have also been restrained by the uncertainty linked to a high level of inflation (8.9 percent, well above policy targets) and by a slight decline in the efficiency and confidence in the local financial sector (64th). Inflation has been driven by loose monetary policy, which has attempted to make up for lack of progress on structural reforms. In particular, policy should address the excessive reliance on external financing and the rigidity and inefficiency of a labor market (127th) that has been a drag on productivity for a long time. The investments that have been made to improve the transport infrastructure (23rd) and the relative good performance in the efficiency of the goods market (45th) only partially offset the lack of structural reforms that are indeed crucial to sustain Turkey's long-term competitiveness.

After five years of decline, **India** jumps 16 ranks to 55th place. This dramatic reversal is largely

attributable to the momentum initiated by the election of Narendra Modi, whose pro-business, pro-growth, and anti-corruption stance has improved the business community's sentiment toward the government. The quality of India's institutions is judged more favorably (60th, up 10), although business leaders still consider corruption to be the biggest obstacle to doing business in the country.

India's performance in the macroeconomic stability pillar has improved, although the situation remains worrisome (91st, up 10). Thanks to lower commodity prices, inflation eased to 6 percent in 2014, down from near double-digit levels the previous year. The government budget deficit has gradually dropped since its 2008 peak, although it still amounted to 7 percent of GDP in 2014, one of the world's highest (131st). Infrastructure has improved (81st, up six) but remains a major growth bottleneck—electricity in particular. The fact that the most notable improvements are in the basic drivers of competitiveness bodes well for the future, especially the development of the manufacturing sector. But other areas also deserve attention, including technological readiness: India remains one of the least digitally connected countries in the world (120th, up one). Fewer than one in five Indians access the Internet on a regular basis, and fewer than two in five are estimated to own even a basic cell phone.

**Mexico** progresses four places to 57th, despite some deterioration of the institutional environment, thanks to improvements in the efficiency of financial markets (up 17 places to 46th), business sophistication (up eight places to 50th), and fostering innovation (59th). The country's competitiveness also benefits from an efficient goods market with enhanced, albeit low, level of competition (99th) and a large market (11th)—Mexico is the second largest country in the region. These results signal that recent reforms are bearing fruit, but challenges remain. Despite some improvement in the labor market (up seven places to 114th), rigidities are still a problem, as are weak public (115th) and private (78th) institutions—which reflect the fact that corruption is considered the most problematic factor for doing business.

**Rwanda** continues its five-year upward trend, placing 58th and improving in seven out of 12 pillars. It has improved in business sophistication (up by 15 places to 69th) and financial markets (28th), with confidence increased by improved regulation of securities exchanges (46th) and the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders. The country benefits from strong public and private institutions (17th) and efficient markets: a flexible labor market (12th) and high female participation in the labor force (3rd) help Rwanda to rank 8th overall in labor market efficiency, though pay and productivity have to be better aligned (60th). However, basic weaknesses still

need to be tackled: despite improvements, infrastructure (97th) is hampered especially by electricity and telephony (112th), while the workforce's health (108th) and higher education (120th) remain low.

**Colombia** rises in the rankings for the second consecutive year, gaining five places to rank 61st thanks largely to an impressive amelioration in financial market development (up 45 places to 25th). The country's performance is relatively stable across other pillars, with slight improvements on most dimensions compared to last year, including business sophistication (59th) and health and education, albeit at a low position (97th). Colombia benefits from a relatively large market size (36th) and good macroeconomic results (32nd) by regional standards. Nonetheless, further improvement in the quality of the education system, especially in math and science (117th), is crucial to deliver the capacity to innovate (93rd) and diversify the economy. Other areas for improvement are the country's institutional framework, especially public institutions (125th), with corruption (126th) and security (134th) remaining dire. Structural reforms to foster competition (127th) and improve infrastructure, specifically the overall quality of transport (98th), would further enhance competitiveness.

**Brazil** continues its downward trend, dropping to 75th amid low prospects of growth and deteriorating terms of trade.<sup>33</sup> The country's performance is uneven across the Index. Brazil's most important competitiveness strength is its extremely large market size (7th). It benefits from a relatively high level of technological readiness (54th), especially ICT use, along with sophisticated businesses (56th), and it registered a significant improvement in the quality of its air transport and infrastructure (95th, up 18 places). However, it deteriorated in nine out of the 12 pillars. With a large fiscal deficit and rising inflationary pressure, Brazil's weak macroeconomic performance (down to rank 117th) is negatively impacting the country's competitiveness. Corruption scandals have undermined trust in institutions, both public (122nd, down 18 places) and private (109th, down 38). Important reforms are also needed to provide higher-quality education (132nd).

**Argentina** drops two places to 106th with continuing poor performance across different dimensions of the Index. Exceptions are market size (27th), uptake of ICTs (52nd), and higher-level education and training (39th), which is among the best in the region; however, performance is poorer on the overall quality of education (108th) and the quality of math and science (113rd). A weak macroeconomic environment (114th) and inefficient financial sector (132nd) hold back investment, with business leaders considering inflation and foreign currency regulations to be the two most problematic factors for doing business in Argentina. The country faces a deep institutional crisis, scoring poorly on property rights (133rd), ethics and corruption (137th), undue



influence (135th), public-sector performance (138th), and corporate ethics (138th). The quality of infrastructure (122nd) is also among the lowest in the region.

**Egypt**, at 116th, moves up in the rankings for the first time since the Arab Spring. This reflects a more positive assessment of the country's institutions (87th), in particular higher levels of physical security (up by seven places although still, at 133rd, an important hindrance to economic growth), a more efficient judiciary in settling business disputes (up by 23 places), and better protection of property rights (up by seven). Smaller improvements are registered on the macroeconomic environment (up four) and financial market development (up six). The upward movement reflects recent reforms, including a reduction of energy subsidies, tax reforms, and a strengthened business environment, as well as greater political stability after years of turmoil. Continued reforms are needed to create favorable conditions for private-sector growth, which will be crucial for job creation and hence social cohesion. These include more openness to trade and investment (130th on foreign competition), including reduction in tariff duties (132nd), non-tariff barriers (105th), and a more favorable environment for foreign direct investment. Continued efforts to strengthen the financial markets (119th) and investment in skills and education (111th) will further support private-sector growth.

**Nigeria** improves by three places to 124th. Last year's revision of GDP is reflected in an increase in market size (up by eight places to 25th), lower government deficit and debt, and decreased national savings. Improvements in property rights, the efficiency of the legal framework to settle and challenge disputes, and the accountability of the private sector lift the country's institutions up by five places, albeit remaining low overall (124th). The picture is mixed on efficiency of the goods market (100th), where a less competitive domestic environment outweighs improvements to encourage foreign competition; the financial market (79th), where banks are rated as relatively sound but access to finance remains problematic; and the labor market, which is one of the region's most flexible (18th) but is dragged down by an inefficient use of talent (68th) and a comparatively low female participation rate (87th). Priorities include investment in infrastructure (ranking 133rd and singled out as the most problematic factor for doing business) and human capital, where poor health in the workforce (134th) and inefficient higher education (128th) holds the country back from fulfilling its potential.

## CONCLUSIONS

Seven years after the beginning of the financial crisis, its consequences are still being felt around the world. The recovery has been less robust, more uncertain, and taken longer than many expected, suggesting a "new normal" of low economic growth, low productivity, and

high unemployment. Recent shocks—from the crisis in Ukraine to conflicts in the Middle East, terrorism, and the migrant crisis—have added to economic woes.

In the face of such fragile economic recovery and geopolitical turbulence, the analysis in this chapter has demonstrated the importance of competitiveness—understood as the drivers of higher productivity—in supporting growth and economic resilience. The historic proportions of the economic crisis and the relative performance of economies since its onset have shed light on how structural weaknesses can exacerbate shocks and make an economy ill-equipped to respond. The crisis is a forceful reminder that competitiveness matters: countries that were more competitive at the onset of the crisis are those that have weathered the crisis much better. In this context, productivity-enhancing reforms are the only way forward.

Most importantly, we cannot lose sight of the human angle. High unemployment figures are weighing heavily on societies, risking not only prolonged lower demand but also the de-skilling of a significant part of the labor force and growing discontent. Results presented here suggest that leveraging talent is at the heart of a competitive and resilient economy and countries that identify, nurture, use, and reward talent are those that enjoy more robust growth and swifter recovery. This holds even truer in these the post-crisis years, which are coinciding with a fundamental shift away from the traditional manufacturing industry to one where the continuously spreading use of ICTs is giving rise to entirely new and consumption models and industries, while disrupting others. Talent-driven economies are the best equipped to adapt to the changes brought about by this so-called fourth industrial revolution and reap their benefits.

Recovering growth in this uncharted territory will require the recognition that we need a shared assessment and understanding of the future sources of productivity. By reducing complexity and providing a tool to identify strengths and weaknesses and to track progress, the GCI framework serves as a useful means to inform this conversation and support policymakers, businesses, and civil society in their development of a shared long-term vision. Since its introduction in 2005, the GCI has been used by a growing number of countries and institutions to benchmark national competitiveness. It provides a platform for dialogue among government, businesses, and civil society that can serve as a catalyst for productivity-enhancing actions.

Building on the strengths of the GCI as a policy tool, the World Economic Forum is in the process of updating the GCI methodology. The objective is to provide a more refined assessment of the drivers of competitiveness, based on latest research and empirical evidence and using newly available datasets. Chapter 1.2 introduces the conceptual building blocks of the updated GCI framework.

## NOTES

- 1 IMF 2015d.
- 2 IMF 2015d.
- 3 US Department of Labor 2015.
- 4 For example, Hall and Jones 1999; Caselli 2005; Gourinchas and Jeanne 2006.
- 5 IMF 2015c.
- 6 The rankings for all GCI components, including each individual indicator, are available at <http://gcr.weforum.org>.
- 7 IMF 2015d.
- 8 *Secular stagnation* describes an economy where aggregate demand is so low that it necessitates high borrowing and/or very low interest rates to absorb potential output.
- 9 In advanced economies, productivity has declined already before the crisis.
- 10 Gordon 2015.
- 11 OECD 2015b.
- 12 See IMF 2015c for a more detailed discussion on the factors driving the slowdown in global trade.
- 13 OECD 2015b.
- 14 The five most competitive advanced economies were the United States, Switzerland, Denmark, Sweden, and Germany. The five least competitive were Slovenia, Portugal, Italy, Cyprus, and Greece.
- 15 By considering income groups rather than regions, we control for catch-up growth—that is, the fact that less-developed economies tend to grow faster. Income group classification was adapted from the World Bank (status as of 2007).
- 16 ILO 2015.
- 17 For the purpose of the analysis and unless mentioned otherwise, we adopt the International Monetary Fund's regional classification of economies (see page xv).
- 18 IMF 2015c.
- 19 Estonia is now classified as an advanced economy, but we retain it in this geographical group for ease of comparison.
- 20 IMF 2015c.
- 21 The World Economic Forum is currently implementing a project intended to help close the skills and innovation gaps in Latin America: the Competitiveness Lab. For more information, visit <http://www.weforum.org/reports/bridging-skills-and-innovation-gap-boost-productivity-latin-america-competitiveness-lab>.
- 22 Authors' calculation, based on IMF 2015c.
- 23 Falling oil prices would benefit the region's 37 net oil importers. Yet many of these export other commodities, whose prices have equally declined.
- 24 To absorb this growing labor force, it is estimated that 18 million jobs will need to be created in sub-Saharan Africa per year until 2035. Growth opportunities are contingent on several factors, such as the critically important issue of the employment of the expanding workforce. Successfully extended employment opportunities would lead to greater economic output and labor income per household, and—among other aspects—would increase per capita investments in health, education, and infrastructure. It would also represent a move away from the informal to the formal sector. For a complete discussion, see also IMF 2015c, Chapter 2.
- 25 However, ease of entry and exit from low-wage, low-productivity jobs and an improving business environment alone will not lead to improved competitiveness and needs to be critically complemented by competitiveness-enhancing reforms in basic requirements.
- 26 IMF 2015b.

- 27 This is partially the result of a revision of public debt data by the International Monetary Fund.
- 28 Farugee and Lusinyan 2015.
- 29 It has to be noted however, that the indicator is likely to underestimate tertiary enrollment in the United Arab Emirates as well as in other GCC economies, because students who study abroad are not included.
- 30 IMF 2015a.
- 31 IMF 2015a.
- 32 Russia made starting a business easier by eliminating requirements to deposit charter capital before registering a company and the requirement to notify tax authorities of the opening of a bank account.
- 33 OECD 2015a.

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## Appendix:

# Methodology and Computation of the Global Competitiveness Index 2015–2016

This appendix provides a short description of each pillar of the Global Competitiveness Index 2015–2016 (GCI) and of the application of the concept of stages of development to weight the Index. For a more detailed description and literature review for each pillar, refer to Chapter 1.1 in *The Global Competitiveness Report 2014–2015*.<sup>a</sup> The appendix also presents the detailed structure of the GCI and explains how the Index is computed.

### THE TWELVE PILLARS OF COMPETITIVENESS

We define *competitiveness* as the set of institutions, policies, and factors that determine the level of productivity of a country. The level of productivity, in turn, sets the level of prosperity that can be reached by an economy. The productivity level also determines the rates of return obtained by investments in an economy, which in turn are the fundamental drivers of its growth rates. In other words, a more competitive economy is one that is likely to grow faster over time.

This open-endedness is captured within the GCI by including a weighted average of many different components, each measuring a different aspect of competitiveness. The components are grouped into 12 categories, the pillars of competitiveness:

#### First pillar: Institutions

The institutional environment of a country depends on the efficiency and the behavior of both public and private stakeholders. The legal and administrative framework within which individuals, firms, and governments interact determines the quality of the public institutions of a country and has a strong bearing on competitiveness and growth. It influences investment decisions and the organization of production and plays a key role in the ways in which societies distribute the benefits and bear the costs of development strategies and policies. Good private institutions are also important for the sound and sustainable development of an economy. The 2007–08 global financial crisis, along with numerous corporate scandals, has highlighted the relevance of accounting and reporting standards and transparency for preventing fraud and mismanagement, ensuring good governance, and maintaining investor and consumer confidence.

#### Second pillar: Infrastructure

Extensive and efficient infrastructure is critical for ensuring the effective functioning of the economy. Effective modes of transport—including high-quality roads, railroads, ports, and air transport—enable entrepreneurs to get their goods and services to market in a secure and timely manner and facilitate the movement of workers to the most suitable jobs. Economies also depend on electricity supplies that are free from interruptions and shortages so that businesses and factories can work unimpeded. Finally, a solid and extensive telecommunications network allows for a rapid and free flow of information, which increases overall economic efficiency by helping to ensure that businesses can communicate and decisions are made by economic actors taking into account all available relevant information.

#### Third pillar: Macroeconomic environment

The stability of the macroeconomic environment is important for business and, therefore, is significant for the overall competitiveness of a country. Although it is certainly true that macroeconomic stability alone cannot increase the productivity of a nation, it is also recognized that macroeconomic disarray harms the economy, as we have seen in recent years, conspicuously in the European context. The government cannot provide services efficiently if it has to make high-interest payments on its past debts. Running fiscal deficits limits the government's future ability to react to business cycles. Firms cannot operate efficiently when inflation rates are out of hand. In sum, the economy cannot grow in a sustainable manner unless the macro environment is stable.

#### Fourth pillar: Health and primary education

A healthy workforce is vital to a country's competitiveness and productivity. Workers who are ill cannot function to their potential and will be less productive. Poor health leads to significant costs to business, as sick workers are often absent or operate at lower levels of efficiency. Investment in the provision of health services is thus critical for clear economic, as well as moral, considerations. In addition to health, this pillar takes into account the quantity and quality of the basic education

received by the population, which is increasingly important in today's economy. Basic education increases the efficiency of each individual worker.

#### **Fifth pillar: Higher education and training**

Quality higher education and training is crucial for economies that want to move up the value chain beyond simple production processes and products. In particular, today's globalizing economy requires countries to nurture pools of well-educated workers who are able to perform complex tasks and adapt rapidly to their changing environment and the evolving needs of the production system. This pillar measures secondary and tertiary enrollment rates as well as the quality of education as evaluated by business leaders. The extent of staff training is also taken into consideration because of the importance of vocational and continuous on-the-job training—which is neglected in many economies—for ensuring a constant upgrading of workers' skills.

#### **Sixth pillar: Goods market efficiency**

Countries with efficient goods markets are well positioned to produce the right mix of products and services given their particular supply-and-demand conditions, as well as to ensure that these goods can be most effectively traded in the economy. Healthy market competition, both domestic and foreign, is important in driving market efficiency, and thus business productivity, by ensuring that the most efficient firms, producing goods demanded by the market, are those that thrive. Market efficiency also depends on demand conditions such as customer orientation and buyer sophistication. For cultural or historical reasons, customers may be more demanding in some countries than in others. This can create an important competitive advantage, as it forces companies to be more innovative and customer-oriented and thus imposes the discipline necessary for efficiency to be achieved in the market.

#### **Seventh pillar: Labor market efficiency**

The efficiency and flexibility of the labor market are critical for ensuring that workers are allocated to their most effective use in the economy and provided with incentives to give their best effort in their jobs. Labor markets must therefore have the flexibility to shift workers from one economic activity to another rapidly and at low cost, and to allow for wage fluctuations without much social disruption. Efficient labor markets must also ensure clear strong incentives for employees and promote meritocracy at the workplace, and they must provide equity in the business environment between women and men. Taken together these factors have a positive effect on worker performance and the attractiveness of the country for talent, two aspects of the labor market that are growing more important as talent shortages loom on the horizon.

#### **Eighth pillar: Financial market development**

An efficient financial sector allocates the resources saved by a nation's population, as well as those entering the economy from abroad, to the entrepreneurial or investment projects with the highest expected rates of return rather than to the politically connected. Business investment is critical to productivity. Therefore economies require sophisticated financial markets that can make capital available for private-sector investment from such sources as loans from a sound banking sector, well-regulated securities exchanges, venture capital, and other financial products. In order to fulfill all those functions, the banking sector needs to be trustworthy and transparent, and—as has been made so clear recently—financial markets need appropriate regulation to protect investors and other actors in the economy at large.

#### **Ninth pillar: Technological readiness**

The technological readiness pillar measures the agility with which an economy adopts existing technologies to enhance the productivity of its industries, with specific emphasis on its capacity to fully leverage information and communication technologies (ICTs) in daily activities and production processes for increased efficiency and enabling innovation for competitiveness. Whether the technology used has or has not been developed within national borders is irrelevant for its ability to enhance productivity. The central point is that the firms operating in the country need to have access to advanced products and blueprints and the ability to absorb and use them. Among the main sources of foreign technology, FDI often plays a key role, especially for countries at a less advanced stage of technological development.

#### **Tenth pillar: Market size**

The size of the market affects productivity since large markets allow firms to exploit economies of scale. Traditionally, the markets available to firms have been constrained by national borders. In the era of globalization, international markets have become a substitute for domestic markets, especially for small countries. Thus exports can be thought of as a substitute for domestic demand in determining the size of the market for the firms of a country. By including both domestic and foreign markets in our measure of market size, we give credit to export-driven economies and geographic areas (such as the European Union) that are divided into many countries but have a single common market.

#### **Eleventh pillar: Business sophistication**

Business sophistication concerns two elements that are intricately linked: the quality of a country's overall business networks and the quality of individual firms' operations and strategies. These factors are especially important for countries at an advanced stage of

development when, to a large extent, the more basic sources of productivity improvements have been exhausted. The quality of a country's business networks and supporting industries, as measured by the quantity and quality of local suppliers and the extent of their interaction, is important for a variety of reasons. When companies and suppliers from a particular sector are interconnected in geographically proximate groups, called *clusters*, efficiency is heightened, greater opportunities for innovation in processes and products are created, and barriers to entry for new firms are reduced.

### Twelfth pillar: Innovation

The final pillar of competitiveness focuses on technological innovation. Innovation is particularly important for economies as they approach the frontiers of knowledge, and the possibility of generating more value by merely integrating and adapting exogenous technologies tends to disappear. In these economies, firms must design and develop cutting-edge products and processes to maintain a competitive edge and move toward even higher value-added activities. This progression requires an environment that is conducive to innovative activity and supported by both the public and the private sectors. In particular, it means sufficient investment in research and development (R&D), especially by the private sector; the presence of high-quality scientific research institutions that can generate the basic knowledge needed to build the new technologies; extensive collaboration in research and technological developments between universities and industry; and the protection of intellectual property.

### The interrelation of the 12 pillars

Although we report the results of the 12 pillars of competitiveness separately, it is important to keep in mind that they are not independent: they tend to reinforce each other, and a weakness in one area often has a negative impact in others. The detailed structure and methodology used to compute the GCI are presented at the end of this appendix.

## STAGES OF DEVELOPMENT AND THE WEIGHTED INDEX

Although all of the pillars described above will matter to a certain extent for all economies, it is clear that they affect different economies in different ways.

In line with well-known economic theory of stages of development, the GCI assumes that, in the first stage, the economy is *factor-driven* and countries compete based on their factor endowments—primarily unskilled labor and natural resources.<sup>b</sup> Maintaining competitiveness at this stage of development hinges primarily on well-functioning public and private institutions (1st pillar), a well-developed infrastructure

(2nd pillar), a stable macroeconomic environment (3rd pillar), and a healthy workforce that has received at least a basic education (4th pillar).

As a country becomes more competitive, productivity will increase and wages will rise with advancing development. Countries will then move into the *efficiency-driven* stage of development, when they must begin to develop more-efficient production processes and increase product quality because wages have risen and they cannot increase prices. At this point, competitiveness is increasingly driven by higher education and training (5th pillar), efficient goods markets (6th pillar), well-functioning labor markets (7th pillar), developed financial markets (8th pillar), the ability to harness the benefits of existing technologies (9th pillar), and a large domestic or foreign market (10th pillar).

Finally, as countries move into the *innovation-driven* stage, wages will have risen by so much that they are able to sustain those higher wages and the associated standard of living only if their businesses are able to compete using the most sophisticated production processes (11th pillar) and by innovating new ones (12th pillar).

The GCI takes the stages of development into account by attributing higher relative weights to those pillars that are more relevant for an economy given its particular stage of development. To implement this concept, the pillars are organized into three subindexes, each critical to a particular stage of development.

The *basic requirements subindex* groups those pillars most critical for countries in the factor-driven stage. The *efficiency enhancers subindex* includes those pillars critical for countries in the efficiency-driven stage. And the *innovation and sophistication factors subindex* includes the pillars critical to countries in the innovation-driven stage.

The weights attributed to each subindex in every stage of development are shown in Table 1.

Two criteria are used to allocate countries into stages of development. The first is the level of GDP per capita at market exchange rates. The thresholds used are also reported in Table 1. A second criterion is used to adjust for countries that, based on income, would have moved beyond stage 1, but where prosperity is based on the extraction of resources. This is measured by the share of exports of mineral goods in total exports (goods and services), and assumes that countries with more than 70 percent of their exports made up of mineral products (measured using a five-year average) are to a large extent factor driven.<sup>c</sup> Countries that are resource driven and significantly wealthier than economies at the technological frontier are classified in the innovation-driven stage.<sup>d</sup> Any countries falling between two of the three stages are considered to be “in transition.” For these countries, the weights change smoothly as a country develops, reflecting the smooth transition from

**Table 1: Subindex weights and income thresholds for stages of development**

|                                                  | STAGE OF DEVELOPMENT      |                                       |                               |                                       |                               |
|--------------------------------------------------|---------------------------|---------------------------------------|-------------------------------|---------------------------------------|-------------------------------|
|                                                  | Stage 1:<br>Factor-driven | Transition from<br>stage 1 to stage 2 | Stage 2:<br>Efficiency-driven | Transition from<br>stage 2 to stage 3 | Stage 3:<br>Innovation-driven |
| GDP per capita (US\$) thresholds*                | <2,000                    | 2,000–2,999                           | 3,000–8,999                   | 9,000–17,000                          | >17,000                       |
| Weight for basic requirements                    | 60%                       | 40–60%                                | 40%                           | 20–40%                                | 20%                           |
| Weight for efficiency enhancers                  | 35%                       | 35–50%                                | 50%                           | 50%                                   | 50%                           |
| Weight for innovation and sophistication factors | 5%                        | 5–10%                                 | 10%                           | 10–30%                                | 30%                           |

Note: See individual country/economy profiles for the exact applied weights.

\* For economies with a high dependency on mineral resources, GDP per capita is not the sole criterion for the determination of the stage of development. See text for details.

**Table 2: Countries/economies at each stage of development**

| Stage 1:<br>Factor-driven<br>(35 economies) | Transition from<br>stage 1 to stage 2<br>(16 economies) | Stage 2:<br>Efficiency-driven<br>(31 economies) | Transition from<br>stage 2 to stage 3<br>(20 economies) | Stage 3:<br>Innovation-driven<br>(38 economies) |
|---------------------------------------------|---------------------------------------------------------|-------------------------------------------------|---------------------------------------------------------|-------------------------------------------------|
| Bangladesh                                  | Algeria                                                 | Albania                                         | Argentina                                               | Australia                                       |
| Benin                                       | Azerbaijan                                              | Armenia                                         | Brazil                                                  | Austria                                         |
| Burundi                                     | Bhutan                                                  | Bolivia                                         | Chile                                                   | Bahrain                                         |
| Cambodia                                    | Botswana                                                | Bosnia and Herzegovina                          | Costa Rica                                              | Belgium                                         |
| Cameroon                                    | Gabon                                                   | Bulgaria                                        | Croatia                                                 | Canada                                          |
| Chad                                        | Honduras                                                | Cape Verde                                      | Hungary                                                 | Cyprus                                          |
| Côte d'Ivoire                               | Iran, Islamic rep.                                      | China                                           | Latvia                                                  | Czech Republic                                  |
| Ethiopia                                    | Kazakhstan                                              | Colombia                                        | Lebanon                                                 | Denmark                                         |
| Gambia, The                                 | Kuwait                                                  | Dominican Republic                              | Lithuania                                               | Estonia                                         |
| Ghana                                       | Moldova                                                 | Ecuador                                         | Malaysia                                                | Finland                                         |
| Guinea                                      | Mongolia                                                | Egypt                                           | Mauritius                                               | France                                          |
| Haiti                                       | Nigeria                                                 | El Salvador                                     | Mexico                                                  | Germany                                         |
| India                                       | Philippines                                             | Georgia                                         | Oman                                                    | Greece                                          |
| Kenya                                       | Saudi Arabia                                            | Guatemala                                       | Panama                                                  | Hong Kong SAR                                   |
| Kyrgyz Republic                             | Venezuela                                               | Guyana                                          | Poland                                                  | Iceland                                         |
| Lao PDR                                     | Vietnam                                                 | Indonesia                                       | Romania                                                 | Ireland                                         |
| Lesotho                                     |                                                         | Jamaica                                         | Russian Federation                                      | Israel                                          |
| Liberia                                     |                                                         | Jordan                                          | Seychelles                                              | Italy                                           |
| Madagascar                                  |                                                         | Macedonia, FYR                                  | Turkey                                                  | Japan                                           |
| Malawi                                      |                                                         | Montenegro                                      | Uruguay                                                 | Korea, Rep.                                     |
| Mali                                        |                                                         | Morocco                                         |                                                         | Luxembourg                                      |
| Mauritania                                  |                                                         | Namibia                                         |                                                         | Malta                                           |
| Mozambique                                  |                                                         | Paraguay                                        |                                                         | Netherlands                                     |
| Myanmar                                     |                                                         | Peru                                            |                                                         | New Zealand                                     |
| Nepal                                       |                                                         | Serbia                                          |                                                         | Norway                                          |
| Nicaragua                                   |                                                         | South Africa                                    |                                                         | Portugal                                        |
| Pakistan                                    |                                                         | Sri Lanka                                       |                                                         | Qatar                                           |
| Rwanda                                      |                                                         | Swaziland                                       |                                                         | Singapore                                       |
| Senegal                                     |                                                         | Thailand                                        |                                                         | Slovak Republic                                 |
| Sierra Leone                                |                                                         | Tunisia                                         |                                                         | Slovenia                                        |
| Tajikistan                                  |                                                         | Ukraine                                         |                                                         | Spain                                           |
| Tanzania                                    |                                                         |                                                 |                                                         | Sweden                                          |
| Uganda                                      |                                                         |                                                 |                                                         | Switzerland                                     |
| Zambia                                      |                                                         |                                                 |                                                         | Taiwan, China                                   |
| Zimbabwe                                    |                                                         |                                                 |                                                         | Trinidad and Tobago                             |
|                                             |                                                         |                                                 |                                                         | United Arab Emirates                            |
|                                             |                                                         |                                                 |                                                         | United Kingdom                                  |
|                                             |                                                         |                                                 |                                                         | United States                                   |

one stage of development to another. The classification of countries into stages of development is shown in Table 2.

## STRUCTURE AND COMPUTATION OF THE INDEX

The computation of the GCI is based on successive aggregations of scores from the indicator level (i.e., the most disaggregated level) all the way up to the overall GCI score. Unless noted otherwise, we use an arithmetic mean to aggregate individual indicators within a category.<sup>e</sup> For the higher aggregation levels, we use the percentage shown next to each category. This percentage represents the category's weight within its immediate parent category. Reported percentages are rounded to the nearest integer, but exact figures are used in the calculation of the GCI. For example, the score a country achieves in the 11th pillar accounts for 50 percent of this country's score in the *innovation and sophistication factors* subindex, irrespective of the country's stage of development. Similarly, the score achieved on the subpillar *transport infrastructure* accounts for 50 percent of the score of the infrastructure pillar.

Unlike the case for the lower levels of aggregation, the weight put on each of the three subindexes (*basic requirements*, *efficiency enhancers*, and *innovation and sophistication factors*) is not fixed. Instead, it depends on each country's stage of development, as discussed in the chapter.<sup>f</sup> For instance, in the case of Burundi—a country in the first stage of development—the score in the *basic requirements* subindex accounts for 60 percent of its overall GCI score, while it represents just 20 percent of the overall GCI score of Sweden, a country in the third stage of development. For countries in transition between stages, the weighting applied to each subindex is reported in the corresponding profile at the end of this volume. For instance, in the case of Turkey, currently in transition from stage 2 to stage 3, the weight on each subindex is 36.3 percent, 50 percent, and 13.7 percent, respectively, as reported in the country profile on page 350.

Indicators that are not derived from the Executive Opinion Survey (the Survey) are identified by an asterisk (\*) in the following list. The Technical Notes and Sources section at the end of the *Report* provides detailed information about each of these indicators. To make the aggregation possible, the indicators are converted to a 1-to-7 scale in order to align them with the Survey results. We apply a min-max transformation, which preserves the order of, and the relative distance between, country scores.<sup>g</sup>

Indicators that are followed by the designation “½” enter the GCI in two different pillars. In order to avoid double counting, we assign a half-weight to each instance.<sup>h</sup>

Weight (%) within  
immediate parent category

## BASIC REQUIREMENTS .....20–60%<sup>f</sup>

### 1st pillar: Institutions.....25%

#### A. Public institutions.....75%

##### 1. Property rights.....20%

- 1.01 Property rights
- 1.02 Intellectual property protection<sup>½</sup>

##### 2. Ethics and corruption.....20%

- 1.03 Diversion of public funds
- 1.04 Public trust in politicians
- 1.05 Irregular payments and bribes

##### 3. Undue influence.....20%

- 1.06 Judicial independence
- 1.07 Favoritism in decisions of government officials

##### 4. Public-sector performance .....20%

- 1.08 Wastefulness of government spending
- 1.09 Burden of government regulation
- 1.10 Efficiency of legal framework in settling disputes
- 1.11 Efficiency of legal framework in challenging regulations
- 1.12 Transparency of government policymaking

##### 5. Security.....20%

- 1.13 Business costs of terrorism
- 1.14 Business costs of crime and violence
- 1.15 Organized crime
- 1.16 Reliability of police services

#### B. Private institutions .....25%

##### 1. Corporate ethics .....50%

- 1.17 Ethical behavior of firms

##### 2. Accountability .....50%

- 1.18 Strength of auditing and reporting standards
- 1.19 Efficacy of corporate boards
- 1.20 Protection of minority shareholders' interests
- 1.21 Strength of investor protection\*

### 2nd pillar: Infrastructure.....25%

#### A. Transport infrastructure.....50%

- 2.01 Quality of overall infrastructure
- 2.02 Quality of roads
- 2.03 Quality of railroad infrastructure<sup>i</sup>
- 2.04 Quality of port infrastructure
- 2.05 Quality of air transport infrastructure
- 2.06 Available airline seat kilometers\*

#### B. Electricity and telephony infrastructure .....50%

- 2.07 Quality of electricity supply
- 2.08 Mobile telephone subscriptions\*<sup>½</sup>
- 2.09 Fixed telephone lines\*<sup>½</sup>

### 3rd pillar: Macroeconomic environment .....25%

- 3.01 Government budget balance\*
- 3.02 Gross national savings\*
- 3.03 Inflation\*<sup>j</sup>
- 3.04 Government debt\*
- 3.05 Country credit rating\*



**4th pillar: Health and primary education.....25%****A. Health ..... 50%**

- 4.01 Business impact of malaria<sup>k</sup>
- 4.02 Malaria incidence\*<sup>k</sup>
- 4.03 Business impact of tuberculosis<sup>k</sup>
- 4.04 Tuberculosis incidence\*<sup>k</sup>
- 4.05 Business impact of HIV/AIDS<sup>k</sup>
- 4.06 HIV prevalence\*<sup>k</sup>
- 4.07 Infant mortality\*
- 4.08 Life expectancy\*

**B. Primary education .....50%**

- 4.09 Quality of primary education
- 4.10 Primary education enrollment rate\*

**EFFICIENCY ENHANCERS .....35–50%<sup>f</sup>****5th pillar: Higher education and training.....17%****A. Quantity of education .....33%**

- 5.01 Secondary education enrollment rate\*
- 5.02 Tertiary education enrollment rate\*

**B. Quality of education .....33%**

- 5.03 Quality of the educational system
- 5.04 Quality of math and science education
- 5.05 Quality of management schools
- 5.06 Internet access in schools

**C. On-the-job training .....33%**

- 5.07 Local availability of specialized research and training services
- 5.08 Extent of staff training

**6th pillar: Goods market efficiency .....17%****A. Competition .....67%****1. Domestic competition .....variable<sup>l</sup>**

- 6.01 Intensity of local competition
- 6.02 Extent of market dominance
- 6.03 Effectiveness of anti-monopoly policy
- 6.04 Effect of taxation on incentives to invest
- 6.05 Total tax rate\*
- 6.06 Number of procedures required to start a business\*<sup>m</sup>
- 6.07 Time required to start a business\*<sup>m</sup>
- 6.08 Agricultural policy costs

**2. Foreign competition variable<sup>l</sup>**

- 6.09 Prevalence of trade barriers
- 6.10 Trade tariffs\*
- 6.11 Prevalence of foreign ownership
- 6.12 Business impact of rules on FDI
- 6.13 Burden of customs procedures
- 6.14 Imports as a percentage of GDP\*<sup>n</sup>

**B. Quality of demand conditions .....33%**

- 6.15 Degree of customer orientation
- 6.16 Buyer sophistication

**7th pillar: Labor market efficiency .....17%****A. Flexibility .....50%**

- 7.01 Cooperation in labor-employer relations
- 7.02 Flexibility of wage determination
- 7.03 Hiring and firing practices
- 7.04 Redundancy costs\*
- 7.05 Effect of taxation on incentives to work

**B. Efficient use of talent .....50%**

- 7.06 Pay and productivity
- 7.07 Reliance on professional management<sup>½</sup>

- 7.08 Country capacity to retain talent
- 7.09 Country capacity to attract talent
- 7.10 Female participation in labor force\*

**8th pillar: Financial market development.....17%****A. Efficiency .....50%**

- 8.01 Availability of financial services
- 8.02 Affordability of financial services
- 8.03 Financing through local equity market
- 8.04 Ease of access to loans
- 8.05 Venture capital availability

**B. Trustworthiness and confidence .....50%**

- 8.06 Soundness of banks
- 8.07 Regulation of securities exchanges
- 8.08 Legal rights index\*

**9th pillar: Technological readiness .....17%****A. Technological adoption .....50%**

- 9.01 Availability of latest technologies
- 9.02 Firm-level technology absorption
- 9.03 FDI and technology transfer

**B. ICT use .....50%**

- 9.04 Internet users\*
- 9.05 Broadband Internet subscriptions\*
- 9.06 Internet bandwidth\*
- 9.07 Mobile broadband subscriptions\*
- 2.08 Mobile telephone subscriptions\*<sup>½</sup>
- 2.09 Fixed telephone lines\*<sup>½</sup>

**10th pillar: Market size.....17%****A. Domestic market size .....75%**

- 10.01 Domestic market size index\*<sup>o</sup>

**B. Foreign market size .....25%**

- 10.02 Foreign market size index\*<sup>p</sup>

**INNOVATION AND SOPHISTICATION FACTORS .....5–30%<sup>f</sup>****11th pillar: Business sophistication .....50%**

- 11.01 Local supplier quantity
- 11.02 Local supplier quality
- 11.03 State of cluster development
- 11.04 Nature of competitive advantage
- 11.05 Value chain breadth
- 11.06 Control of international distribution
- 11.07 Production process sophistication
- 11.08 Extent of marketing
- 11.09 Willingness to delegate authority
- 7.07 Reliance on professional management<sup>½</sup>

**12th pillar: R&D Innovation.....50%**

- 12.01 Capacity for innovation
- 12.02 Quality of scientific research institutions
- 12.03 Company spending on R&D
- 12.04 University-industry collaboration in R&D
- 12.05 Government procurement of advanced technology products
- 12.06 Availability of scientists and engineers
- 12.07 PCT patent applications\*
- 1.02 Intellectual property protection<sup>½</sup>



## NOTES

- a World Economic Forum 2014.
- b Probably the most famous theory of stages of development was developed by the American historian W. W. Rostow in the 1960s (see Rostow 1960). Here we adapt Michael Porter's theory of stages (see Porter 1990). See Chapter 1.1 of *The Global Competitiveness Report 2007–2008* for a complete description of how we have adapted Michael Porter's theory for the present application (Sala-i-Martin et al. 2007).
- c In order to capture the resource intensity of the economy, we use as a proxy the exports of mineral products as a share of overall exports according to the sector classification developed by the International Trade Centre in their Trade Performance Index. In addition to crude oil and gas, this category also contains all metal ores and other minerals as well as petroleum products, liquefied gas, coal, and precious stones. The data used cover the years 2010 through 2014. Further information on these data can be found at <http://www.intracen.org/menus/countries.htm>  
All countries with more than 70 percent of their exports made up of mineral products are considered to be to some extent factor driven. The stage of development for these countries is adjusted downward smoothly depending on the exact primary export share. The higher the minerals export share, the stronger the adjustment and the closer the country will move to stage 1. For example, a country that exports 95 percent of mineral exports and that, based on the income criteria, would be in stage 3 will be in transition between stages 1 and 2. The income and primary exports criteria are weighted identically. Stages of development are dictated solely by income for countries that export less than 70 percent minerals. Countries that export only primary products would automatically fall into the factor-driven stage (stage 1).
- d In practice, this applies to countries where the GDP per capita at current market prices has, for the past five years, been above an average of that of economies at the technology frontier. Countries at the technology frontier are the 10 countries with the highest per capita patenting activity according to Patent Cooperation Treaty data.
- e Formally, for a category  $i$  composed of  $K$  indicators, we have:

$$category_i = \frac{\sum_{k=1}^K indicator_k}{K}$$

- f As described above, the weights are as specified in Table 1 of this appendix. Refer to individual country/economy profiles at the end of this *Report* for the exact weights used in the computation of each economy's GCI score.
- g Formally, we have:

$$6 \times \left( \frac{\text{country score} - \text{sample minimum}}{\text{sample maximum} - \text{sample minimum}} \right) + 1$$

The *sample minimum* and *sample maximum* are, respectively, the lowest and highest country scores in the sample of economies covered by the GCI. In some instances, adjustments were made to account for extreme outliers. For those indicators for which a higher value indicates a worse outcome (e.g., disease incidence, government debt), the transformation formula takes the following form, thus ensuring that 1 and 7 still corresponds to the worst and best possible outcomes, respectively:

$$-6 \times \left( \frac{\text{country score} - \text{sample minimum}}{\text{sample maximum} - \text{sample minimum}} \right) + 7$$

- h For those categories that contain one or several half-weight indicators, country scores are computed as follows:

$$\frac{(\text{sum of scores on full-weight variables}) + \frac{1}{2} \times (\text{sum of scores on half-weight variables})}{(\text{count of full-weight variables}) + \frac{1}{2} \times (\text{count of half-weight variables})}$$

- i "N/Apl." is used for economies where there is no regular train service or where the network covers only a negligible portion of the territory. Assessment of the existence of a network was conducted by the World Economic Forum based on various sources.
- j In order to capture the idea that both high inflation and deflation are detrimental, inflation enters the model in a U-shaped manner as follows: for values of inflation between 0.5 and 2.9 percent, a country receives the highest possible score of 7. Outside this range, scores decrease linearly as they move away from these values.
- k The impact of malaria, tuberculosis, and HIV/AIDS on competitiveness depends not only on their respective incidence rates but also on how costly they are for business. Therefore, in order to estimate the impact of each of the three diseases, we combine its incidence rate with the Survey question on its perceived cost to businesses. To combine these data we first take the ratio of each country's disease incidence rate relative to the highest incidence rate in the whole sample. The inverse of this ratio is then multiplied by each country's score on the related Survey question. This product is then normalized to a 1-to-7 scale. Note that countries with zero reported incidence receive a 7, regardless of their scores on the related Survey question. In the case of malaria, countries receive a 7 if the World Health Organization has classified them as malaria-free countries or included them in the supplementary list of areas where malaria has never existed or has disappeared without specific measures.
- l The *competition* subpillar is the weighted average of two components: *domestic competition* and *foreign competition*. In both components, the included indicators provide an indication of the extent to which competition is distorted. The relative importance of these distortions depends on the relative size of domestic versus foreign competition. This interaction between the domestic market and the foreign market is captured by the way we determine the weights of the two components. Domestic competition is the sum of consumption (C), investment (I), government spending (G), and exports (X), while foreign competition is equal to imports (M). Thus we assign a weight of  $(C + I + G + X)/(C + I + G + X + M)$  to *domestic competition* and a weight of  $M/(C + I + G + X + M)$  to *foreign competition*.
- m Indicators 6.06 and 6.07 combine to form one single indicator.
- n For indicator 6.14, imports as a percentage of GDP, we first apply a log-transformation and then a min-max transformation.
- o The size of the domestic market is constructed by taking the natural log of the sum of the gross domestic product valued at purchased power parity (PPP) (indicator 10.03) plus the total value (PPP estimates) of imports of goods and services (indicator 6.14), minus the total value (PPP estimates) of exports of goods and services (indicator 10.04). Data are then normalized on a 1-to-7 scale. PPP estimates of imports and exports are obtained by taking the product of exports as a percentage of GDP and GDP valued at PPP.
- p The size of the foreign market is estimated as the natural log of the total value (PPP estimates) of exports of goods and services, normalized on a 1-to-7 scale. PPP estimates of exports are obtained by taking the product of exports as a percentage of GDP (indicator 10.04) and GDP valued at PPP (10.03).



# Drivers of Long-Run Prosperity: Laying the Foundations for an Updated Global Competitiveness Index

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The World Economic Forum has been measuring the drivers of competitiveness for over three decades. Since its creation in 1979 by Professor Klaus Schwab, the index has evolved continuously to capture the changing needs of countries as well as the evolving nature of competitiveness. Since 2005 the main tool for benchmarking competitiveness has been the Global Competitiveness Index (GCI), produced in collaboration with Professor Xavier Sala-i-Martin of Columbia University.<sup>1</sup>

The GCI represented the latest thinking on national competitiveness at the time of its introduction. However, in the last 10 years economic thinking has evolved and recent events have brought to light new elements that affect competitiveness, once again calling for a review. For example, the recent global financial crisis highlighted new channels through which a country's competitiveness can be affected by global financial fragilities; furthermore, the speed and modes of technological change have redefined how economists think about the innovation process. Recently the role of information technologies in how production is structured has changed and new consumption models, such as the "sharing economy," are emerging. In addition, new indicators have become available that can provide better measurements of established concepts.

To capture these developments, the World Economic Forum has embarked on a two-year process of reviewing and modernizing the index.<sup>2</sup> While most of the factors that were believed to determine competitiveness 10 years ago are still believed to do so today, to remain at the cutting edge the GCI methodology needs to be brought up to date with new elements and improved measurements. By doing so, the updated GCI will provide policymakers, businesses, and civil society with a better assessment of countries' economic performance.

This chapter therefore has two purposes. First, it restates the importance of those long-established drivers of productivity captured by the current GCI, providing an extensive literature review. Second, it introduces relevant new concepts that modernize our thinking on specific elements—mainly in the domains of innovation, education, and finance, the main components that will distinguish the updated GCI from the current version presented in Chapter 1.1 of this *Report*.

## WHAT COMPETITIVENESS IS AND WHY IT MATTERS

Our conceptual definition of competitiveness remains unchanged. We continue to define *competitiveness* as *the set of institutions, policies, and factors that*

<sup>1</sup> Sala-i-Martin and Artadi 2004.

<sup>2</sup> The authors would like to thank a number of experts for their contribution to this chapter; they are listed in Appendix B.

determine the level of productivity of a country. We focus on productivity because growth models suggest that, in the long run, productivity is the most fundamental factor explaining the level of prosperity of a country and hence its citizens.

Since Adam Smith's work (1776), economists have identified, theoretically and empirically, dozens of possible factors—both within and outside firms—affecting the level and growth rates of productivity and prosperity across countries. These range from the institutional framework discussed by Smith, which allows for division of labor and exchange, to the most recent studies on connectivity as a source of business innovation. They include factors such as macroeconomic stability, corruption (or the absence of it), security, education (both basic and advanced), the health of the labor force, regulation, financial development, the efficient use of talent, the right incentives for firms to invest in research and development (R&D), market size, the participation of women in the workforce, and the use of modern production and distribution techniques.

Each proposed factor rests on solid theoretical grounds and is backed by empirical evidence. Because the development process is complex and economic theories are open ended, any effort to identify one single factor that matters above all others is misguided. Indeed, all of these factors could be in place at the same time.

Academic research since the 1950s has formalized several of these ideas in mathematical terms.<sup>3</sup> It has provided empirical evidence that capital accumulation is not sufficient to explain differences in countries' prosperity, and total factor productivity (TFP) is the main long-run engine of growth, living standards, and prosperity. The term *productivity* is widely used as shorthand for TFP.

To reflect the complexity of the economic development process, the GCI embraces a wide array of determinants of a country's productivity at both the macro- and microeconomic levels. Most of the suggested drivers of productivity are linked to one another, which makes any attempt to measure competitiveness more challenging. For the sake of clarity, simplicity, and intellectual organization, we divide the potential factors affecting competitiveness that we have identified into 12 categories that will translate into the 12 pillars of the updated GCI. This categorization is intended to provide guidance for policymakers in the form of a tool that gives information on the competitive strengths and weaknesses of their respective economies.

The 12 sections below offer a conceptual discussion to restate or update the relevance of each productivity

factor in light of the current state of academic research. At the time of publication of this *Report*, the update of the GCI is still a work in progress, so what we present here is our current thinking on those factors that drive competitiveness; we expect to refine our approach in the coming year through a series of consultations with academics, practitioners, and policymakers. Despite improvements in measurements, some areas still suffer from a scarcity of reliable data that cover the large sample size of the GCI, so that the elements presented in each section may not necessarily be implemented in the final, updated GCI. In an attempt to stimulate discussion on relevant indicators to capture the concepts outlined above, we present potential indicators for each of the drivers of competitiveness that we have identified to date in Appendix A to this chapter.

## INSTITUTIONS

A country's institutional environment has long been considered a determining factor of competitiveness, and will remain largely unchanged in the updated GCI. In the context of the current GCI, *institutions* are defined by two characteristics that reflect core features put forward by economic literature.<sup>4</sup> First, institutions set formal, legally binding constraints—such as rules, laws, and constitutions—along with their associated enforcement mechanisms.<sup>5</sup> Second, institutions include informal constraints such as norms of behavior, conventions, and self-imposed codes of conduct such as business ethics, and can be thought to include norms of corporate governance as well. By shaping the ways in which individuals organize themselves and their economic transactions, institutions form the backbone of societies.<sup>6</sup> The differences among institutions explain many of the underlying reasons for the differences in technology and in physical and human capital between countries, which

3 Since Solow's seminal 1956 paper "A Contribution to the Theory of Economic Growth," a large empirical literature based on aggregate production functions (Barro 1991) attributes differences among countries' income to the accumulation of physical capital, human capital, and productivity.

4 Our definition is loosely based on the work of North 1994. Hall and Jones 1998, for instance, follow a narrower definition and refer to institutions as social infrastructure that avoids diversion, which can be undertaken either by private agents (thievery, squatting, and mafia protection) or by public agents—that is, the government itself (e.g., expropriation, confiscatory taxes, and corruption).

5 The idea of an individual submitting either explicitly or implicitly to the authority of a ruler in exchange for protection of their remaining rights has been discussed in the concept of social contract, most prominently put forward by Thomas Hobbes (*Leviathan*, 1651), John Locke (*Second Treatise of Government*, 1689), and Jean-Jacques Rousseau (*Du contrat social*, 1762).

6 Adam Smith, in his *Wealth of Nations* (1776), was among the first to put forward the importance of institutions: "Commerce and manufactures can seldom flourish long in any state which does not enjoy a regular administration of justice, in which the people do not feel themselves secure in the possession of their property, in which the faith of contracts is not supported by law, and in which the authority of the state is not supposed to be regularly employed in enforcing the payment of debts from all those who are able to pay. Commerce and manufactures, in short, can seldom flourish in any state in which there is not a certain degree of confidence in the justice of government" (Book V, Chapter 3 "Of Public Debts," paragraph 7).

in turn explain a large part of cross-country differences in income.<sup>7</sup>

Ample empirical evidence has shown the importance of institutions for productivity,<sup>8</sup> suggesting that their fundamental role consists in setting the right incentives and lowering uncertainty so that citizens can be confident in engaging in economic activities.<sup>9</sup> Economic agents will invest only if they believe that they will reap expected benefits and returns on their work or investment without needing to spend excessive amounts of time and money protecting their property and monitoring the fulfillment of others' contractual obligations.<sup>10</sup> This depends, informally, on adequate levels of trust in society;<sup>11</sup> it also depends, formally, on the existence of institutions capable of ensuring a basic level of security and enforcing property rights. This in turn relies on the institutions' political set-up and power structure, characterized by (1) the incidence of transparency, (2) efficiency of the public sector, and (3) the existence of checks and balances.

Economic literature has documented the importance of enforceable property rights for the economy<sup>12</sup>—that is, the right of control over an asset and the returns it may generate provides incentives to invest (in physical or human capital or technology), create, innovate, trade, and maintain. If physical or financial property cannot be acquired and sold with confidence that the authorities will endorse the transaction over the long run, economic growth will be undermined. An absence of property rights also drives people out of formal markets into the informal sector. De Soto suggests that no nation can have a strong market economy without adequate participation in a framework that enforces legal ownership of property and records economic activity, because they are the prerequisites to obtaining credit, selling properties, and seeking legal remedies to conflicts in court.<sup>13</sup> Ensuring the protection of property rights is therefore a key role of the state.

Another fundamental role of the state is guaranteeing the security of its citizens, which is a minimal requirement for incentivizing economic activity. Violence, racketeering, organized crime, and terrorism all constitute substantial disincentives to private investment and economic transactions. Empirical research provides evidence that homicides, robbery, extortion, and kidnapping can crowd out investment;<sup>14</sup> and organized crime can generate misallocation of capital and labor and act as a barrier to enter a market.<sup>15</sup>

Although the two roles of the state provide a *raison d'être* for formal constraints, their implementation depends on the quality of institutions. Research shows that three characteristics of institutions determine

7 See Acemoglu 2009 for an exhaustive discussion on institutions and the fundamental causes of economic growth. According to Acemoglu, potential fundamental causes of economic growth may be (1) luck, leading to divergent paths among societies with identical opportunities, preferences, and market structures; (2) geographic differences that affect the environment in which individuals live and that influence the productivity of agriculture, the availability of natural resources, certain constraints on individual behavior, and even individual attitudes; (3) institutional differences that affect the laws and regulations under which individuals and firms function and thus shape the incentives they have for accumulation, investment, and trade; and (4) cultural differences that determine individuals' values, preferences, and beliefs.

8 For example, North and Thomas 1973 discuss a system of property rights as the key to growth. Hall and Jones 1998 find that differences in capital accumulation and productivity, and therefore output per worker, are driven by differences in institutions and government policies. Acemoglu et al. 2001 show that institutions are robustly related to present-day differences in per-capita incomes. Rodrik et al. 2002 find that property rights are more important than either geography or trade in determining income levels around the world.

9 North explains, "[t]he major role of institutions in a society is to reduce uncertainty by establishing a stable (but not necessarily efficient) structure to human interaction. The overall stability of an institutional framework makes complex exchange possible across both time and space" (North 1990, p. 6).

10 The notion of investment here is intended in a broad sense. It includes investments in capital but also comprises investments in time, energy, work, ideas, and education.

11 Trust within society reduces transaction costs of economic activities. Franke and Nadler 2008 define a nation's ethical attitude as people's "cognitive, affective, and behavioural predispositions to react to issues and activities involving social standards for what is morally proper and virtuous" and show that it significantly predicts economic performance.

12 For example, Acemoglu et al. 2001 focus on the expropriation risk that current and potential investors face. Examples from literature in support of these ideas include Banerjee and Iyer 2005, who analyze the colonial land revenue institutions set up by the British in India and show that differences in historical property rights institutions lead to sustained differences in economic outcomes; De Soto 2000, who shows that owners of land, corporate shares, and even intellectual property are unwilling to invest in the improvement and upkeep of their property if their rights as owners are insecure; Acemoglu et al. 2005, who discuss the detrimental effects on growth in the Middle Ages and early Modern Period from the lack of property rights for landowners, merchants, and proto-industrialists on growth in the Middle Ages and early Modern Period; and Knack and Keefer 1995, who show that security of property rights affects the efficiency with which inputs are allocated by inhibiting activities (rent-seeking, theft, arbitrary confiscation, and/or excessive taxation) that reduce individual incentives.

13 De Soto's influential book *The Other Path: The Invisible Revolution in the Third World* (1990) has significantly impacted economic development policies and led to the creation of the World Bank Doing Business framework.

14 See, for example, Detotto and Otranto 2010; Detotto and Pulina 2013.

15 For example, Pinotti 2014 explores the various channels through which organized crime stifles growth. Mafia rackets lead to misallocation of capital and labor by forcing firms to purchase overpriced inputs or hire individuals based on their connections to the organization; they may prevent new entrepreneurs from entering the market; and their influence on politicians and public officials can divert public investments and interfere with the selection of public officials.

their quality. The first is an absence of corruption and undue influence. Broadly understood as the misuse of public power for private gain, corruption interferes with the allocation of resources to their most efficient uses and undermines growth in five main ways: (1) it diminishes incentives to invest, because economic agents view corruption as a species of tax; (2) it leads to a misallocation of human capital, because talent is incentivized to engage in rent-seeking activities rather than productive work;<sup>16</sup> (3) it results in loss of tax revenue; (4) it pushes inappropriate public spending, because government officials are tempted to allocate expenditures less on the basis of promoting public welfare than on the opportunity they provide for extorting bribes;<sup>17</sup> and (5) it lowers the quality of infrastructure and public services through the misallocation of public procurement contracts.<sup>18</sup>

The second determinant of institutional quality is efficiency in the public sector, which has two aspects: efficient administrative services and a stable policy environment. Administrative efficiency implies a lack of unnecessary red tape in business processes such as the collection of taxes, compliance with regulations, obtaining permits, and the judicial system; there is empirical evidence that burdensome bureaucracy decreases investments and firms' efficiency.<sup>19</sup> Policy stability may affect productivity by reducing uncertainty about the future and consequently expanding the time horizon of society's preferences; this may lead to better resource allocation, including more R&D investments and hence faster technological progress.<sup>20</sup>

Finally, quality institutions are endogenous—that is, the rules governing human interactions are the result of choices made by those in power, selected on the basis of the rules they set. Separation of powers, and

especially the independence of the judiciary,<sup>21</sup> has long been recognized as pivotal to preventing those in power from arrogating absolute power or shaping economic institutions to benefit themselves at the expense of the rest of the society.<sup>22</sup> Branches of governance represented by the separate powers should be able to hold each other reciprocally accountable for the discharge of the powers apportioned to them by law.<sup>23</sup> It is the extent to which this actually happens in practice—not merely that it is provided for in principle in a country's constitution—that matters.<sup>24</sup>

In addition to the quality of public institutions, corporate ethics and governance standards determine incentives for companies, investors, and society to engage in economic activities. Strong corporate governance standards contribute to productivity in two ways. First, they enable shareholders to exert control over firms, and shareholder value in turn is maximized by raising the firm's productivity. Second, by aligning incentives of firms' managers and owners, they limit risks to investors, incentivizing higher levels of investment and reducing costs of capital for the firm. Key to corporate governance is the transparent access of shareholders to timely and accurate information, accountability of management to strong and independent corporate boards, and auditor independence.<sup>25</sup> In addition to formal standards, informal behavioral norms also play a crucial role in the way businesses are run. High ethical standards among business leaders can contribute to building trust, thereby reducing the cost of capital and compliance.

## INFRASTRUCTURE AND CONNECTIVITY

Throughout history, better-connected villages and cities have been more prosperous. From the ancient cities of Mesopotamia to the Phoenician and Greek harbors around the Mediterranean, from the Roman paved roads to the Silk Road that connected China to Europe, and from the railroad systems built in Europe and North America in the 19th century to the interstate highway system of the 1950s in the United States and to the current global Internet network, human progress has been associated with the infrastructures that facilitate the exchange of products and ideas.

16 See also the discussion on health for the relationship between human capital and economic growth.

17 Shleifer and Vishny 1993 show that the structure of government institutions and of the political process are important determinants of the level of corruption and that the illegality of corruption makes it much more distortionary and costly than taxation. Mauro 1997 presents evidence that corruption distorts public expenditures away from growth-promoting areas such as education and health toward other types of projects.

18 Tanzi and Davoodi 1997 find that corruption diverts public funds to areas where bribes are easiest to collect and toward low-productivity projects—for example, new construction rather than maintenance of existing infrastructure—resulting in rising public investment but lower social welfare and reduced impact on productivity.

19 Ayal and Karras 1996 construct a measure of bureaucracy for OECD countries and show that higher levels of bureaucracy are negatively related to economic growth. Loayza et al. 2005 conclude that a heavier regulatory burden—particularly in product and labor markets—reduces growth and induces informality.

20 Aisen and Veiga 2013. Also, Alesina et al. 1996 show that growth is significantly lower in countries where the propensity of a government to collapse is high. Jong-A-Pin 2009 uses a measure of multidimensional instability of the political regime to show that it has a robust and significant negative effect on economic growth.

21 Notably revived from Roman institutional set-up and developed by Montesquieu in *The Spirits of Law* (1748), the system of checks and balances is most famously represented in the US constitution.

22 Acemoglu et al. 2005.

23 Henisz 2000; Chong and Calderón 2000; Dollar and Kraay 2002; World Bank 2005.

24 Feld and Voigt 2003 show that, for a sample of 66 countries between 1980 and 1998, the factually ascertainable degree of judicial independence positively influenced GDP growth, but no such impact was found when looking only at the legal foundations of judicial independence. Their findings show the importance of de facto versus de jure on economic growth (only first one is significant).

25 Kroszner 2004.



The concepts captured in the infrastructure and connectivity category of the updated GCI are essentially similar to those captured in the first version of the GCI. The only novelty is that, in addition to assessing the quality of the transport infrastructure, the pillar also measures the quality of domestic and international transport networks. Well-developed physical and digital infrastructures affect productivity directly by connecting economic agents, reducing transaction costs, easing the effects of distance and time, facilitating the flow of information, and facilitating integration of markets into global value chains. Information and communication technologies (ICTs) are becoming increasingly important: there is a growing empirical literature on how ICTs facilitate innovation and impact firm and country productivity by giving decision makers more complete information.<sup>26</sup>

Indirectly, physical and digital infrastructures impact productivity by enabling and improving access to basic services such as sanitation, education, and healthcare, and therefore contributing to a healthier and more skilled workforce.<sup>27</sup> Transport and—increasingly—digital infrastructures enable deeper social interaction, which contributes to creativity and innovation and, in turn, to productivity.

These links are well established empirically,<sup>28</sup> providing substantial evidence of the importance for productivity of both the quantity and quality of surface and air transport, energy, ICTs, and connectivity.

## MACROECONOMIC ENVIRONMENT

A stable macroeconomic environment does not drive economic growth, but it is a necessary condition to promote productivity.<sup>29</sup> Uncertainty about the future economic outlook, associated with volatile inflation and

doubts about the sustainability of public finances or recessions caused by financial crises, can dramatically reduce investments. Fischer (1993) defines a stable macroeconomic framework as being characterized by low and predictable inflation and sustainable fiscal policy,<sup>30</sup> and shows that both these factors increase capital accumulation and productivity growth. Recent financial crises have brought to light additional factors affecting the stability of the economic environment: the composition of public finance, its dynamic interaction with the financial sector, and the detrimental effect of recessions resulting from financial meltdown.

The first ingredient for a stable macroeconomic environment is low inflation. In principle it is volatility of prices that affects productivity rather than high levels of inflation per se, but empirical research has found that in practice high levels of inflation are by nature volatile.<sup>31</sup> When inflation is high, future prices are less certain so returns are less predictable and long-term projects become riskier, reducing the willingness of firms and investors to invest. Deflation or near-zero inflation also has negative effects on the economy: it increases the real value of debt; it may also generate unemployment, because wages remain artificially above market level; it discourages investment by increasing real interest rates; and it can lead to a self-reinforcing cycle of consumers holding back spending in expectation of further price decreases. For these reasons, most central banks target moderate and stable inflation.

The second component of macroeconomic stability is the avoidance of uncertainty about public finances.<sup>32</sup> Such uncertainty may cause potential investors to hold back from committing to new projects,<sup>33</sup> or to prefer short-term projects to longer-term ones that would have higher returns and more impact on productivity growth.<sup>34</sup> The need to deal with high public debt may also diminish a government's effective political independence, including its flexibility to pursue policies that would promote productivity-enhancing investments.<sup>35</sup> If governments increase taxes to service the debt, this can introduce market distortions that affect productivity.<sup>36</sup>

26 Among others, see Franklin et al. 2009 on the impact of ICT use on firm performance in 13 EU economies; UNCTAD 2008 about ICT impact on Thailand's manufacturing sector productivity; Brynjolfsson et al. 2011 on the impact of data on firm performance.

27 As highlighted by Calderón and Servén 2014, additional indirect effects accrue through changes in the usage of other production factors as a result of complementarities with infrastructures and positive externalities.

28 For example, Aschauer 1989 finds a large effect of public infrastructure on productivity in the United States and links the decline in productivity observed in the 1970s to the lack of infrastructure investment, though this was probably an overestimate resulting from methodological and data issues. Subsequent empirical research has typically found the impact to be smaller yet positive in most cases. A meta-analysis by Straub 2008 finds a significant positive effect of various infrastructure measures on productivity in two-thirds of cases. On separate but related issues, see also Canning and Pedroni 2008; Pritchett 2000; and Tanzi and Davoodi 1997; also see Keefer and Knack 2007 about the importance of governance, corruption and clientelism for public expenditure and consequential better quality of infrastructures.

29 In the context of the GCI, macroeconomic stability is assessed by its impacts on productivity rather than with respect to fiscal and monetary policies that affect economic growth by supporting aggregate demand.

30 Fischer 1993 also mentions appropriate interest rates, appropriate and predictable real exchange rates, and a viable balance of payments. However, we believe that interest and exchange rates are partially captured by the financial development pillar and partially endogenous to fiscal policy.

31 The empirical evidence finds a nonlinear relationship between growth and inflation; see Fischer 1993; Little et al. 1993; Omay and Öznur Kan 2010; Ibarra and Trupkin 2011; Seleteng et al. 2013. Inflation is positively related with growth up to certain threshold, and then it becomes significantly negative after this level.

32 Uncertainty can either be due to the policy measures that will need to be implemented to achieve budget balance, or to a high likelihood of default.

33 Pindyck and Solimano 1993.

34 Fosu 1996; Servén 1997.

35 Elmendorf and Mankiw 1999.

36 Krugman 1988; Sachs 1989.



On the other hand, if governments borrow to service the debt, they need to offer higher interest rates to compensate for perceived higher risk, which can crowd out private investment.

In addition, some studies suggest that the *composition* of debt may matter: Gros (2011) argues that public debt owed to foreigners is much riskier than domestic public debt, because governments cannot tax non-citizens. Debt owed in foreign currency also exposes a country to the risk that depreciating exchange rates will add to the debt burden.<sup>37</sup> Higher interest rate spreads on foreign currency debt amplify the crowding out effect.<sup>38</sup>

With respect to foreign currency exposure, private debt can also have destabilizing effects on the economy: countries whose firms hold a large amount of foreign currency-denominated debt may run the risk of a crisis since sudden stops and currency volatility can produce a chain of private-sector defaults.<sup>39</sup>

When countries with high levels of public debt run budget deficits, this fuels perceptions of instability by indicating that unsustainable debt levels will be reached at a faster rate.<sup>40</sup> The recent financial crisis has highlighted that concerns about the unsustainability of public debt can be self-reinforcing:<sup>41</sup> high public debt forces up interest rates, making it more difficult for governments to service the debt, which adds to concerns about the debt's unsustainability.

The second lesson from the recent recession is that financial crises, although originating in the financial sector, can have macroeconomic effects, generating an unstable economic outlook. Recessions associated with financial crises can harm long-term productivity through a phenomenon called *hysteresis*, which may explain why the global economy failed to return to previous levels of growth after the crisis.<sup>42</sup> Financial crises cause banks to restrict credit, reducing investment and increasing unemployment.<sup>43</sup> Before credit lines can be re-established some firms go bankrupt, losing intangible assets, while unemployed workers lose skills.

37 Hausmann et al. 2013 point out that this is because developing countries cannot borrow abroad in their own currency and sometimes cannot borrow long-term domestically. This phenomenon is referred to as "original sin" by Eichengreen et al. 2003.

38 Du and Schreger 2013.

39 Aghion et al. 2004 suggest that if domestic prices do not adjust fully to exchange rate changes, a currency depreciation driven by a rapid capital outflow (a "sudden stop") increases the debt burden of such firms, reducing their profits and in turn their ability to invest; in the worst cases they go bankrupt.

40 Fischer 1993.

41 This is a case of "multiple equilibria," in which the self-reinforcing cycle could also go in the other direction: if the markets expect that the government can pay, risk premium will be low and hence there will be no default (Gros 2012).

42 The concept of hysteresis was originally discussed by Blanchard and Summers 1986.

43 Franz 1990.

## HEALTH

Health will remain as important in the updated GCI as it is in the current GCI. The availability of new indicators could lead to improvements in the measurement of the health status of the population, especially with respect to non-communicable diseases.

According to the World Health Organization's definition, *health* is a *state of complete physical, mental, and social well-being, not merely the absence of disease or infirmity*.<sup>44</sup>

It is commonly understood that higher income typically leads to better health, for example by enabling a country to afford better nutrition, sanitation, and healthcare services. A substantial body of research now points to causality also flowing in the other direction: better health leads to higher income by improving productivity.<sup>45</sup> A healthy workforce forms the backbone of economic activity.

Better health directly affects productivity in two main ways. First, healthy workers have the physical and mental energy to perform better.<sup>46</sup> Second, they are less likely to take time off work as a result of illness (either because of their own illness or to take care of a sick family member). In that sense, productivity can be affected by the health not only of the current workforce but also that of the population as a whole.

We intend to capture the impact on productivity of two broad categories: non-communicable diseases and communicable diseases. Communicable diseases such as HIV, malaria, and tuberculosis drag down productivity because infected workers are weaker and tend to be more often absent from work than healthy workers.<sup>47</sup> However, the global disease burden is shifting from communicable to non-communicable diseases such as cardiovascular diseases, cancers, chronic respiratory diseases, and diabetes.<sup>48</sup> These are of growing concern because they reduce the quality and quantity of the labor force and therefore negatively impact productivity.<sup>49</sup>

In addition to the two direct channels described above, there are three main indirect ways in which better health translates into greater productivity, with effects becoming apparent only in the medium to long run. First, healthy children tend to attend school more

44 This definition is based on the preamble to the World Health Organization's Constitution. See WHO 1946.

45 See, for instance, Bloom and Canning 2000, 2008; Cole and Neumayer 2006; Tompa 2002; UNIDO 2007; WHO 2001.

46 For the arguments on how a healthy workforce impacts productivity, see, for instance: Bloom and Canning 2008; WHO 2001.

47 For instance, on the link between productivity and HIV, see ILO 2010 and UNAIDS 2015; for the link between productivity and tuberculosis, see Laxminarayan et al. 2007; and for the link between productivity and malaria, see World Economic Forum and Harvard School of Public Health 2006 and WHO 2001.

48 Murray et al. 2012.

49 World Economic Forum and Harvard School of Public Health 2011; WHO 2014; Engelgau et al. 2011.

regularly, stay in school for longer, and develop higher levels of cognitive ability, thus improving the overall level of education of the future workforce. The importance of education for productivity is described further below.

Second, healthier individuals live longer, and individuals with longer life expectancies are likely to invest more in building their human capital through education because they can expect higher returns on their investment. And third, healthier individuals are likely to spend less on medical expenses, enabling them to save more. With a longer life expectancy, an individual may be motivated to save more for retirement. This will increase the amounts available to fund investments; investments that businesses are also more likely to make when they know they can rely on a healthy workforce.

## EDUCATION

*Education can be defined as the stock of skills, competencies, and other productivity-enhancing characteristics embedded in labor, or in other words the efficiency units of labor embedded in raw labor hours.*<sup>50</sup> In general, education—as a critical component of a country’s human capital—increases the efficiency of each individual worker and helps economies to move up the value chain beyond manual tasks or simple production processes. Since Schultz (1961), human capital has been considered the “most distinctive feature of the economic system,”<sup>51</sup> and further work has proven the impact of education on productivity growth empirically.<sup>52</sup>

Three channels have been suggested through which education affects a country’s productivity. First, it increases the collective ability of the workforce to carry out existing tasks more quickly. Second, secondary and tertiary education especially facilitate the transfer of knowledge about new information, products, and

technologies created by others.<sup>53</sup> Finally, by increasing creativity it boosts a country’s own capacity to create new knowledge, products, and technologies—as discussed further in the last two categories below.

Education concerns not only the quantity of schooling—the percentage of the population that completed primary, secondary, or tertiary education—but also, critically, its quality. Hanushek and Kimko (2000), for example, find that it is not merely years of schooling but the quality of schooling (which may be reflected in international examinations) that has a significant relationship with economic growth.<sup>54</sup>

Although traditional areas of education such as literacy and numeracy remain important drivers of productivity, the GCI needs to be updated to place greater emphasis on the delivery of education that meets 21st century demands such as knowledge diffusion and innovation. Current debates on the relationship between the quality of education and productivity center on softer skills such as the extent to which educational institutions equip their students with the ability to think critically and creatively, and how extensively and effectively these institutions foster and support students’ curiosity. This has two important implications for delivering education. First, research suggests that teaching creativity and curiosity involves complementing the focus on numeracy and literacy with concepts of intelligence in areas such as the arts, music, interpersonal relations, control of the body (as needed, for example, for dancing and theater), and intrapersonal knowledge.<sup>55</sup> Second, it requires a reassessment of our current methods of teaching: departing from the assumption that all children learn equally, it suggests the need for a tailor-made learning experience based on an individual analysis of the way a child absorbs knowledge, thereby allowing the teacher to properly assess a child’s progress.<sup>56</sup>

## PRODUCT AND SERVICE MARKET EFFICIENCY

When markets for goods and services function efficiently, each factor of production is allocated to its most productive use. That means businesses produce the goods and services most desired by customers and sell them for the lowest possible price. The efficiency of product markets can be reduced by lack of competition and distortionary fiscal policies and regulations. For the most part, aspects related to these topics are already

50 Acemoglu 2009, Chapter 3.

51 Schultz 1961, p. 1. Schultz explores the role of human capital to explain three findings that were seemingly perplexing at the time of writing: (1) there was a fall in share of the capital-income ratio despite it hitherto being believed that the share of capital should increase with economic growth; (2) income in the United States had increased at a higher rate than the combined amount of land, number of man-hours worked, and stock of reproducible capital used to produce the income; and (3) there was an unexplained large increase in real earnings per worker. Schultz concentrates on (1) health facilities and services, broadly conceived to include all expenditures that affect the life expectancy, strength, and stamina, vigor, and vitality of people; (2) on-the-job-training; (3) formally organized education; (4) study programs for adults that are not organized by firms; and (5) migration of individuals and families to adjust to changing job opportunities.

52 For example, according to Barro 2001, an additional year of secondary schooling for boys raises the economic growth rate by 0.44 percent per year. Barro and Lee 2010 find that, holding all else constant, output for the world economy would increase by around 2 percent for every additional year of schooling. Standards models have also been developed by Becker 1965, Mincer 1981, and Ben-Porath 1976. See Acemoglu 2009 for a detailed discussion.

53 This role of human capital in adapting to change and implementing new technologies was first suggested by Schultz 1964 and also pioneered by Nelson and Phelps 1966. On the link with secondary and tertiary education in particular, see Barro and Lee 2010.

54 Hanushek and Kimko 2000 find that scores on international examinations (indicators of the quality of schooling capital) matter more than years of attainment for subsequent economic growth. Labor force quality has a consistent, stable, and strong relationship with economic growth.

55 Gardner and Hatch 1989; Robinson 2001, 2009.

56 Lazear 1992.

captured in the current GCI. In the updated GCI, we plan to also include the effects of bankruptcy law on competition and market efficiency.

Industries where competition is more intense are more efficient and produce more innovation, thus improving productivity.<sup>57</sup> Competition-enhancing policies enable the market to select the best firms, thereby creating incentives for firms to reduce costs and for new, more efficient firms to enter the market.<sup>58</sup> The presence of dominant players in a market—for example, in oligopolies and monopolies—drives up prices but also, importantly, can decrease the level of innovation. Effective antitrust policies should avoid the creation of such dominant positions while preserving economies of scale and incentives for innovation, especially in resource-intensive and high-tech sectors.

In most cases,<sup>59</sup> opening a market to foreign competition forces the least-productive companies to exit the market and rewards the most productive;<sup>60</sup> removing domestic barriers to entry into and exit from markets can increase productivity through the “creative destruction” of less-productive firms.<sup>61</sup> When firms can easily enter and exit markets, resources can be reallocated to emerging sectors and capital reinvested in new technologies with higher productivity.

The legal and regulatory environment can directly impact the entry and exit of firms. An efficient framework for settling bankruptcy is necessary to ensure that investors can close a failing entrepreneurial experience and move on to new challenges. Barriers to entry

include licensing (especially of professional or public services), public monopolies, and administered prices.<sup>62</sup> There is evidence that reforms to market regulation policies in Organisation for Economic Co-operation and Development (OECD) countries intended to promote competition tend to also boost productivity.<sup>63</sup> These specific factors are not fully captured in the current GCI, but they will be reflected in the updated competitiveness index.

Beyond lack of competition and restrictive regulations, fiscal policies can also reduce the efficiency of product markets by distorting investment choices and artificially favoring sectors based on political selection.<sup>64</sup> Although there can be arguments for such interventions, in many cases they have negative effects on a country's overall productivity—for example, by subsidizing traditional but declining industries at the expense of new and more vibrant sectors.

It is well established that taxation in general affects productivity by reducing investment, because it effectively increases the cost of investment capital.<sup>65</sup> Specific tax structures can exacerbate the effect: for example, Fatica (2013) finds that the structure of tax incentives for capital investment in advanced economies has led to a significantly higher share of investment in machinery and equipment and a significantly lower share in ICTs.

## LABOR MARKET EFFICIENCY

Efficient labor markets match workers with the most suitable jobs for their skillset. Efficient labor markets also incentivize both employees and employers to act in ways that promote the productivity of human capital: workers to work as efficiently as possible and employers to provide the right incentives.

The first way in which efficient labor markets promote productivity—allocating a country's human resources to its most productive sectors—points to the importance of labor market flexibility. Employment protection policies, such as rules and regulations for firing workers, have been shown to lead to a decrease in employment, consumption, and productivity.<sup>66</sup> Flexible

57 Blundell et al. 1999 find that industries characterized by more intense competition produce more innovation and that firms with higher market share tend to have a more intense patent activity. For the sake of completeness, some economists have also pointed out that competition may discourage firms from entering the market by driving down post-entry rents (Dasgupta and Stiglitz 1980), or reduce innovation as dominant firms innovate more (Scherer 1967) since they can overcome financial market failures resorting to internal cash flows (Bhattacharya and Ritter 1985). Market competition can discourage investments in innovation by reducing the rents generated by successful innovation (Aghion and Howitt 1992).

58 Aghion and Schankerman 2004. The effect on productivity of market selection among firms has been confirmed by empirical studies such as Nickell 1996 and Buccirossi et al. 2011. Nickell 1996 finds that increased competition, measured as lower rents or a higher number of competitors, is associated with significantly higher TFP growth. Buccirossi et al. 2011 find that better competition policy fosters TFP growth, especially in countries that lag further behind the technological frontier and where the overall regulatory environment and the judicial system work better.

59 Although openness and international competition is beneficial in most cases, there might be cases for which the protection of the infant industry can increase welfare. Melitz 2005 provides a model for optimal infant industry protection and argues that the decision to protect the industry should depend on the industry's learning potential, the shape of the learning curve, and the degree of substitutability between domestic and foreign goods. In terms of methods of protection, he argues that quotas achieve a higher welfare than tariffs.

60 Melitz 2003. Moreover, trade reallocates market share toward more productive firms and reduces mark-ups, which implies increased competition; see Melitz and Ottaviano 2008.

61 Schumpeter 1942.

62 Blanchard and Giavazzi 2003.

63 Nicoletti and Scarpetta 2003.

64 We focus on the distortionary effect of taxes on productivity rather than their redistribution effect.

65 This finding stretches back to Jorgenson and Hall 1967. More recently, Vartia 2008 finds that corporate tax rates negatively affect TFP by reducing company profitability. Similarly, Arnold and Schwellnus 2008 find a negative effect of corporate taxation on both firm-level TFP and investment, especially in sectors with higher average profitability and in firms that lag more behind the technological frontier. An analysis of the link between taxation and private investment (the crowding-out effect) should also take into account the efficiency of public spending and preferences in public supply of good and services. However, such a discussion is beyond the scope of this work.

66 Hopenhayn and Rogerson 1993.

labor markets allow workers to shift from declining firms and enable companies and the economy as a whole to respond to external shocks.<sup>67</sup>

Greater labor market flexibility also increases the ability of a country to reallocate production to emerging segments and adapt the workforce to the new needs of high-tech sectors.<sup>68</sup> As technology advances, firms that fall behind the technological frontier have to reduce their workforce—and if firing costs are high, entrepreneurs will be more inclined to invest in sectors with a slower pace of technological change.<sup>69</sup> This implies that countries with more flexible labor market legislation would tend to specialize more in industries with a faster pace of technological change.

Flexibility works best when complemented by some form of unemployment insurance, because workers who benefit from unemployment insurance are more patient in their job searches and tend to look for riskier, more productive, and higher-wage jobs; employers also tend to create more of these good-quality jobs. Acemoglu and Shimer (2000) find that, while moderate levels of unemployment insurance benefits—such as those in the United States—may slightly increase the level and duration of unemployment, they could boost productivity overall by improving the quality of jobs. Recent research has also pointed to active labor market policies as a means to improve the matching between workers and vacant jobs and reduce long-term unemployment.<sup>70</sup> The importance of these policies is not captured in the current Index but will be taken into account in the updated GCI.

The second way in which efficient labor markets can stimulate productivity is by promoting the accumulation of human capital and the use of talent at its full potential. This means attracting and retaining the best talent in the country, increasing workers' efforts, and increasing employers' willingness to train employees. Performance-related pay is one policy with proven benefits for productivity.<sup>71</sup>

Beyond monetary rewards, dualities in labor markets—when some permanent employees enjoy strong labor protection, while others are on flexible temporary contracts—have been shown to reduce

productivity in two ways: by demotivating workers and by reducing firms' investments in training.<sup>72</sup>

## FINANCIAL MARKET EFFICIENCY

An efficient financial market is characterized by prices that reflect all available public information, a lack of bubbles, the capacity to manage risks through hedging, and the tendency to allocate savings to their most productive investment uses.<sup>73</sup> Such efficiency is achieved only when financial markets are both developed and stable.<sup>74</sup> Although these concepts are already defined in the current GCI, the measurement of some of their elements has improved and the 2008–09 financial crisis has reconfirmed the importance of achieving stability. Both these developments will be better reflected in the updated version of the Index.

*Financial development* is defined here as the depth of the intermediation system, including the availability and liquidity of credit, equity, debt, insurances, and other financial products. Given financial stability, financial development promotes productivity in four main ways.<sup>75</sup> First, developed financial markets enable risks to be pooled. This allows for investments in larger and riskier projects that tend to be more productive: without the capacity to pool risks, individual investors would prefer smaller and lower-risk but also lower-return projects.<sup>76</sup> It also makes it easier for individual investors to diversify, improving access to finance for small- and medium-sized enterprises (SMEs), which tend to be more risky than larger firms but also more dynamic and innovative, increasing a country's productivity.<sup>77</sup>

67 Mortensen and Pissarides 1994 were the first to provide a model to analyze the matching process between jobs and workers and to study the impact of labor market policies on adjusting to shocks.

68 Bassanini et al. 2009 found that firing restrictions affect the TFP of industries with a higher rate of job turnover more negatively.

69 Samaniego 2006.

70 See, for example, Pissarides 1992; Camfors 1994.

71 For example, Lazear 2000 finds that in one company, performance-related pay boosted average output per worker by about 44 percent, through both increasing the productivity of existing workers and attracting new and more qualified employees. Booth and Frank 1999 found that performance-related pay raised earnings in firms, in line with net productivity gains.

72 Boeri and Garibaldi 2007 show how the presence of such dualities negatively affects the productivity of labor. Dolado et al. 2012 show that duality leads employees to decrease their efforts and firms to reduce investments in training.

73 This characterization is based on Tobin's 1984 definition of financial efficiency. In more technical terms, these characteristics are (1) information arbitrage efficiency, (2) fundamental valuation efficiency, (3) full insurance efficiency, and (4) functional efficiency.

74 Omitted in the neoclassical growth model, the role of financial markets for economic growth was raised by Schumpeter 1911, Goldsmith 1969, and King and Levine 1993. The importance of this issue rests on the question of causality: is financial intermediation the result of economic growth, or does it also spur economic growth? Lucas 1988 argued that finance merely responds to changing demands from the "real sector." However, more recent evidence suggests that financial development precedes economic growth. For example, King and Levine 1993 show a strong relationship between the initial level of financial development and growth, and Rajan and Zingales 1998 show that industrial sectors that are relatively more capital intensive develop much more in countries where financial markets are already developed.

75 Levine 2005.

76 Acemoglu and Zilibotti 1997 show that, since large investment projects require a large amount of capital, in the absence of financial institutions that collect and allocate capital it would not be possible to finance such large projects because there could be no single investor with sufficient capital or willing to invest in such projects.

77 King and Levine 1993; Norden 2015.



Second, the development of financial markets improves the allocation of capital to entrepreneurs and investment opportunities by enabling investors to find information about investment opportunities that have the best chance of improving productivity.<sup>78</sup> Third, large financial intermediaries are more able than individual investors to develop long-run relationships with the firms to which they lend, and monitor those firms, incentivizing borrowers to invest the borrowed money productively.<sup>79</sup> And fourth, by providing an efficient payment system, the banking sector reduces the transaction costs associated with the exchange of goods and services, which generates productivity gains.<sup>80</sup>

Without sound financial institutions and stability, however, excessive financial development can lead to costly financial crises. Rousseau and Wachtel (2011) show that the financial crises neutralized the growth-enhancing effect of financial deepening that had taken place in previous periods. Financial sectors that grow “too large” relative to the rest of the economy appear to be associated with risks of financial instability, through promoting excessive risk taking and producing political capture.<sup>81</sup>

Given the possibly permanent effects that financial crises may have on the growth trajectory of an economy,<sup>82</sup> policymakers have started to consider preventive macro-prudential policies;<sup>83</sup> however, the debate on how such policies should balance the development and stability of financial sectors is still ongoing.<sup>84</sup> Therefore the updated GCI will focus on improving the measurement of the concepts of financial development and stability, but will not provide indications of what specific banking regulations would be optimal.

## TECHNOLOGICAL ADOPTION

In today’s globalized world, technology is increasingly essential for firms to compete and prosper. The technological adoption category assesses the agility

with which an economy adopts existing technologies. Compared with the current GCI, the updated pillar does not include measures of ICT use. This concept is now part of the infrastructure and connectivity pillar.<sup>85</sup>

Technology is understood as a broad concept covering not only products such as machinery, equipment, and material, but also processes and organization methods, all linked by the common factor of enhancing efficiency in production. In addition, technology adoption contributes to a conducive innovation ecosystem (see below).

The literature identifies two sources of technology adoption: local firms can invest to bring in technology from abroad or from other sectors or companies, and a country can exploit spillovers from the foreign direct investment (FDI) of international companies.

Turning first to investment by local firms, the wider the gap between foreign technology and the technology already available in the country—and the longer the gap between invention and adoption—the more difficult it is to import new technologies. Disparity in these barriers to technology adoption accounts for a large portion of income disparity across countries.<sup>86</sup>

Such barriers are not merely financial. Research shows that countries’ endowment in human capital, institutions, geographic distance, and openness to trade can affect the extent of these barriers,<sup>87</sup> requiring specific organizational adjustments, management skills, and time-consuming accumulation of technical knowledge. There is a role for investments in human capital to overcome these barriers, and for local and industry-level policies to promote technology adoption.

As for FDI, a large theoretical and empirical literature shows spillovers on growth in the recipient country through three channels: contagion effects, imitation, and movement of labor.<sup>88</sup> Contagion occurs through personal contacts between domestic and foreign firms; the transfer of knowledge is proportional to the presence of foreign investment in the industry and to the relative backwardness of the country.<sup>89</sup> Imitation happens when

78 Galetovic 1996; Blackburn and Hung 1998; Morales 2003.

79 Diamond 1984; Bencivenga and Smith 1991.

80 Greenwood and Smith 1997.

81 On the concept of “too large,” see Arcand et al. 2012. On risk taking, see Beck 2011. On political capture, see Johnson 2009.

82 The concept of hysteresis has been discussed in the context of the macroeconomic environment since, although financial crises are produced in the financial sector, when they take place they impact the stability of the economy at large.

83 Macro-prudential policies have been defined as the use of primarily prudential tools (i.e., caps on loan-to-value ratios, limits on credit growth and sheets restrictions, capital and reserve requirements and surcharges, and taxes) to limit systemic risk—the risk of disruptions to the provision of financial services that is caused by an impairment of all or parts of the financial system, and that can cause serious negative consequences for the real economy. For further discussion, see IMF 2013 and Claessens 2014.

84 The discussion about how to best implement regulation is therefore outside the scope of our analysis and we assume that the regulation is effective as long as financial markets are deep and stable.

85 In the current GCI, two ICT measures appear in both the infrastructure and technological readiness pillars and each occurrence is assigned half-weight. In an effort to streamline and simplify the framework, the updated GCI will not use half-weight indicators.

86 Parente and Prescott 1994; Barro and Sala-i-Martin 1997; Comin and Hobijn 2010.

87 See, for example, Comin and Hobijn 2004. See also the human capital, institutions, and openness sections for a more complete review of these factors. Since they are already taken into account in other pillars of the Index, they are not considered in this context.

88 The literature is divided between research focusing on spillovers from horizontal FDI (intra-industry, between foreign firms and their local competitors); and research studying spillovers from vertical FDI (inter-industry, among foreign firms and their local buyers and suppliers).

89 See Findlay 1978. Another type of contagion occurs in vertical FDI through the relationship between international firm and local suppliers (Rodríguez-Clare 1996).

domestic firms copy foreign production, starting at a lower level and gradually reducing the technological gap.<sup>90</sup> Finally, foreign firms may transfer know-how by training their local workers.<sup>91</sup>

Recent research has tested these theories empirically and found that, although FDI fosters growth in general, the net effect may depend on the conditions of the local economy. Such conditions include the availability of good suppliers, local human capital, financial development, the sector involved, and the capacity of international companies to work with local suppliers.<sup>92</sup>

## MARKET SIZE

Historically, the size of an economy has coincided with its domestic market. However, in a globalized world, a country's market may or may not coincide with its political borders. *Market size* is therefore defined as a combination of country size and foreign markets.

Economic research, in line with the current GCI, suggests two ways through which market size affects productivity: economies of scale in production and incentives for innovation.

In general, market size produces efficiency gains by allowing for specialization—an idea that remains as true today as when Adam Smith proposed it in 1776. Furthermore, large markets can take advantage of economies of scale in the production of goods and services. Public goods tend to have high fixed costs and low marginal costs, and consequently the per capita cost of services such as justice, defense, and infrastructure decreases in places where a greater number of taxpayers pay for them.<sup>93</sup> Similarly, firms may also attain increasing returns to scale that enable them to produce more output with proportionally less input by using larger and more efficient capital equipment.<sup>94</sup> As argued by Balassa (1967) and Kravis (1971) and modeled by Krugman (1979), economies of scale play a crucial role in explaining the postwar growth in trade, since

extending the market through trade allows exploitation of economies of scale in production.<sup>95</sup>

The second driver of productivity is perhaps even more important: larger markets create substantially bigger incentives for generating new ideas. Larger stocks of resources increase the likelihood of finding new ways to use those resources, and a single idea can make more profit when it is sold in larger markets.<sup>96</sup> On the same note, larger markets create positive externalities in the accumulation of human capital and transmission of knowledge because of increasing returns to scale embedded in technology or knowledge creation.<sup>97</sup>

## IDEAS ECOSYSTEM

The way economists and practitioners think about innovation has evolved considerably in the past decade. From coming up with new ideas, innovation is now seen as an “ecosystem” conducive to the generation of ideas and the “implementation” of these ideas in the form of new products, services, and processes in the marketplace. Some elements of the ecosystem promote competitiveness in their own right (education, the availability of finance, competition, technology) while supporting the innovation ecosystem. This section focuses only on aspects specific to innovation and leaves the discussion of the other relevant but more general factors to the previous sections. Building on the current GCI, which focused primarily on technological innovation, the new framework attempts to capture this broader notion of innovation.

We define *idea generation* as the capacity of a country to produce new inventions—solutions to specific technological or business problems—that change consumption patterns and models, whether this takes the form of addressing new needs or new ways to perform tasks. The generation of ideas is, however, just the first step toward innovation, which also requires bringing products, processes, or business models to market or concretely implementing them in the economy, as explored below. Opportunities and incentives to create new ideas translate into more innovation and hence higher productivity.<sup>98</sup> Although economic literature focuses more on system incentives to spur idea generation at the aggregate level, business literature

90 Glass and Saggi 1998.

91 Glass and Saggi 1999.

92 For example, Potter et al. 2003 find that buyer-supplier linkages are important for productivity spillovers. Borensztein et al. 1998 and Xu 2000 show that FDI affects a host country's technology and growth only in the presence of a sufficient stock of human capital, while Alfaro et al. 2004, Durham 2004, and Hermes and Lensink 2003 provide evidence that well-developed financial markets are necessary to gain significantly from FDI.

93 See Alesina et al. 2005b.

94 In other words, the cost of producing one additional unit of output diminishes when the total amount of production increases. Economies of scale are often productivity enhancing; however, for sake of completeness, it is sometimes possible to attain diseconomies of scale. This happens when the marginal cost of production is higher than the average cost, in which case there is a trade-off between the size of the economy and its efficiency.

95 Similarly, Matsuyama 1991 models industrialization by considering a manufacturing sector subject to increasing returns.

96 Romer 1996 uses US time series to show that techniques of mass production emerged in the United States in the first half of the 19th century. He chose the United States because the larger market and larger stocks of resources create substantially bigger incentives for discovering new ways to use the resources.

97 Jones 1999 shows that, because ideas are non-rivalrous and can be used for each unit simultaneously, the total production of new products (i.e., novels, computer games, and automobiles) is characterized by increasing returns once the fixed cost of creating the idea is taken into account. A similar concept is also presented by Lucas 1988 and Grossman and Helpman 1991.

98 See, for example, Romer 1990.

suggests that, since a relevant part of innovation happens or is implemented in firms, it is important to identify the factors that generate innovative companies and/or motivate them to innovate. Therefore both streams of literature need to be considered to provide a complete picture of the innovation environment.

Some models of endogenous growth focus only on the link between productivity and formal R&D,<sup>99</sup> highlighting the importance of legal environments (such as the patent system) and the effect on competition of the race for new ideas. In these models, factors that lead economies to employ more researchers and invest more capital resources in research will produce more new ideas, will be more competitive, and will grow faster.

However, recent studies show that non-R&D forms of innovation are also important: in types of innovations that do not require fixed costs (such as research costs) and/or that may allow for a “first mover advantage,” the inventors may be able to maintain a competitive advantage for a sufficient interval of time to have an incentive to innovate. For example, innovations in managerial and organizational techniques, personnel, accounting, work practices, finance, and branding can increase the efficiency with which a good or service is produced.<sup>100</sup> In this case, the benefits of innovating are not associated with selling the innovation, but instead are seen in the increase of profits through efficiency gains.

Ideas are by nature “non-rival” (that is, they can be “consumed” by several users at same time). Some ideas are also non-excludable—that is, the author cannot prevent others from using them, either because they cannot be protected by patent laws or because of their nature. For example, it would be impossible to prevent people from using the Pythagorean theorem, even if it were patented. Some ideas, on the other hand, are temporarily excludable: the authors can prevent others from using them. This can happen if the idea is patented or if the idea is hard to duplicate so the author has a first mover advantage while competitors figure out how to copy it. If ideas are non-excludable, inventors will not be able to reap the benefit of their inventions. In this case, only few ideas will be generated.<sup>101</sup>

As noted above, not all ideas are generated by scientific R&D; they can also result from other activities, when certain conditions align. Therefore, providing an

innovation-conducive environment can increase the likelihood that this kind of “softer” innovation takes place. The literature shows that ecosystems and networks encourage collaboration, connectivity, critical and creative thinking, diversity, and confrontation across different visions and angles;<sup>102</sup> these systems increase the likelihood that new ideas will be generated.<sup>103</sup>

In some cases the development of creativity and collaboration skills is related to educational opportunities, as discussed in the education section. For example Dyer et al. (2011) propose that—beyond technical inventions—the ultimate drivers of innovation are related to human capital factors such as curiosity and the capacity to observe, understand, and use ideas from different fields.<sup>104</sup>

## IDEAS IMPLEMENTATION

Although ideas are the engine of growth, they do not create economic benefits until they are incorporated into actual products, services, and processes that reach the marketplace. This helps to explain why national investments in R&D are not always strongly correlated with average incomes. Understanding the causes that result in a lack of implementation and commercialization of new ideas, whether patented or not, is at the core of economic research on innovation.

This focus on microeconomic drivers of growth—that is, on how dynamics in the business world affect the creation of new products or companies—is at the cutting edge of innovation research and has not yet generated many firm conclusions. However, in principle the link between company-level innovation and national productivity is straightforward. By bringing new products and services to market, companies foster productivity though the technology embedded in those new products and provide efficiency gains associated with their use.

The innovation process is a function of two aspects of a company. The first is its corporate culture: the extent to which it promotes the vision and capacity to manage

99 See, for example, Romer 1990; Barro and Sala-i-Martin 2004; Howitt and Aghion 1998; Dinopoulos and Thompson 1998.

100 See Comin and Mulani 2006.

101 The literature also suggests that there are externalities in R&D production that have three consequences: (1) since inventors (monopolists) cannot do perfect price discrimination, even with patent protection uniform pricing will generate some consumer surplus; (2) the introduction of new technologies makes old technologies obsolete and therefore harms the investors in these technologies; and (3) inventors earn private returns in goods production but not in knowledge production, and therefore they are incentivized to produce inventions only if they can market them.

102 Ridley 2010 argues that, in a historical perspective, prosperity relates to “how human beings bring together their brains and enable their ideas to combine and recombine, to meet and, indeed, to mate.”

103 For example, Coto-Millán et al. 2011 show theoretically that the chance of achieving scientific discoveries increases in the presence of collaborative relationships between universities, private companies, and public administration. McGregor and Chi 2002 show that collaborative problem solving involves the active exchange and interaction of ideas between two or more people and such interactive exchanges can result in the joint production of co-constructed ideas, some of which may be novel. Huang et al. 2010 show that collaboration is important for both R&D and non-R&D innovation but each type uses different networks: R&D product innovation involves sourcing information from clients, universities, and research institutions, while non-R&D innovation uses information from suppliers and competitors. Finally, Barahona and Pentland 2006 show that diffusion of ideas depends on time, communication channels, and a social structure to support it; idea generation is therefore fostered by stronger communication channels and intensity of human connections.

104 Dyer et al. 2011.



new technologies, develop new business models, and exploit old technologies in new ways.<sup>105</sup> Openness to new, unconventional, and disruptive ideas has a first-order impact on creative innovations that break new ground in knowledge creation.<sup>106</sup> Such openness is influenced by society's prevailing norms, such as the degree of risk aversion.<sup>107</sup>

The second aspect is business execution, some important elements of which are already captured in other pillars. For example, one of the effects of the availability of venture capital and other financial resources—as reflected in the financial development section—is to permit an organization to bear the costs of implementing new ideas and absorb failure.<sup>108</sup> Similarly, ideas may not be implemented because of a lack of human capital, an issue already addressed in the education pillar.<sup>109</sup>

The effectiveness of marketing influences the degree to which new ideas are implemented because marketing activities complement product innovation by making newly developed products seem appealing. The more a company is able to create product differentiation through strong branding, thereby reducing the sense that a firm's products are substitutable by those of its competitors, the more willing it will be to bear the risks associated with introducing innovative new products.<sup>110</sup>

Other, softer aspects that may prevent a firm from transforming an idea into a product are not yet fully assessed by the literature. For example, commercialization of ideas may be held back by inadequate internal processes and misalignment of different departments.<sup>111</sup>

## CONCLUSIONS

This chapter has reviewed the main drivers of competitiveness with the dual purpose of restating the long-established factors already captured in the current GCI and presenting the World Economic Forum's updated thinking in some areas, with special emphasis on innovation, education, and financial markets, in light of the most recent evidence and economic research. This conceptual discussion will serve as a basis for discussion leading to the updated version of the GCI,

which will be launched in the next edition of *The Global Competitiveness Report*.

Importantly, this effort represents work in progress and presents our current thinking on the concepts that underpin the GCI. The World Economic Forum will continue to update and deepen the understanding of those factors that have evolved in terms of their impact on competitiveness. In the coming year, these concepts will continue to be validated and appropriate measures identified to capture both the new and existing drivers of competitiveness.

This review, together with ongoing consultations with experts, is meant to provide a base for the modernization of the GCI methodology to reflect the latest developments in the economic thinking and the latest available indicators for their measurement.

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105 This idea is derived from the concept of disruptive innovation in Christensen 1997. According to Christensen, "disruptive" innovation is defined as "innovations that create new markets by discovering new categories of customers" while "sustaining" innovation simply improves existing products or processes.

106 Acemoglu et al. 2014.

107 According to Kihlstrom and Laffont 1979, less risk-averse individuals become entrepreneurs while more risk adverse individuals become their employees.

108 Ramsey et al. 2008.

109 Peansupap and Walker 2006.

110 Kaiser 2001.

111 McKinsey 2010.

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## Appendix A: Measurement of Key Concepts and Preliminary Index Structure

The links between productivity and each of the 12 categories explained in this chapter are translated into pillars of the updated GCI and measured through variables and proxies detailed in Table 1 below.

In general, the objective of this framework is to measure current outcomes at pillar level, which are inputs for competitiveness. Therefore we focus on measuring the current quality and quantity of each of the 12 pillars and on identifying bottlenecks and areas of strength. For example, in the infrastructure pillar we measure whether the current provision of transport, energy, and ICT infrastructures and connectivity meet the needs of a country's economy by combining quantitative and qualitative measures.

Although they are relevant for policymaking, we tend to exclude input measures—such as expenditures, investment regimes, and partnership models—for two reasons. First, mixing input and output measures risks double counting. Second, ample evidence shows that input measures, including monetary investment, are poor indicators of either quantity or quality of the dimension measured.

There are, of course, some limitations: as is often the case, data gaps force us to rely on proxy measures to capture certain concepts. For instance, in the case of ICT infrastructure, we use ICT uptake among the population to approximate uptake among businesses.

The structure presented here is preliminary, as some of the indicators have yet to be tested and calibrated.

**Table 1: Preliminary index structure**

| Indicator                            | Indicator description<br>(Question and answers if derived from EOS)                                                                                               | Comments | Existing/New* | Type†   | Main source(s) (if available)                                                                                          |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---------------|---------|------------------------------------------------------------------------------------------------------------------------|
| <b>1st pillar: Institutions</b>      |                                                                                                                                                                   |          |               |         |                                                                                                                        |
| <b>A. Property rights</b>            |                                                                                                                                                                   |          |               |         |                                                                                                                        |
| Property rights                      | In your country, to what extent are property rights, including financial assets, protected? [1 = not at all; 7 = to a great extent]                               |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                                                         |
| Intellectual property protection     | In your country, to what extent is intellectual property protected? [1 = not at all; 7 = to a great extent]                                                       |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                                                         |
| <b>B. Security</b>                   |                                                                                                                                                                   |          |               |         |                                                                                                                        |
| Business costs of crime and violence | In your country, to what extent does the incidence of crime and violence impose costs on businesses? [1 = to a great extent; 7 = not at all]                      |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                                                         |
| Homicide rate                        | Number of homicides per 100,000 population                                                                                                                        |          | New           | Non-EOS | United Nations Office on Drugs and Crime                                                                               |
| Business cost of organized crime     | In your country, to what extent does organized crime (mafia-oriented racketeering, extortion) impose costs on businesses? [1 = to a great extent; 7 = not at all] |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                                                         |
| Index of terrorism incidence         | Simple average of the number of terrorism-related casualties (injuries and fatalities) and the number of terrorist attacks, each normalized on a scale of 1 to 7  |          | New           | Non-EOS | World Economic Forum's calculations; National Consortium for the Study of Terrorism and Responses to Terrorism (START) |

\* Existing: indicator included in the current GCI methodology; New: new indicator considered for inclusion in the updated GCI methodology.

† EOS = Executive Opinion Survey; Non-EOS = other sources.

Table 1: Preliminary index structure (*cont'd.*)

| Indicator                                             | Indicator description<br>(Question and answers if derived from EOS)                                                                                                                                                                                                                                                                                                                                                                                   | Comments | Existing/New* | Type†   | Main source(s) (if available)                            |
|-------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---------------|---------|----------------------------------------------------------|
| <b>1st pillar: Institutions (<i>cont'd.</i>)</b>      |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |          |               |         |                                                          |
| <b>B. Security (<i>cont'd.</i>)</b>                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |          |               |         |                                                          |
| Reliability of police services                        | In your country, to what extent can police services be relied upon to enforce law and order? [1 = not at all; 7 = to a great extent]                                                                                                                                                                                                                                                                                                                  |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |
| <b>C. Undue influence and corruption</b>              |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |          |               |         |                                                          |
| Irregular payments and bribes                         | Average score across the five components of the following Executive Opinion Survey question: In your country, how common is it for firms to make undocumented extra payments or bribes in connection with (1) imports and exports; (2) public utilities; (3) annual tax payments; (4) awarding of public contracts and licenses; (5) obtaining favorable judicial decisions? In each case, the answer ranges from 1 [very common] to 7 [never occurs] |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |
| Diversion of public funds                             | In your country, how common is illegal diversion of public funds to companies, individuals, or groups? [1 = very commonly occurs; 7 = never occurs]                                                                                                                                                                                                                                                                                                   |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |
| Judicial independence                                 | In your country, how independent is the judicial system from influences of the government, individuals, or companies? [1 = not independent at all; 7 = entirely independent]                                                                                                                                                                                                                                                                          |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |
| Favoritism in decisions of government officials       | In your country, to what extent do government officials show favoritism to well-connected firms and individuals when deciding upon policies and contracts? [1 = show favoritism to a great extent; 7 = do not show favoritism at all]                                                                                                                                                                                                                 |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |
| <b>D. Checks and balances</b>                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |          |               |         |                                                          |
| Consistency of judicial system                        | In your country, to what extent can individuals, institutions (civil society), and businesses obtain justice through the judicial system in the face of arbitrary government decisions? [1 = not at all; 7 = to a great extent]                                                                                                                                                                                                                       |          | New           | EOS     | World Economic Forum, Executive Opinion Survey           |
| World Press Freedom Index                             | The World Press Freedom Index aims to measure the freedom of information. It reflects the degree of freedom that journalists, news media, and Internet citizens enjoy in each country, and the efforts made by the authorities to respect and ensure respect for this freedom                                                                                                                                                                         |          | New           | Non-EOS | Reporters Without Borders                                |
| <b>E. Public-sector performance</b>                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |          |               |         |                                                          |
| Burden of government regulation                       | In your country, how burdensome is it for companies to comply with public administration's requirements (e.g., permits, regulations, reporting)? [1 = extremely burdensome; 7 = not burdensome at all]                                                                                                                                                                                                                                                |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |
| Government Online Service Index                       | The Government Online Service Index assesses the quality of government's delivery of online services                                                                                                                                                                                                                                                                                                                                                  |          | New           | Non-EOS | United Nations, <i>E-Government Development Database</i> |
| Efficiency of legal framework in settling disputes    | In your country, how efficient are the legal and judicial systems for companies in settling disputes? [1 = extremely inefficient; 7 = extremely efficient]                                                                                                                                                                                                                                                                                            |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |
| Efficiency in provision of public goods and services. | In your country, how efficient is the government in providing public goods and services? [1 = extremely inefficient; 7 = extremely efficient]                                                                                                                                                                                                                                                                                                         |          | New           | EOS     | World Economic Forum, Executive Opinion Survey           |
| Effectiveness of law-making bodies                    | How effective is the legislative process in your country? [1 = not effective at all – it is deadlocked; 7 = extremely effective]                                                                                                                                                                                                                                                                                                                      |          | New           | EOS     | World Economic Forum, Executive Opinion Survey           |
| Government ensuring policy stability                  | In your country, to what extent does the government ensure a stable policy environment for doing business? [1 = not at all; 7 = to a great extent]                                                                                                                                                                                                                                                                                                    |          | New           | EOS     | World Economic Forum, Executive Opinion Survey           |

\* Existing: indicator included in the current GCI methodology; New: new indicator considered for inclusion in the updated GCI methodology.

† EOS = Executive Opinion Survey; Non-EOS = other sources.

Table 1: Preliminary index structure (cont'd.)

| Indicator                                        | Indicator description<br>(Question and answers if derived from EOS)                                                                                                                                                                                                                                                                                                                                        | Comments | Existing/New* | Type†   | Main source(s) (if available)                                                                                                            |
|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---------------|---------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1st pillar: Institutions (cont'd.)</b>        |                                                                                                                                                                                                                                                                                                                                                                                                            |          |               |         |                                                                                                                                          |
| <b>F. Corporate ethics and governance</b>        |                                                                                                                                                                                                                                                                                                                                                                                                            |          |               |         |                                                                                                                                          |
| Ethical behavior of firms                        | In your country, how do you rate the corporate ethics of companies (ethical behavior in interactions with public officials, politicians, and other firms)? [1 = extremely poor—among the worst in the world; 7 = excellent—among the best in the world]                                                                                                                                                    |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                                                                           |
| Strength of auditing and accounting standards    | In your country, how strong are financial auditing and reporting standards? [1 = extremely weak; 7 = extremely strong]                                                                                                                                                                                                                                                                                     |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                                                                           |
| Efficacy of corporate boards                     | In your country, to what extent is management accountable to investors and boards of directors? [1 = not at all; 7 = to a great extent]                                                                                                                                                                                                                                                                    |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                                                                           |
| Extent of conflict of interest regulation index  | The extent of conflict of interest regulation index measures the protection of shareholders against directors' misuse of corporate assets for personal gain                                                                                                                                                                                                                                                |          | New           | Non-EOS | World Bank/IFC, The Doing Business project                                                                                               |
| Extent of shareholder governance index           | The extent of shareholder governance index measures shareholders' rights in corporate governance by distinguishing three dimensions of good governance: shareholders' rights and role in major corporate decisions; governance safeguards protecting shareholders from undue board control and entrenchment; and corporate transparency on ownership stakes, compensation, audits, and financial prospects |          | New           | Non-EOS | World Bank/IFC, The Doing Business project                                                                                               |
| <b>Pillar 2: Infrastructure and connectivity</b> |                                                                                                                                                                                                                                                                                                                                                                                                            |          |               |         |                                                                                                                                          |
| <b>A. Transport infrastructure</b>               |                                                                                                                                                                                                                                                                                                                                                                                                            |          |               |         |                                                                                                                                          |
| Road quality index                               | The road quality index will combine different measures of quality and connectivity of the domestic road network                                                                                                                                                                                                                                                                                            |          | New           | Non-EOS | World Economic Forum's calculations                                                                                                      |
| Quality of roads                                 | In your country, how do you assess the quality of the roads? [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world]                                                                                                                                                                                                                          |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                                                                           |
| Air Connectivity Index                           | Based on a gravity-like model, the Air Connectivity Index captures the full range of interactions among all network nodes, even when there is no direct flight connection between them                                                                                                                                                                                                                     |          | New           | Non-EOS | Arvis, J. F. and B. Shepherd. 2011. <i>The Air Connectivity Index: Measuring Integration in the Global Air Transport Network</i> . June. |
| Quality of air transport infrastructure          | In your country, how do you assess the quality of air transport? [1 = extremely underdeveloped – among the worst in the world; 7 = extensive and efficient – among the best in the world]                                                                                                                                                                                                                  |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                                                                           |
| Liner Shipping Connectivity Index                | The Liner Shipping Connectivity Index captures how well countries are connected to global shipping networks. It is based on five components of the maritime transport sector: number of ships, their container-carrying capacity, maximum vessel size, number of services, and number of companies that deploy container ships in a country's ports                                                        |          | New           | Non-EOS | United Nations Conference on Trade and Development                                                                                       |
| Quality of port infrastructure                   | In your country, how do you assess the quality of seaports (for landlocked countries, assess access to seaports) [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world]                                                                                                                                                                      |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                                                                           |
| Quality of railroad infrastructure               | In your country, how would you assess the quality of the railroad system? [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world]                                                                                                                                                                                                             |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                                                                           |

\* Existing: indicator included in the current GCI methodology; New: new indicator considered for inclusion in the updated GCI methodology.

† EOS = Executive Opinion Survey; Non-EOS = other sources.

Table 1: Preliminary index structure (cont'd.)

| Indicator                                                  | Indicator description<br>(Question and answers if derived from EOS)                                                                                                                                                                                                                                                                                                                                                                                                                      | Comments                                                                                                                                 | Existing/New* | Type†   | Main source(s) (if available)                                                                   |
|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------|-------------------------------------------------------------------------------------------------|
| <b>Pillar 2: Infrastructure and connectivity (cont'd.)</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                          |               |         |                                                                                                 |
| <b>B. Energy infrastructure</b>                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                          |               |         |                                                                                                 |
| Electrification rate                                       | Share of population with access to electricity                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                          | New           | Non-EOS | World Bank/International Energy Agency                                                          |
| Quality of electricity supply                              | In your country, how reliable is the electricity supply (lack of interruptions and lack of voltage fluctuations)?<br>[1 = extremely unreliable; 7 = extremely reliable]                                                                                                                                                                                                                                                                                                                  |                                                                                                                                          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                                  |
| <b>C. ICT infrastructure</b>                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                          |               |         |                                                                                                 |
| Mobile-cellular telephone subscriptions                    | Number of mobile-cellular telephone subscriptions per 100 population                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                          | Existing      | Non-EOS | International Telecommunication Union                                                           |
| Fixed-broadband Internet subscriptions                     | Number of fixed-broadband Internet subscriptions per 100 population                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                          | Existing      | Non-EOS | International Telecommunication Union                                                           |
| Wireless-broadband subscriptions                           | Number of wireless-broadband subscriptions per 100 population. This covers satellite broadband, terrestrial fixed wireless broadband, and active mobile-broadband subscriptions to the Internet                                                                                                                                                                                                                                                                                          |                                                                                                                                          | New           | Non-EOS | International Telecommunication Union                                                           |
| Internet users                                             | Percentage of individuals using the Internet                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                          | Existing      | Non-EOS | International Telecommunication Union                                                           |
| <b>Pillar 3: Macroeconomic stability</b>                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                          |               |         |                                                                                                 |
| Debt coverage ratio                                        | General government gross debt as a percentage of government revenue                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                          | New           | Non-EOS | World Economic Forum's calculations; International Monetary Fund, <i>World Economic Outlook</i> |
| Government budget balance                                  | General government budget balance, calculated as general government revenue minus total expenditure, as a percentage of GDP                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                          | Existing      | Non-EOS | International Monetary Fund, <i>World Economic Outlook</i>                                      |
| Gross national savings                                     | Public- and private-sector savings as a percentage of nominal GDP                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                          | Existing      | Non-EOS | International Monetary Fund, <i>World Economic Outlook</i>                                      |
| Inflation                                                  | Annual percent change in consumer price index                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                          | Existing      | Non-EOS | International Monetary Fund, <i>World Economic Outlook</i>                                      |
| Foreign debt                                               | Gross external debt position (current US\$) or total external debt stocks (disbursed and outstanding debt, current US\$) as a percentage of GNI. The external debt position includes both public and private debt                                                                                                                                                                                                                                                                        |                                                                                                                                          | New           | Non-EOS | World Bank and International Monetary Fund, <i>Quarterly External Debt Statistics</i>           |
| Hysteresis indicator                                       | Variable that takes on a value of 1 whenever a financial crisis is ongoing; a value of 7 when there is no financial crisis; and a value between 1 and 7 when a country is recovering from a financial crisis: a value of 2.2 in the year after the end of the crisis, of 3.4 in the second year after the crisis, 4.6 in the third year, and 5.8 in the fourth year. In the fifth year after the end of the crisis, the recovery is deemed complete and the value is 7 (i.e., no crisis) | Proxy measure of the hysteresis phenomenon at play during and after a financial crisis that translates into deleveraging and de-skilling | New           | Non-EOS | World Economic Forum's calculations; International Monetary Fund, <i>World Economic Outlook</i> |
| <b>Pillar 4: Health</b>                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                          |               |         |                                                                                                 |
| Years of life lost (YLLs):<br>Non-communicable diseases    | YLLs are years lost due to premature mortality caused by non-communicable diseases, communicable diseases, and injuries. YLLs are calculated by subtracting the age at death from the longest possible life expectancy for a person at that age                                                                                                                                                                                                                                          |                                                                                                                                          | New           | Non-EOS | Institute for Health Metrics and Evaluation                                                     |
| YLLs: Communicable diseases                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                          | New           | Non-EOS | Institute for Health Metrics and Evaluation                                                     |
| YLLs: Injuries                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                          | New           | Non-EOS | Institute for Health Metrics and Evaluation                                                     |

\* Existing: indicator included in the current GCI methodology; New: new indicator considered for inclusion in the updated GCI methodology.

† EOS = Executive Opinion Survey; Non-EOS = other sources.



Table 1: Preliminary index structure (cont'd.)

| Indicator                                                        | Indicator description<br>(Question and answers if derived from EOS)                                                                                                                                                                                                                                                                  | Comments                                                          | Existing/New* | Type†   | Main source(s) (if available)                                             |
|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|---------------|---------|---------------------------------------------------------------------------|
| <b>Pillar 4: Health (cont'd.)</b>                                |                                                                                                                                                                                                                                                                                                                                      |                                                                   |               |         |                                                                           |
| Years lived with disability (YLDs):<br>Non-communicable diseases | YLDs are years lived in less than ideal health due to a condition. YLDs are measured by taking, for each condition, the prevalence of that condition multiplied by the disability weight for that condition. Disability weights reflect the severity of different conditions and are developed through surveys of the general public |                                                                   | New           | Non-EOS | Institute for Health Metrics and Evaluation                               |
| YLDs: Communicable diseases                                      |                                                                                                                                                                                                                                                                                                                                      |                                                                   | New           | Non-EOS | Institute for Health Metrics and Evaluation                               |
| YLDs: Injuries                                                   |                                                                                                                                                                                                                                                                                                                                      |                                                                   | New           | Non-EOS | Institute for Health Metrics and Evaluation                               |
| Infant mortality                                                 | Number of infants dying before reaching one year of age per 1,000 live births in a given year                                                                                                                                                                                                                                        | Proxy measure of the overall quality of the healthcare system     | Existing      | Non-EOS | World Bank, <i>World Development Indicators Database</i>                  |
| <b>Pillar 5: Education</b>                                       |                                                                                                                                                                                                                                                                                                                                      |                                                                   |               |         |                                                                           |
| <b>A. Skills of the current workforce</b>                        |                                                                                                                                                                                                                                                                                                                                      |                                                                   |               |         |                                                                           |
| Primary attainment rate                                          | <i>Educational attainment</i> is defined as the highest grade completed within the most advanced level attended in the education system of the country where the education was received. Cumulative attainment rate is the sum of the percentage of population aged 25 years and older that have the specified level of education    | Proxy measures of the level of education of the current workforce | New           | Non-EOS | United Nations Educational, Scientific and Cultural Organization (UNESCO) |
| Secondary attainment rate                                        |                                                                                                                                                                                                                                                                                                                                      |                                                                   | New           | Non-EOS | United Nations Educational, Scientific and Cultural Organization (UNESCO) |
| Tertiary attainment rate                                         |                                                                                                                                                                                                                                                                                                                                      |                                                                   | New           | Non-EOS | United Nations Educational, Scientific and Cultural Organization (UNESCO) |
| Extent of staff training                                         | In your country, to what extent do companies invest in training and employee development? [1 = not at all; 7 = to a great extent]                                                                                                                                                                                                    |                                                                   | Existing      | EOS     | World Economic Forum                                                      |
| <b>B. Skills of the future workforce</b>                         |                                                                                                                                                                                                                                                                                                                                      |                                                                   |               |         |                                                                           |
| School life expectancy (SLE):<br>Primary level                   | Number of years a person of school entrance age can expect to spend within the specified level of education                                                                                                                                                                                                                          | Proxy measures of the level of education of the future workforce  | New           | Non-EOS | United Nations Educational, Scientific and Cultural Organization (UNESCO) |
| SLE: Secondary level                                             |                                                                                                                                                                                                                                                                                                                                      |                                                                   | New           | Non-EOS | United Nations Educational, Scientific and Cultural Organization (UNESCO) |
| SLE: Tertiary level                                              |                                                                                                                                                                                                                                                                                                                                      |                                                                   | New           | Non-EOS | United Nations Educational, Scientific and Cultural Organization (UNESCO) |
| Quality of the education system                                  | This indicator will capture the overall quality of the education system and the extent it teaches the relevant skills                                                                                                                                                                                                                |                                                                   | New           | EOS     | World Economic Forum, Executive Opinion Survey                            |
| Quality of vocational training                                   | In your country, how do you assess the quality of vocational training [1 = extremely poor—among the worst in the world; 7 = excellent—among the best in the world]                                                                                                                                                                   |                                                                   | New           | EOS     | World Economic Forum, Executive Opinion Survey                            |
| Classroom connectivity                                           | This indicator will capture the concept of a "flipped classroom"—that is, the idea that reverses the traditional educational arrangement by delivering instructional content, often online, outside of the classroom and moves activities, including those that may have traditionally been considered homework, into the classroom  |                                                                   | New           | EOS     | World Economic Forum, Executive Opinion Survey                            |
| Encouragement to creativity                                      | This indicator will measure the extent to which the education system encourages and forms the students' creativity                                                                                                                                                                                                                   |                                                                   | New           | EOS     | World Economic Forum, Executive Opinion Survey                            |

\* Existing: indicator included in the current GCI methodology; New: new indicator considered for inclusion in the updated GCI methodology.

† EOS = Executive Opinion Survey; Non-EOS = other sources.

Table 1: Preliminary index structure (cont'd.)

| Indicator                                | Indicator description<br>(Question and answers if derived from EOS)                                                                                                                                                                                                                                                                                                            | Comments                                                                                   | Existing/New* | Type†   | Main source(s) (if available)                  |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|---------------|---------|------------------------------------------------|
| <b>Pillar 6: Goods market efficiency</b> |                                                                                                                                                                                                                                                                                                                                                                                |                                                                                            |               |         |                                                |
| <b>A. Domestic competition</b>           |                                                                                                                                                                                                                                                                                                                                                                                |                                                                                            |               |         |                                                |
| Extent of market dominance               | In your country, how do you characterize corporate activity? [1 = dominated by a few business groups; 7 = spread among many firms]                                                                                                                                                                                                                                             |                                                                                            | Existing      | EOS     | World Economic Forum, Executive Opinion Survey |
| Effectiveness of anti-monopoly policy    | In your country, how effective are anti-monopoly policies at ensuring fair competition? [1 = not effective at all; 7 = extremely effective]                                                                                                                                                                                                                                    |                                                                                            | Existing      | EOS     | World Economic Forum, Executive Opinion Survey |
| Competition in professional services     | <i>To be determined</i>                                                                                                                                                                                                                                                                                                                                                        |                                                                                            | New           | EOS     | World Economic Forum, Executive Opinion Survey |
| Competition in public services           | <i>To be determined</i>                                                                                                                                                                                                                                                                                                                                                        |                                                                                            | New           | EOS     | World Economic Forum, Executive Opinion Survey |
| Cost required to start a business        | Cost is recorded as a percentage of the economy's income per capita. It includes all official fees and fees for legal or professional services if such services are required by law                                                                                                                                                                                            | Proxy measures of the barriers to the free entry and exit of actors to and from the market | New           | Non-EOS | World Bank/IFC, The Doing Business project     |
| Time required to start a business        | Number of days required to start a business                                                                                                                                                                                                                                                                                                                                    |                                                                                            | Existing      | Non-EOS | World Bank/IFC, The Doing Business project     |
| Bankruptcy proceedings costs             | The average cost of bankruptcy proceedings. The cost of the proceedings is recorded as a percentage of the estate's value                                                                                                                                                                                                                                                      |                                                                                            | New           | Non-EOS | World Bank/IFC, The Doing Business project     |
| Strength of insolvency framework index   | The Strength of insolvency framework index evaluates the adequacy and integrity of the legal framework applicable to liquidation and reorganization proceedings. It is based on four other indexes: the Commencement of proceedings index, the Management of debtor's assets index, the Reorganization proceedings index, and the Creditor participation index                 |                                                                                            | New           | Non-EOS | World Bank/IFC, The Doing Business project     |
| Total tax rate                           | This variable is a combination of profit tax (% of profits), labor tax and contribution (% of profits), and other taxes (% of profits)                                                                                                                                                                                                                                         |                                                                                            | Existing      | Non-EOS | World Bank/IFC, The Doing Business project     |
| Distortive effect of taxes and subsidies | In your country, to what extent do government subsidies distort competition? [1 = distort competition to a great extent; 7 = do not distort competition at all]                                                                                                                                                                                                                |                                                                                            | New           | EOS     | World Economic Forum, Executive Opinion Survey |
| <b>B. Foreign competition</b>            |                                                                                                                                                                                                                                                                                                                                                                                |                                                                                            |               |         |                                                |
| Prevalence of non-tariff barriers        | In your country, to what extent do non-tariff barriers (e.g., health and product standards, technical and labeling requirements, etc.) limit the ability of imported goods to compete in the domestic market? [1 = strongly limit; 7 = do not limit at all]                                                                                                                    |                                                                                            | Existing      | EOS     | World Economic Forum, Executive Opinion Survey |
| Trade tariffs                            | Trade-weighted average tariff rate. An <i>applied tariff</i> is a customs duty that is levied on imports of merchandise goods. This indicator is calculated as a weighted average of all the applied tariff rates, including preferential rates that a country applies to the rest of the world. The weights are the trade patterns of the importing country's reference group |                                                                                            | Existing      | Non-EOS | International Trade Centre                     |
| Complexity of tariffs index              | The Complexity of tariffs index measures the complexity of a country's tariff regime based on three criteria: tariff dispersion, the prevalence of tariff peak and specific tariffs, and the number of distinct tariffs                                                                                                                                                        |                                                                                            | New           | Non-EOS | International Trade Centre                     |
| Burden of customs procedures             | In your country, how efficient are customs procedures (related to the entry and exit of merchandise)? [1 = extremely inefficient; 7 = extremely efficient]                                                                                                                                                                                                                     |                                                                                            | Existing      | EOS     | World Economic Forum, Executive Opinion Survey |

\* Existing: indicator included in the current GCI methodology; New: new indicator considered for inclusion in the updated GCI methodology.

† EOS = Executive Opinion Survey; Non-EOS = other sources.

Table 1: Preliminary index structure (cont'd.)

| Indicator                                    | Indicator description<br>(Question and answers if derived from EOS)                                                                                                                                                                                                              | Comments                                                                                                                                                      | Existing/New* | Type†   | Main source(s) (if available)                                                           |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------|-----------------------------------------------------------------------------------------|
| <b>Pillar 7: Labor market efficiency</b>     |                                                                                                                                                                                                                                                                                  |                                                                                                                                                               |               |         |                                                                                         |
| <b>A. Flexibility and matching</b>           |                                                                                                                                                                                                                                                                                  |                                                                                                                                                               |               |         |                                                                                         |
| Redundancy costs                             | This variable estimates the cost of advance notice requirements, severance payments, and penalties due when terminating a redundant worker, expressed in weekly wages                                                                                                            |                                                                                                                                                               | Existing      | Non-EOS | World Bank/IFC, The Doing Business project                                              |
| Hiring and firing practices                  | In your country, to what extent do regulations allow flexible hiring and firing of workers? [1 = not at all; 7 = to a great extent]                                                                                                                                              |                                                                                                                                                               | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                          |
| Cooperation in labor-employer relations      | In your country, how do you characterize labor-employer relations? [1 = generally confrontational; 7 = generally cooperative]                                                                                                                                                    |                                                                                                                                                               | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                          |
| Flexibility of wage determination            | In your country, how are wages generally set? [1 = by a centralized bargaining process; 7 = by each individual company]                                                                                                                                                          |                                                                                                                                                               | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                          |
| Ease of finding skilled employees            | In your country, to what extent can companies find employees with the skills required to meet their needs? [1 = not at all; 7 = to a great extent]                                                                                                                               |                                                                                                                                                               | New           | EOS     | World Economic Forum, Executive Opinion Survey                                          |
| Ease of hiring foreign labor                 | In your country, how restrictive are regulations related to the hiring of foreign labor? [1 = highly restrictive; 7 = not restrictive at all]                                                                                                                                    |                                                                                                                                                               | New           | EOS     | World Economic Forum, Executive Opinion Survey                                          |
| Active labor market policies                 | This index will measure the quality of active labor market policies                                                                                                                                                                                                              |                                                                                                                                                               | New           | EOS     | World Economic Forum, Executive Opinion Survey                                          |
| <b>B. Use of talent and reward</b>           |                                                                                                                                                                                                                                                                                  |                                                                                                                                                               |               |         |                                                                                         |
| Pay and productivity                         | In your country, to what extent is pay related to employee productivity? [1 = not at all; 7 = to a great extent]                                                                                                                                                                 |                                                                                                                                                               | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                          |
| Reliance on professional management          | In your country, who holds senior management positions? [1 = usually relatives or friends without regard to merit; 7 = mostly professional managers chosen for merit and qualifications]                                                                                         |                                                                                                                                                               | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                          |
| Female participation in labor force          | This measure is the percentage of women aged 25–64 participating in the labor force                                                                                                                                                                                              | These indicators measure the incentives for and the actual participation of the population in the labor force                                                 | New           | Non-EOS | International Labour Organization                                                       |
| Male participation in labor force            | This measure is the percentage of men aged 25–64 participating in the labor force                                                                                                                                                                                                |                                                                                                                                                               | New           | Non-EOS | International Labour Organization                                                       |
| Salary tax wedge                             | This indicator reflects the tax wedge for an average country-specific industrial worker and is defined as the difference between the salary costs of a single “average worker” to his/her employer and the amount of net income (take-home pay) that the worker receives         |                                                                                                                                                               | New           | Non-EOS | Egger, P. and N. Strecker. 2015. “A Tour of Income Tax in the World, 1980–2012.” Mimeo. |
| <b>Pillar 8: Financial market efficiency</b> |                                                                                                                                                                                                                                                                                  |                                                                                                                                                               |               |         |                                                                                         |
| <b>A. Efficiency and depth</b>               |                                                                                                                                                                                                                                                                                  |                                                                                                                                                               |               |         |                                                                                         |
| Availability of financial services           | In your country, to what extent does the financial sector provide the products and services that meet the needs of businesses? [1 = not at all; 7 = to a great extent]                                                                                                           | Measures of the depth of the banking sector in its capacity to provide credit to private sector, pooling risks, and selecting the most productive investments | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                                          |
| Domestic credit to private sector (% of GDP) | <i>Domestic credit to private sector</i> refers to financial resources provided to the private sector by financial corporations, such as through loans, purchases of nonequity securities, and trade credits and other accounts receivable, that establish a claim for repayment |                                                                                                                                                               | New           | Non-EOS | The World Bank, <i>World Development Indicators Database</i>                            |

\* Existing: indicator included in the current GCI methodology; New: new indicator considered for inclusion in the updated GCI methodology.

† EOS = Executive Opinion Survey; Non-EOS = other sources.

Table 1: Preliminary index structure (cont'd.)

| Indicator                                              | Indicator description<br>(Question and answers if derived from EOS)                                                                                                                                                                                                                                                                                                                                                                            | Comments                                                                                                                                    | Existing/New* | Type†   | Main source(s) (if available)                            |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------|----------------------------------------------------------|
| <b>Pillar 8: Financial market efficiency (cont'd.)</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                             |               |         |                                                          |
| <b>A. Efficiency and depth (cont'd.)</b>               |                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                             |               |         |                                                          |
| Financing of SMEs                                      | In your country, to what extent can small- and medium-sized enterprises (SMEs) access the finance they need for their business operations through the financial system? [1 = not at all; 7 = to a great extent]                                                                                                                                                                                                                                |                                                                                                                                             | New           | EOS     | World Economic Forum, Executive Opinion Survey           |
| Venture capital availability                           | In your country, how easy is it for start-up entrepreneurs with innovative but risky projects to obtain equity funding? [1 = extremely difficult; 7 = extremely easy]                                                                                                                                                                                                                                                                          |                                                                                                                                             | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |
| Bank overhead costs                                    | Operating expenses of a bank as a share of the value of all assets held. Total assets include total earning assets, cash and due from banks, foreclosed real estate, fixed assets, goodwill, other intangibles, current tax assets, deferred tax assets, discontinued operations, and other assets                                                                                                                                             | Proxy measure of the cost-efficiency of the banking sector in providing financial services                                                  | New           | Non-EOS | World Bank, <i>Global Financial Development Database</i> |
| Depth of credit information index                      | The Depth of credit information index measures rules and practices affecting the coverage, scope, and accessibility of credit information available through either a public credit registry or a private credit bureau                                                                                                                                                                                                                         | Measure of the availability of credit information as a means to reduce asymmetries and improve capital allocation                           | New           | Non-EOS | World Bank/IFC, The Doing Business project               |
| Financing through the local equity market              | In your country, to what extent can companies raise money by issuing shares and/or bonds on the capital market? [1 = not at all; 7 = to a great extent]                                                                                                                                                                                                                                                                                        | Measures of the size and liquidity of the equity market, to proxy the extent to which companies can leverage it to finance their operations | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |
| Market capitalization of listed companies (% of GDP)   | <i>Market capitalization</i> (also known as <i>market value</i> ) is the share price multiplied by the number of shares outstanding. Listed domestic companies are the domestically incorporated companies listed on the country's stock exchanges at the end of the year. Listed companies do not include investment companies, mutual funds, or other collective investment vehicles                                                         |                                                                                                                                             | New           | Non-EOS | World Bank, <i>World Development Indicators Database</i> |
| Money supply (% of GDP)                                | Money and quasi money comprise the sum of currency outside banks; demand deposits other than those of the central government; and the time, savings, and foreign currency deposits of resident sectors other than the central government. This definition of <i>money supply</i> is frequently called <i>M2</i> ; it corresponds to lines 34 and 35 in the International Monetary Fund's (IMF) <i>International Financial Statistics</i> (IFS) | Proxy measure of the depth and breadth of services offered by the financial sector                                                          | New           | Non-EOS | World Bank, <i>World Development Indicators Database</i> |
| <b>B. Stability</b>                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                             |               |         |                                                          |
| Soundness of banks                                     | In your country, how do you assess the soundness of banks? [1 = extremely low—banks may require recapitalization; 7 = extremely high—banks are generally healthy with sound balance sheets]                                                                                                                                                                                                                                                    |                                                                                                                                             | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |
| Bank nonperforming loans                               | Bank nonperforming loans to total gross loans are the value of nonperforming loans divided by the total value of the loan portfolio                                                                                                                                                                                                                                                                                                            |                                                                                                                                             | New           | Non-EOS | World Bank, <i>World Development Indicators Database</i> |
| Bank Z-score                                           | The Z-score compares the buffer of a country's banking system (capitalization and returns) with the volatility of those returns                                                                                                                                                                                                                                                                                                                |                                                                                                                                             | New           | Non-EOS | World Bank, <i>Global Financial Development Database</i> |
| Regulation of securities exchanges                     | In your country, to what extent do regulators ensure the stability of the financial market? [1 = not at all; 7 = to a great extent]                                                                                                                                                                                                                                                                                                            |                                                                                                                                             | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |
| Stock price volatility                                 | Stock price volatility is the average of the 360-day volatility of the national stock market index                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                             | New           | Non-EOS | World Bank, <i>Global Financial Development Database</i> |

\* Existing: indicator included in the current GCI methodology; New: new indicator considered for inclusion in the updated GCI methodology.

† EOS = Executive Opinion Survey; Non-EOS = other sources.

Table 1: Preliminary index structure (cont'd.)

| Indicator                                                      | Indicator description<br>(Question and answers if derived from EOS)                                                                                                                                                                                                                                                                                                                                                         | Comments | Existing/New* | Type†   | Main source(s) (if available)                                 |
|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---------------|---------|---------------------------------------------------------------|
| <b>Pillar 9: Technology adoption</b>                           |                                                                                                                                                                                                                                                                                                                                                                                                                             |          |               |         |                                                               |
| Availability of latest technologies                            | In your country, to what extent are the latest technologies available? [1 = not at all; 7 = to a great extent]                                                                                                                                                                                                                                                                                                              |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                |
| Firm-level technology absorption                               | In your country, to what extent do businesses adopt new technology? [1 = not at all; 7 = adopt extensively]                                                                                                                                                                                                                                                                                                                 |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                |
| FDI and technology transfer                                    | To what extent does foreign direct investment (FDI) bring new technology into your country? [1 = not at all; 7 = to a great extent]                                                                                                                                                                                                                                                                                         |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                |
| FDI stock                                                      | Cumulated value of greenfield investments, as a percentage of GDP                                                                                                                                                                                                                                                                                                                                                           |          | New           | Non-EOS | Financial Times FDI market                                    |
| Local supplier quality                                         | In your country, how do you assess the quality of local suppliers? [1 = extremely poor quality; 7 = extremely high quality]                                                                                                                                                                                                                                                                                                 |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                |
| <b>Pillar 10: Market size</b>                                  |                                                                                                                                                                                                                                                                                                                                                                                                                             |          |               |         |                                                               |
| Domestic market size index                                     | Sum of gross domestic product plus value of imports of goods and services, minus value of exports of goods and services, normalized on a 1–7 (best) scale                                                                                                                                                                                                                                                                   |          | Existing      | Non-EOS | International Monetary Fund, <i>World Economic Outlook</i>    |
| Exports as a percentage of GDP                                 | Exports of goods and services as a percentage of gross domestic product                                                                                                                                                                                                                                                                                                                                                     |          | Existing      | Non-EOS | International Monetary Fund, <i>World Economic Outlook</i>    |
| Potential market                                               | <i>To be determined</i>                                                                                                                                                                                                                                                                                                                                                                                                     |          | New           | Non-EOS |                                                               |
| <b>Pillar 11: Innovation ecosystem</b>                         |                                                                                                                                                                                                                                                                                                                                                                                                                             |          |               |         |                                                               |
| Quality of scientific research institutions                    | In your country, how do you assess the quality of scientific research institutions? [1 = extremely poor—among the worst in the world; 7 = extremely good—among the best in the world]                                                                                                                                                                                                                                       |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                |
| Number of researchers in R&D per capita                        | Researchers in R&D are professionals engaged in the conception or creation of new knowledge, products, processes, methods, or systems and in the management of the projects concerned. Postgraduate PhD students (ISCED97 level 6) engaged in R&D are included                                                                                                                                                              |          | New           | Non-EOS | World Bank, <i>World Development Indicators Database</i>      |
| Availability of scientists and engineers                       | In your country, to what extent are scientists and engineers available? [1 = not at all; 7 = widely available]                                                                                                                                                                                                                                                                                                              |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey                |
| Number of scientific and technical journal articles per capita | <i>Scientific and technical journal articles</i> refer to the number of scientific and engineering articles published in the following fields: physics, biology, chemistry, mathematics, clinical medicine, biomedical research, engineering and technology, and earth and space sciences                                                                                                                                   |          | New           | Non-EOS | World Bank, <i>World Development Indicators Database</i>      |
| PCT patent applications                                        | Number of applications filed under the Patent Cooperation Treaty (PCT) per million population                                                                                                                                                                                                                                                                                                                               |          | Existing      | Non-EOS | Organisation for Economic Co-operation and Development (OECD) |
| Cooperation and Interaction                                    | Average score across the four components of the following Executive Opinion Survey question: In your country, to what extent do people collaborate and share ideas (1) inside the company; (2) between domestic companies; (3) between domestic and international companies; and (4) between companies and universities/research institutions. In each case, the answer ranges from 1 [not at all] to 7 [to a great extent] |          | New           | EOS     | World Economic Forum, Executive Opinion Survey                |
| Encouragement to idea generation                               | In your country, to what extent do companies encourage employees to generate new ideas? [1 = not at all; 7 = to a great extent]                                                                                                                                                                                                                                                                                             |          | New           | EOS     | World Economic Forum, Executive Opinion Survey                |
| Diversity in patents applicants                                | <i>To be determined</i>                                                                                                                                                                                                                                                                                                                                                                                                     |          | New           | Non-EOS |                                                               |
| Diversity in company workforce                                 | In your country, to what extent do companies seek diversity of the workforce (e.g. gender, ethnicity, social group, age, religion, culture, sexual orientation, disabilities)? [1 = not at all; 7 = to a great extent]                                                                                                                                                                                                      |          | New           | EOS     | World Economic Forum, Executive Opinion Survey                |

\* Existing: indicator included in the current GCI methodology; New: new indicator considered for inclusion in the updated GCI methodology.

† EOS = Executive Opinion Survey; Non-EOS = other sources.

Table 1: Preliminary index structure (cont'd.)

| Indicator                                    | Indicator description<br>(Question and answers if derived from EOS)                                                                                                                                                                                          | Comments | Existing/New* | Type†   | Main source(s) (if available)                            |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---------------|---------|----------------------------------------------------------|
| <b>Pillar 12: Innovation implementation</b>  |                                                                                                                                                                                                                                                              |          |               |         |                                                          |
| Capacity to commercialize new products       | In your country, to what extent do companies turn ideas into commercially successful new products, services, or business models? [1 = not at all; 7 = to a great extent]                                                                                     |          | New           | EOS     | World Economic Forum, Executive Opinion Survey           |
| Charges for the use of intellectual property | Charges for the use of intellectual property are payments and receipts between residents and nonresidents for the authorized use of proprietary rights and for the use, through licensing agreements, of produced originals or prototypes and related rights |          | New           | Non-EOS | World Bank, <i>World Development Indicators Database</i> |
| Post-incubation performance                  | Availability and performance of incubators as a tool to support commercialization of new innovative business ideas                                                                                                                                           |          | New           | Non-EOS | UBI Global                                               |
| Attitudes toward entrepreneurial risk        | In your country, to what extent do people have an appetite for entrepreneurial risk? [1 = not at all; 7 = to a great extent]                                                                                                                                 |          | New           | EOS     | World Economic Forum, Executive Opinion Survey           |
| Companies embracing disruptive ideas         | In your country, to what extent do companies embrace risky or disruptive business ideas? [1 = not at all; 7 = to a great extent]                                                                                                                             |          | New           | EOS     | World Economic Forum, Executive Opinion Survey           |
| Willingness to delegate authority            | In your country, to what extent does senior management delegate authority to subordinates? [1 = not at all; 7 = to a great extent]                                                                                                                           |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |
| Extent of marketing                          | In your country, how successful are companies in using marketing to differentiate their products and services? [1 = not successful at all; 7 = extremely successful]                                                                                         |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |
| Buyer sophistication                         | In your country, on what basis do buyers make purchasing decisions? [1 = based solely on the lowest price; 7 = based on sophisticated performance attributes]                                                                                                |          | Existing      | EOS     | World Economic Forum, Executive Opinion Survey           |

\* Existing: indicator included in the current GCI methodology; New: new indicator considered for inclusion in the updated GCI methodology.

† EOS = Executive Opinion Survey; Non-EOS = other sources.



## Appendix B: Acknowledgments

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The information and views set out in this chapter lie entirely with the authors and do not necessarily reflect the opinion of the experts and entities listed above.

# The Executive Opinion Survey: The Voice of the Business Community

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World Economic Forum

Since its first publication in 1979, *The Global Competitiveness Report* has been used by policymakers, business executives, and academics as a development tool that contributes a valuable portrait of an economy's productivity and its ability to achieve sustained levels of prosperity and growth. Key to this study, the Executive Opinion Survey (the Survey) is the longest-running and most extensive survey of its kind, capturing the opinions of business leaders around the world on a broad range of topics for which data sources are scarce or, frequently, nonexistent on a global scale. Hence the Survey aims to capture data in particular domains—such as the appetite for entrepreneurial risk, the extent of collaboration within a company or with external entities, and the level of corruption—which makes it an essential complement to the more traditional data provided by international organizations and national statistical offices.

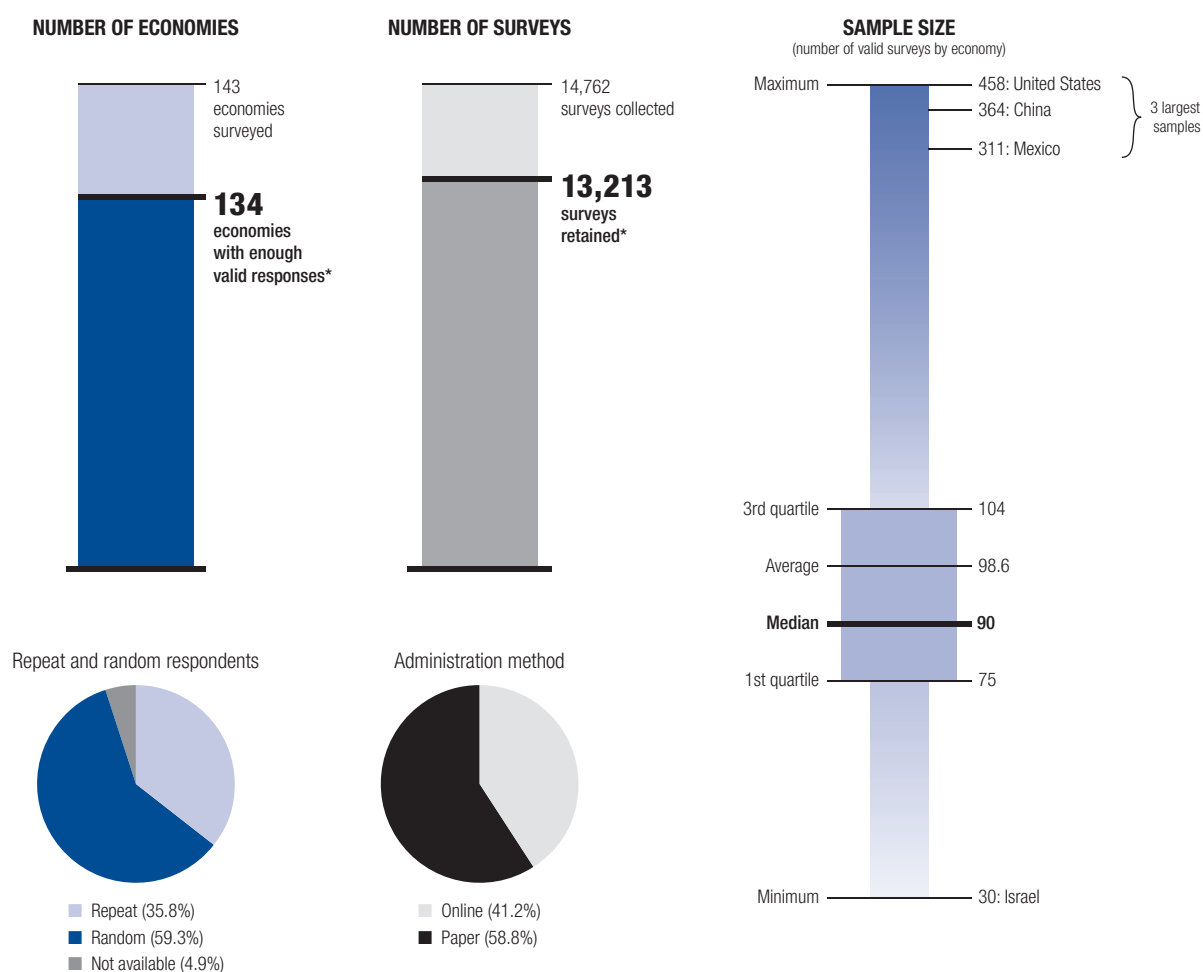
The indicators derived from the Survey are used in the calculation of the Global Competitiveness Index (GCI) and other World Economic Forum indexes and reports, including the Networked Readiness Index, the Enabling Trade Index, the Travel & Tourism Competitiveness Index, the Gender Gap Index, and the Human Capital Index as well as in *The Inclusive Economic Growth and Development Report* and a number of regional competitiveness studies.

A truly unique source of data, the Survey has also long been used by a number of international and nongovernmental organizations, think tanks, and academia for empirical and policy work. For example, Transparency International has been using the Survey data for the elaboration of its Corruption Perceptions Index. Institutions such as the Organisation for Economic Co-operation and Development (OECD), the World Bank, the Mo Ibrahim Foundation, and the International Monetary Fund (IMF) also refer to the Forum's Survey data in their publications, as do a number of academic publications. Finally, an increasing number of countries publish national competitiveness reports that draw on, or refer to, the Survey data.

## THE SURVEY IN NUMBERS

The Executive Opinion Survey 2015 captured the opinions of over 14,000 business leaders in 144 economies between February and June 2015 (see Figure 1). Because of issues of data quality or quantity, the results from this year's edition of the Survey were used for 134 economies. Data from previous years were used for 6 additional countries, for a total 140 economies covered in the GCR (see the data treatment section below for further details). The Survey is available in 41 languages (see Table 1), of which 21 are available online. This year over 40 percent of participants took the Survey online. In 27 economies the Survey was administered entirely online, while in a further 11 over 90 percent of respondents completed online (see Table 2 for statistics about the method of administration).

Figure 1: Descriptive statistics of the Executive Opinion Survey 2015



Source: International Monetary Fund, *World Economic Outlook* database, April 2015 edition.

Note: Not all charts are drawn to scale.

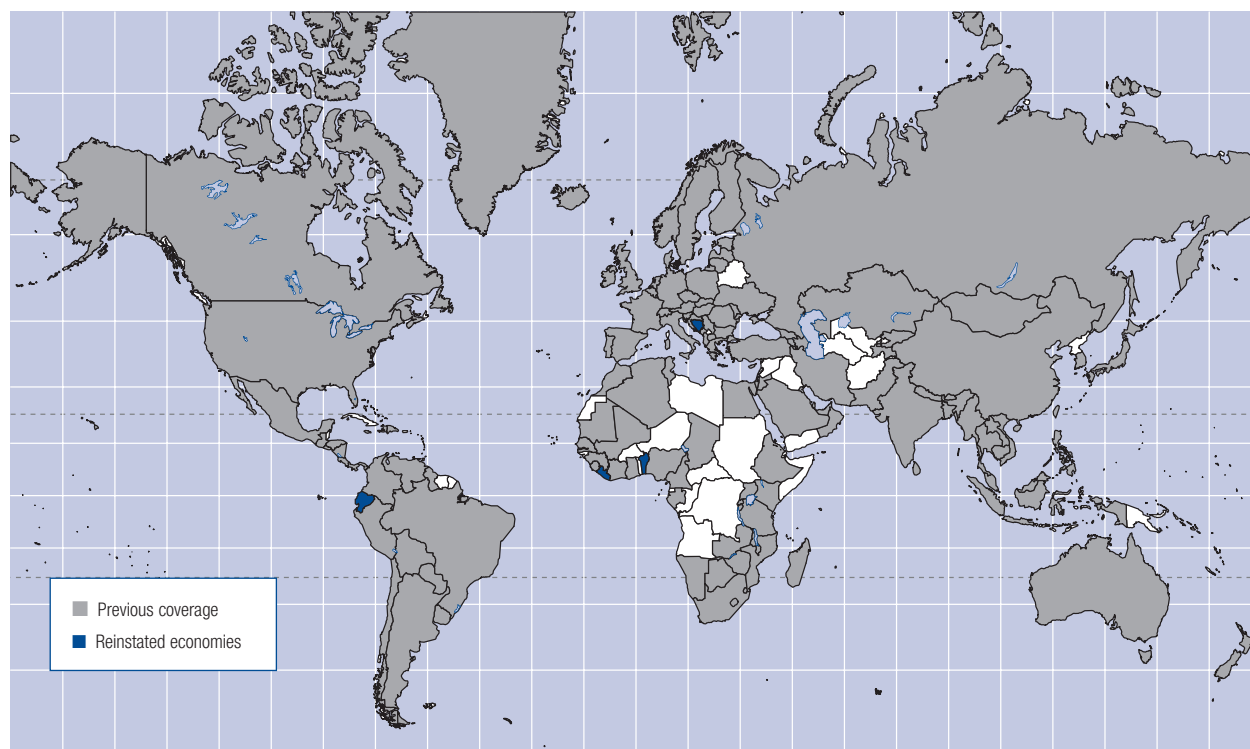
\* Following data treatment. See text for details.

Table 1: The 41 languages in which the 2015 Survey was available

|                      |            |             |             |            |
|----------------------|------------|-------------|-------------|------------|
| Albanian             | Croatian*  | Italian     | Montenegrin | Spanish*   |
| Arabic*              | Czech*     | Japanese    | Persian*    | Thai       |
| Armenian             | Danish     | Khmer       | Polish*     | Turkish*   |
| Azeri                | English*   | Korean      | Portuguese* | Urdu       |
| Bosnian              | Estonian*  | Lao         | Romanian    | Vietnamese |
| Bulgarian            | French*    | Latvian*    | Russian*    |            |
| Burmese              | German*    | Lithuanian* | Serbian     |            |
| Chinese*             | Greek*     | Macedonian  | Slovak*     |            |
| Chinese traditional* | Hungarian* | Mongolian   | Slovenian*  |            |

\* Language also available in the online Survey tool (21 languages).

Figure 2: Coverage of the Executive Opinion Survey



### Geographic coverage

Following a year of non-inclusion, Benin, Bosnia and Herzegovina, Ecuador, and Liberia are reinstated in the 2015 edition. However, the Survey was not administered this year in Angola, Burkina Faso, or Timor-Leste and was not completed to minimum requirements in Barbados or Suriname. In the cases of Libya and Yemen, the uncertain security situation did not allow the Survey to be conducted. Furthermore, because of missing data from international sources and the resulting impossibility of ensuring international comparability, Puerto Rico was not included this year in the calculation of the Survey results. No new economy was added this year (Figure 2); however, the Forum's Global Competitiveness and Risks Team will continue its efforts to reinstate economies and increase country coverage year on year.

### SURVEY STRUCTURE, ADMINISTRATION, AND METHODOLOGY

The Survey is divided into 15 sections:

- I. About Your Company
- II. Most Problematic Factors for Doing Business
- III. Infrastructure
- IV. Technology
- V. Financial Environment
- VI. Foreign Trade and Investment
- VII. Domestic Competition
- VIII. Business Operations and Innovation

### IX. Security

### X. Governance

### XI. Education and Human Capital

### XII. Health

### XIII. Travel and Tourism

### XIV. Environment

### XV. Risks

Most questions in the Survey ask respondents to evaluate, on a scale of 1 to 7, one particular aspect of their operating environment. At one end of the scale, 1 represents the worst possible situation; at the other end of the scale, 7 represents the best (see Box 1 for an example).

The administration of the Survey could not be carried out without the network of over 160 Partner Institutes worldwide. Partner Institutes are recognized research or academic institutes, business organizations, national competitiveness councils, or other established professional entities and, in some cases, survey consultancies, that have the network and capacity to reach out to the business community, are reputable organizations, and have a firm commitment to improving the competitiveness conditions of their economies (for the full list, see the Partner Institutes section at the beginning of this *Report*).<sup>1</sup>

In administering the Survey, Partner Institutes are asked to follow detailed sampling guidelines to ensure that the sample of respondents is the most representative possible and comparable across the

### Box 1: Example of a typical Survey question

**In your country, to what extent is intellectual property protected?**

Not at all < 1 2 3 4 5 6 7 > To a great extent

**Circling 1...** means you agree completely with the answer on the left-hand side

**Circling 2...** means you largely agree with the left-hand side

**Circling 3...** means you somewhat agree with the left-hand side

**Circling 4...** means your opinion is indifferent between the two answers

**Circling 5...** means you somewhat agree with the right-hand side

**Circling 6...** means you largely agree with the right-hand side

**Circling 7...** means you agree completely with the answer on the right-hand side

globe and in a specific timeframe. The sampling guidelines were developed based on best practices in the field of survey administration and on discussions with survey experts. In view of comparability across countries and time, the sampling guidelines have remained the same since their revision and the improvements implemented in 2012. The Survey sampling guidelines specify that the Partner Institute build a “sample frame”—that is, a list of potential business executives from small- and medium-sized enterprises and large companies—from the various sectors of activity, as detailed below. It then applies a dual stratification procedure based on these two criteria of company size and sector. Specifically, the Partner Institutes are asked to carry out the following steps:

1. Prepare a “sample frame,” or large list of potential respondents, which includes firms representing the main sectors of the economy (agriculture, manufacturing industry, non-manufacturing industry, and services).
2. Separate the frame into two lists: one that includes only large firms, and one that includes all other firms (both lists representing the various economic sectors).<sup>2</sup>
3. Based on these lists, and in view of reducing survey bias, choose a random selection of these firms from both lists to receive the Survey.

Furthermore, the sampling guidelines specify that the Partner Institute should aim to collect a combination

of random respondents with some repeat respondents for further comparative analysis.<sup>3</sup> The Survey is administered in a variety of formats, including face-to-face or telephone interviews with business executives, mailed paper forms, and online surveys. For energy, time, and cost considerations, the Forum encourages the use of the online survey tool. However, deciding which of these differing methodologies to use may be based on the particular country’s infrastructure, distance between cities, cultural preferences, and other such issues.

The Partner Institutes also play an active and essential role in disseminating the findings of *The Global Competitiveness Report* and other reports published by the World Economic Forum by holding press events and workshops to highlight the results at the national level to the business community, the public sector, and other stakeholders.

### Striving for excellence

The World Economic Forum has, over the years, always given great importance to reflecting the newest thinking in matters of development and measurement of economic growth as well as to applying surveying best practices. To this end, it has undertaken two audits since 2008 as well as yearly reviews of the Survey.

An initial audit by a team of survey experts from Gallup was performed in 2008, following which a number of recommendations were implemented. A second audit was conducted in 2012 by Gallup, during which the Survey instrument, the sampling guidelines, and the administration process underwent a thorough review. The review took a twofold approach, analyzing the recommendations and their impact on the process as well as keeping up to date on best practices in the field of surveying. Overall, the outcomes of both reviews were very positive. The Executive Opinion Survey process has implemented all the needed improvements with regard to the Survey tool, translations, and sampling quality as well as following international best practices in surveying. Box 2 presents some statistics about the Survey’s demographics and reveals that the sample of respondents is very diverse.

The 2012 audit addressed an important aspect related to the impact of national culture—the so-called cultural bias—that may impact interviewee responses. The Global Competitiveness and Risks Team recognizes this as a possibility; nonetheless, following international best practices and upon Gallup’s recommendation, it was decided not to re-weight the data using vignettes because of the limited effectiveness of such a procedure and to prevent introducing additional noise into the data that can occur with such an approach. In view of aiming to prevent national bias, the Partner Institutes are reminded to complete the survey according to guidelines and to ask the respondents to answer the survey in view



## Box 2: Insights from the Executive Opinion Survey 2015

The sampling guidelines for the Executive Opinion Survey aim to reflect in the composition of surveyed companies the economic structure of the country while maintaining a 50 percent share of respondents from previous years. Figure 1 summarizes respondent demographics from the 2015 edition, demonstrating the relative success of the Partner Institutes in following the sampling guidelines.

Because small- and medium-sized enterprises (SMEs) account for a large share of economic activity in most countries, Partner Institutes are asked to collect the opinions from SMEs as well as from large companies (Figure 1a). In 2015, small enterprises, defined here as those with fewer than 50 employees, account for 27 percent of the sample in *Advanced Economies* and *Emerging and Developing Asia* and for 47 percent in *Sub-Saharan Africa*, reflecting the respective economic structure of these regions.

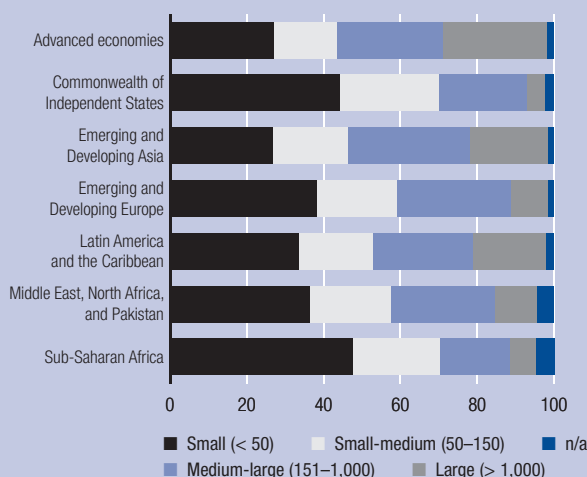
In order to maintain a panel of constant respondents and improve the comparability of data across years, almost 4 questionnaires out of 10 have been filled by executives who

have previously taken part in the Survey (Figure 1b).

The Survey also aims to capture the diversity of companies in terms of ownership and economic sector (Figure 1c). On average, 18 percent of the surveyed companies' equity is owned by foreigners (as either minority or majority shareholders). This number increases to 22 percent and 21 percent in *Sub-Saharan Africa* and *Advanced Economies*, respectively. The share of foreign ownership also varies according to the economic sector. The manufacturing sector is the one with highest presence of foreign-owned companies in most regions, except for *Sub-Saharan Africa* and *Latin America and the Caribbean*, where it is preceded by other industrial activities (including mining), and the *Commonwealth of Independent States*, where the service sector comes in first. The agriculture sector is the one with lowest share of foreign ownership—around 10 percent across regions—with a peak of 17 percent in *Sub-Saharan Africa* and a minimum of 7.5 percent in the *Commonwealth of Independent States* and *Middle East, North Africa, and Pakistan*.

**Figure 1: Executive Opinion Survey: Respondent profile**

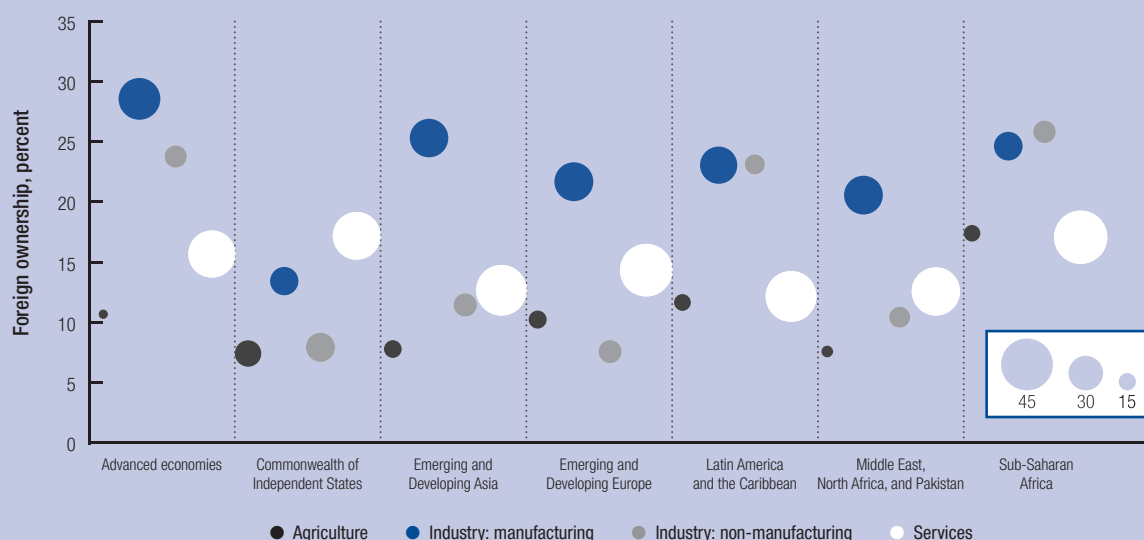
**1a: Company size by number of employees, percent**



**1b: Repeat and random respondents, percent**



**1c: Foreign ownership and sector distribution**



Note: The size of the bubble reflects the share of the total respondents for the region falling within that sector.

Table 2: Executive Opinion Survey: Descriptive statistics and weightings

| Country/Economy        | Period 1       |                    |             | Period 2       |                    |             |                      |
|------------------------|----------------|--------------------|-------------|----------------|--------------------|-------------|----------------------|
|                        | Survey edition | No. of respondents | Weight (%)* | Survey edition | No. of respondents | Weight (%)* | Online (%) 2015 only |
| Albania                | 2014           | 79                 | 47.62       | 2015           | 64                 | 52.38       | —                    |
| Algeria                | 2014           | 97                 | 45.13       | 2015           | 96                 | 54.87       | —                    |
| Argentina              | 2014           | 104                | 46.00       | 2015           | 96                 | 54.00       | 100.00               |
| Armenia                | 2014           | 76                 | 45.17       | 2015           | 75                 | 54.83       | 1.33                 |
| Australia              | 2014           | 66                 | 38.44       | 2015           | 113                | 61.56       | 21.24                |
| Austria                | 2014           | 71                 | 40.64       | 2015           | 101                | 59.36       | 41.58                |
| Azerbaijan             | 2013           | 85                 | 44.57       | 2014           | 88                 | 55.43       | n/a                  |
| Bahrain                | 2014           | 51                 | 45.25       | 2015           | 50                 | 54.75       | —                    |
| Bangladesh             | 2014           | 76                 | 48.79       | 2015           | 56                 | 51.21       | —                    |
| Belgium                | 2014           | 64                 | 44.81       | 2015           | 65                 | 55.19       | 100.00               |
| Benin                  | —              | —                  | —           | 2015           | 67                 | 100.00      | —                    |
| Bhutan                 | 2014           | 73                 | 35.47       | 2015           | 163                | 64.53       | —                    |
| Bolivia                | 2014           | 110                | 53.33       | 2015           | 55                 | 46.67       | 100.00               |
| Bosnia and Herzegovina | —              | —                  | —           | 2015           | 104                | 100.00      | —                    |
| Botswana               | 2014           | 123                | 50.15       | 2015           | 81                 | 49.85       | 25.93                |
| Brazil                 | 2014           | 114                | 38.33       | 2015           | 197                | 61.67       | 100.00               |
| Bulgaria               | 2014           | 104                | 43.74       | 2015           | 115                | 56.26       | —                    |
| Burundi                | 2013           | 110                | 46.96       | 2014           | 94                 | 53.04       | n/a                  |
| Cambodia               | 2014           | 79                 | 45.16       | 2015           | 78                 | 54.84       | —                    |
| Cameroon               | 2014           | 82                 | 42.53       | 2015           | 100                | 57.47       | —                    |
| Canada                 | 2014           | 79                 | 42.32       | 2015           | 98                 | 57.68       | 100.00               |
| Cape Verde             | 2014           | 84                 | 45.45       | 2015           | 81                 | 54.55       | 19.75                |
| Chad                   | 2014           | 68                 | 42.52       | 2015           | 83                 | 57.48       | —                    |
| Chile                  | 2014           | 143                | 45.35       | 2015           | 139                | 54.65       | 72.66                |
| Colombia               | 2014           | 162                | 45.00       | 2015           | 162                | 55.00       | 37.04                |
| Costa Rica             | 2014           | 59                 | 37.05       | 2015           | 114                | 62.95       | 97.37                |
| Côte d'Ivoire          | 2014           | 76                 | 43.90       | 2015           | 83                 | 56.10       | —                    |
| Croatia                | 2014           | 82                 | 45.31       | 2015           | 80                 | 54.69       | —                    |
| Cyprus                 | 2014           | 52                 | 42.81       | 2015           | 62                 | 57.19       | —                    |
| Czech Republic         | 2014           | 77                 | 42.38       | 2015           | 95                 | 57.62       | 100.00               |
| Denmark                | 2014           | 89                 | 40.51       | 2015           | 128                | 59.49       | 0.78                 |
| Dominican Republic     | 2014           | 62                 | 42.30       | 2015           | 77                 | 57.70       | —                    |
| Ecuador                | —              | —                  | —           | 2015           | 116                | 100.00      | —                    |
| Egypt                  | 2014           | 100                | 53.56       | 2015           | 49                 | 46.44       | 2.04                 |
| El Salvador            | 2014           | 49                 | 38.42       | 2015           | 84                 | 61.58       | 100.00               |
| Estonia                | 2014           | 89                 | 45.14       | 2015           | 88                 | 54.86       | 100.00               |
| Ethiopia               | 2014           | 100                | 46.04       | 2015           | 92                 | 53.96       | —                    |
| Finland                | 2014           | 49                 | 44.75       | 2015           | 50                 | 55.25       | 100.00               |
| Macedonia, FYR         | 2014           | 78                 | 44.53       | 2015           | 81                 | 55.47       | —                    |
| France                 | 2014           | 184                | 52.28       | 2015           | 101                | 47.72       | 54.46                |
| Gabon                  | 2014           | 40                 | 45.97       | 2015           | 37                 | 54.03       | 2.70                 |
| Gambia, The            | 2014           | 85                 | 44.15       | 2015           | 91                 | 55.85       | —                    |
| Georgia                | 2014           | 51                 | 45.50       | 2015           | 49                 | 54.50       | 100.00               |
| Germany                | 2014           | 99                 | 39.96       | 2015           | 149                | 60.04       | 90.60                |
| Ghana                  | 2014           | 93                 | 44.09       | 2015           | 100                | 55.91       | 7.00                 |
| Greece                 | 2014           | 85                 | 44.85       | 2015           | 86                 | 55.15       | 94.19                |
| Guatemala              | 2014           | 83                 | 46.10       | 2015           | 76                 | 53.90       | —                    |
| Guinea                 | 2013           | 56                 | 40.90       | 2014           | 78                 | 59.10       | n/a                  |
| Guyana                 | 2014           | 73                 | 53.49       | 2015           | 36                 | 46.51       | —                    |
| Haiti                  | 2014           | 39                 | 46.35       | 2015           | 35                 | 53.65       | —                    |
| Honduras               | 2014           | 108                | 45.59       | 2015           | 103                | 54.41       | —                    |
| Hong Kong SAR          | 2014           | 63                 | 41.72       | 2015           | 82                 | 58.28       | 64.63                |
| Hungary                | 2014           | 99                 | 53.90       | 2015           | 47                 | 46.10       | —                    |
| Iceland                | 2014           | 85                 | 44.71       | 2015           | 87                 | 55.29       | 100.00               |
| India                  | 2014           | 211                | 43.60       | 2015           | 236                | 56.40       | 0.42                 |
| Indonesia              | 2014           | 90                 | 43.94       | 2015           | 98                 | 56.06       | —                    |
| Iran, Islamic Rep.     | 2014           | 152                | 38.23       | 2015           | 265                | 61.77       | 100.00               |
| Ireland                | 2014           | 52                 | 47.37       | 2015           | 43                 | 52.63       | 100.00               |
| Israel                 | 2014           | 32                 | 45.81       | 2015           | 30                 | 54.19       | 100.00               |
| Italy                  | 2014           | 87                 | 44.44       | 2015           | 91                 | 55.56       | 4.40                 |
| Jamaica                | 2014           | 41                 | 36.67       | 2015           | 82                 | 63.33       | —                    |
| Japan                  | 2014           | 64                 | 40.65       | 2015           | 91                 | 59.35       | 8.79                 |
| Jordan                 | 2014           | 117                | 45.32       | 2015           | 114                | 54.68       | —                    |
| Kazakhstan             | 2014           | 124                | 48.57       | 2015           | 93                 | 51.43       | —                    |
| Kenya                  | 2014           | 113                | 46.04       | 2015           | 104                | 53.96       | —                    |
| Kuwait                 | 2014           | 42                 | 42.83       | 2015           | 50                 | 57.17       | 30.00                |
| Kyrgyz Republic        | 2014           | 97                 | 44.49       | 2015           | 101                | 55.51       | —                    |
| Lao PDR                | 2014           | 77                 | 45.33       | 2015           | 75                 | 54.67       | —                    |
| Latvia                 | 2014           | 81                 | 45.63       | 2015           | 77                 | 54.37       | 100.00               |
| Lebanon                | 2014           | 40                 | 35.15       | 2015           | 92                 | 64.85       | 100.00               |

(Cont'd.)

Table 2: Executive Opinion Survey: Descriptive statistics and weightings (cont'd.)

| Country/Economy            | Period 1       |                    |             | Period 2       |                    |             |                      |
|----------------------------|----------------|--------------------|-------------|----------------|--------------------|-------------|----------------------|
|                            | Survey edition | No. of respondents | Weight (%)* | Survey edition | No. of respondents | Weight (%)* | Online (%) 2015 only |
| Lesotho                    | 2014           | 85                 | 43.35       | 2015           | 97                 | 56.65       | —                    |
| Liberia                    | —              | —                  | —           | 2015           | 80                 | 100.00      | —                    |
| Lithuania                  | 2014           | 146                | 47.65       | 2015           | 118                | 52.35       | 59.32                |
| <b>Luxembourg</b>          | 2014           | 69                 | 49.24       | 2015           | 49                 | 50.76       | 100.00               |
| Madagascar                 | 2014           | 99                 | 46.90       | 2015           | 85                 | 53.10       | —                    |
| Malawi                     | 2014           | 58                 | 46.36       | 2015           | 52                 | 53.64       | 21.15                |
| Malaysia                   | 2014           | 96                 | 44.37       | 2015           | 101                | 55.63       | 45.54                |
| Mali                       | 2014           | 85                 | 44.71       | 2015           | 87                 | 55.29       | —                    |
| Malta                      | 2014           | 52                 | 44.76       | 2015           | 53                 | 55.24       | 71.70                |
| Mauritania                 | 2014           | 98                 | 46.49       | 2015           | 87                 | 53.51       | —                    |
| Mauritius                  | 2014           | 56                 | 44.14       | 2015           | 60                 | 55.86       | 86.67                |
| Mexico                     | 2014           | 340                | 46.11       | 2015           | 311                | 53.89       | 96.78                |
| Moldova                    | 2014           | 134                | 45.48       | 2015           | 129                | 54.52       | —                    |
| Mongolia                   | 2014           | 81                 | 45.00       | 2015           | 81                 | 55.00       | —                    |
| <b>Morocco</b>             | 2014           | 47                 | 36.79       | 2015           | 93                 | 63.21       | 100.00               |
| Mozambique                 | 2014           | 107                | 47.16       | 2015           | 90                 | 52.84       | —                    |
| Myanmar                    | 2014           | 86                 | 47.56       | 2015           | 70                 | 52.44       | 1.43                 |
| Namibia                    | 2014           | 77                 | 45.33       | 2015           | 75                 | 54.67       | —                    |
| Nepal                      | 2014           | 84                 | 43.46       | 2015           | 95                 | 56.54       | —                    |
| <b>Netherlands</b>         | 2014           | 88                 | 45.73       | 2015           | 83                 | 54.27       | 100.00               |
| New Zealand                | 2014           | 41                 | 43.56       | 2015           | 46                 | 56.44       | 97.83                |
| Nicaragua                  | 2014           | 36                 | 36.67       | 2015           | 72                 | 63.33       | 98.61                |
| Nigeria                    | 2014           | 106                | 45.48       | 2015           | 102                | 54.52       | —                    |
| Norway                     | 2014           | 86                 | 54.13       | 2015           | 40                 | 45.87       | 52.50                |
| <b>Oman</b>                | 2014           | 95                 | 47.30       | 2015           | 79                 | 52.70       | 100.00               |
| Pakistan                   | 2014           | 56                 | 36.47       | 2015           | 114                | 63.53       | 17.54                |
| Panama                     | 2014           | 131                | 44.53       | 2015           | 136                | 55.47       | 36.76                |
| Paraguay                   | 2014           | 59                 | 42.35       | 2015           | 73                 | 57.65       | 31.51                |
| China                      | 2014           | 362                | 44.93       | 2015           | 364                | 55.07       | —                    |
| Peru                       | 2014           | 85                 | 44.15       | 2015           | 91                 | 55.85       | 32.97                |
| Philippines                | 2014           | 120                | 44.00       | 2015           | 130                | 56.00       | —                    |
| Poland                     | 2014           | 200                | 44.15       | 2015           | 214                | 55.85       | 98.60                |
| Portugal                   | 2014           | 140                | 41.21       | 2015           | 190                | 58.79       | 88.95                |
| <b>Qatar</b>               | 2014           | 103                | 44.88       | 2015           | 104                | 55.12       | 3.85                 |
| Korea, Rep.                | 2014           | 100                | 45.00       | 2015           | 100                | 55.00       | —                    |
| Montenegro                 | 2014           | 95                 | 46.54       | 2015           | 84                 | 53.46       | —                    |
| Serbia                     | 2014           | 100                | 45.13       | 2015           | 99                 | 54.87       | —                    |
| Romania                    | 2014           | 72                 | 40.11       | 2015           | 107                | 59.89       | —                    |
| Russian Federation         | 2013           | 294                | 45.79       | 2014           | 276                | 54.21       | n/a                  |
| <b>Rwanda</b>              | 2013           | 81                 | 41.54       | 2015           | 107                | 58.46       | 100.00               |
| Saudi Arabia               | 2014           | 181                | 51.42       | 2015           | 107                | 48.58       | 54.21                |
| Senegal                    | 2014           | 100                | 46.32       | 2015           | 90                 | 53.68       | —                    |
| Seychelles                 | 2013           | 31                 | 36.49       | 2014           | 63                 | 63.51       | n/a                  |
| Sierra Leone               | 2014           | 92                 | 44.21       | 2015           | 98                 | 55.79       | —                    |
| Singapore                  | 2014           | 163                | 44.85       | 2015           | 165                | 55.15       | 57.58                |
| Slovak Republic            | 2014           | 85                 | 46.90       | 2015           | 73                 | 53.10       | 98.63                |
| Slovenia                   | 2014           | 84                 | 42.95       | 2015           | 99                 | 57.05       | 49.49                |
| <b>South Africa</b>        | 2014           | 58                 | 46.85       | 2015           | 50                 | 53.15       | 100.00               |
| Spain                      | 2014           | 76                 | 43.75       | 2015           | 84                 | 56.25       | 95.24                |
| Sri Lanka                  | 2014           | 97                 | 44.62       | 2015           | 100                | 55.38       | —                    |
| Swaziland                  | 2014           | 32                 | 45.00       | 2015           | 32                 | 55.00       | 68.75                |
| Sweden                     | 2014           | 62                 | 43.85       | 2015           | 68                 | 56.15       | 98.53                |
| <b>Switzerland</b>         | 2014           | 73                 | 45.52       | 2015           | 70                 | 54.48       | 100.00               |
| Taiwan, China              | 2014           | 83                 | 41.73       | 2015           | 108                | 58.27       | 51.85                |
| Tajikistan                 | 2014           | 97                 | 44.49       | 2015           | 101                | 55.51       | —                    |
| Tanzania                   | 2014           | 96                 | 45.00       | 2015           | 96                 | 55.00       | —                    |
| Thailand                   | 2014           | 101                | 43.93       | 2015           | 110                | 56.07       | 99.09                |
| <b>Trinidad and Tobago</b> | 2014           | 165                | 46.61       | 2015           | 145                | 53.39       | 100.00               |
| Tunisia                    | 2014           | 85                 | 44.57       | 2015           | 88                 | 55.43       | 89.77                |
| Turkey                     | 2014           | 88                 | 45.73       | 2015           | 83                 | 54.27       | 30.12                |
| Uganda                     | 2014           | 90                 | 44.19       | 2015           | 96                 | 55.81       | —                    |
| Ukraine                    | 2014           | 105                | 45.00       | 2015           | 105                | 55.00       | 0.95                 |
| United Arab Emirates       | 2012           | 169                | 45.92       | 2014           | 157                | 54.08       | n/a                  |
| <b>United Kingdom</b>      | 2014           | 79                 | 44.23       | 2015           | 84                 | 55.77       | 100.00               |
| <b>United States</b>       | 2014           | 369                | 42.31       | 2015           | 458                | 57.69       | 100.00               |
| Uruguay                    | 2014           | 99                 | 46.47       | 2015           | 88                 | 53.53       | 60.23                |
| <b>Venezuela</b>           | 2014           | 40                 | 40.83       | 2015           | 56                 | 59.17       | 100.00               |
| Vietnam                    | 2014           | 95                 | 42.09       | 2015           | 120                | 57.91       | 8.33                 |
| Zambia                     | 2014           | 67                 | 42.79       | 2015           | 80                 | 57.21       | —                    |
| Zimbabwe                   | 2014           | 46                 | 43.47       | 2015           | 52                 | 56.53       | 46.15                |

Note: Bold typeface identifies economies where the Survey was conducted entirely online. All statistics are computed following the editing of the data; see text for details. "n/a" indicates that this information is not provided for economies for which 2015 data are not available; "—" indicates that there was no online administration of the Survey.

\* Weight applied to the country score in that edition of the Survey; see Box 3 for details.

of the country they are assessing based on international comparison.

In the context of the GCI revision (see Chapter 1.2), the Survey was entirely reviewed in the Fall of 2014, resulting in a streamlined and shortened questionnaire that also aims to better capture the concepts included in the GCI.

With such ongoing efforts in the realm of survey administration best practice, the Forum's competitiveness team continues to improve processes to achieve greater data accuracy and heightened comparability across economies. Further details about the Survey's statistics and weightings can be seen in Table 2.

## DATA TREATMENT AND SCORE COMPUTATION

This section details the process whereby individual responses are edited and aggregated in order to produce the scores of each economy on each individual question of the Survey. These results, together with other indicators obtained from other sources, feed into the GCI and other research projects.<sup>4</sup>

### Data editing

Prior to aggregation, the respondent-level data are subjected to a careful editing process. A first series of tests is run to identify and exclude those surveys whose patterns of answers demonstrate a lack of sufficient focus on the part of the respondents. Surveys with at least 80 percent of the same answers are excluded. Surveys with a completion rate inferior to 50 percent are excluded.<sup>5</sup> The very few cases of duplicate surveys—which can occur, for example, when a completed survey is both completed online and mailed in—are also excluded in this phase.

In a second step, a multivariate test is applied to the data using the Mahalanobis distance method. This test estimates the probability that an individual survey in a specific country “belongs” to the sample of that country by comparing the pattern of answers of that survey against the average pattern of answers in the country sample.

More specifically, the Mahalanobis distance test estimates the likelihood that one particular point of  $N$  dimensions belongs to a set of such points. One single survey made up of  $N$  answers can be viewed as the point of  $N$  dimensions, while a particular country sample  $c$  is the set of points. The Mahalanobis distance is used to compute the probability that any individual survey  $i$  does not belong to the sample  $c$ . If the probability is high enough—we use 99.9 percent as the threshold—we conclude that the survey is a clear outlier and does not “belong” to the sample. The implementation of this test requires that the number of responses in a country be greater than the number of answers,  $N$ , used in the

test. The test uses 50 core questions, selected by their relevance and placement in the Survey instrument.

A univariate outlier test is then applied at the country level for each question of each survey. We use the standardized score—or “z-score”—method, which indicates by how many standard deviations any one individual answer deviates from the mean of the country sample. Individual answers with a standardized score  $Z_{i,q,c}$  greater than 3 are dropped.

### Aggregation and computation of country averages

We use a simple average to compute scores of all countries.<sup>6</sup> Therefore, every individual response carries the same implicit weight.

Formally, the country average of a Survey indicator  $i$  for country  $c$ , denoted  $q_{i,c}$ , is computed as follows:

$$q_{i,c} = \frac{\sum_j^{N_{i,c}} q_{i,c,j}}{N_{i,c}}$$

where

$q_{i,c,j}$  is the answer to question  $i$  in country  $c$  from respondent  $j$ ; and

$N_{i,c}$  is the number of respondents to question  $i$  in country  $c$ .

### Moving average and computation of country scores

As a final step, the country averages for 2015 are combined with the 2014 averages to produce the country scores that are used for the computation of the GCI 2015–2016 and for other projects.

This moving average technique, introduced in 2007, consists of taking a weighted average of the most recent year's Survey results together with a discounted average of the previous year. There are several reasons for doing this. First, it makes results less sensitive to the specific point in time when the Survey is administered. Second, it increases the amount of available information by providing a larger sample size. Additionally, because the Survey is carried out during the first quarter of the year, the average of the responses in the first quarter of 2014 and first quarter of 2015 better aligns the Survey data with many of the data indicators from sources other than the Survey, which are often year-average data.

To calculate the moving average, we use a weighting scheme composed of two overlapping elements. On one hand, we want to give each response an equal weight and, therefore, place more weight on the year with the larger sample size. At the same time, we would like to give more weight to the most recent responses because they contain more updated information. That is, we also “discount the past.” Table 2 reports the exact weights used in the computation of the scores of each country, while Box 3 details the methodology and provides a clarifying example.

### Box 3: Score calculation

This box presents the method applied to compute the country scores for the vast majority of economies included in *The Global Competitiveness Report 2015–2016* (see text for exceptions).

For any given Survey question  $i$ , country  $c$ 's final score,  $q_{i,c}^{2014-15}$ , is given by:

$$q_{i,c}^{2014-15} = w_c^{2014} \times q_{i,c}^{2014} + w_c^{2015} \times q_{i,c}^{2015} \quad (1)$$

where

$q_{i,c}^t$  is country  $c$ 's score on question  $i$  in year  $t$ , with  $t = 2014, 2015$ , as computed following the approach described in the text; and

$w_c^t$  is the weight applied to country  $c$ 's score in year  $t$  (see below).

The weights for each year are determined as follows:

$$w_c^{2014} = \frac{(1-\alpha) + \frac{N_c^{2014}}{N_c^{2014} + N_c^{2015}}}{2} \quad (2a)$$

and

$$w_c^{2015} = \frac{\alpha + \frac{N_c^{2015}}{N_c^{2014} + N_c^{2015}}}{2} \quad (2b)$$

where  $N_c^t$  is the sample size (i.e., the number of respondents) for country  $c$  in year  $t$ , with  $t = 2014, 2015$ .  $\alpha$  is a discount factor. Its value is set at 0.6. That is, the 2014 score of country  $c$  is given 2/3 of the weight given to the 2015 score.

Plugging Equations (2a) and (2b) into (1) and rearranging yields:

$$q_{i,c}^{2014-15} = \frac{1}{2} \times \underbrace{\left[ (1-\alpha) \times q_{i,c}^{2014} + \alpha \times q_{i,c}^{2015} \right]}_{\text{discounted-past weighted average}} + \frac{1}{2} \times \underbrace{\left[ \frac{N_c^{2014}}{N_c^{2014} + N_c^{2015}} \times q_{i,c}^{2014} + \frac{N_c^{2015}}{N_c^{2014} + N_c^{2015}} \times q_{i,c}^{2015} \right]}_{\text{sample-size weighted average}}. \quad (3)$$

In Equation (3), the first component of the weighting scheme is the discounted-past weighted average. The second component is the sample-size weighted average. The two components are given half-weight each. One additional characteristic of this approach is that it prevents a country sample that is much larger in one year from overwhelming the smaller sample from the other year.

The formula is easily generalized. For any two consecutive editions  $t_1$  and  $t_2$  of the Survey, country  $c$ 's final score on question  $i$  is computed as follows:

$$q_{i,c}^{t_1-t_2} = \frac{1}{2} \times \left[ (1-\alpha) \times q_{i,c}^{t_1} + \alpha \times q_{i,c}^{t_2} \right] + \frac{1}{2} \times \left[ \frac{N_c^{t_1}}{N_c^{t_1} + N_c^{t_2}} \times q_{i,c}^{t_1} + \frac{N_c^{t_2}}{N_c^{t_1} + N_c^{t_2}} \times q_{i,c}^{t_2} \right]. \quad (4)$$

(Cont'd.)

### Trend analysis and exceptions

The two tests described above address variability issues among individual responses in a country. Yet they were not designed to track the evolution of country scores across time. We therefore carry out an analysis to assess the reliability and consistency of the Survey data over time. As part of this analysis, we run an inter-quartile range test, or IQR test, to identify large swings—positive and negative—in the country scores. More specifically, for each country we compute the year-on-year difference,  $d$ , in the average score of a core set of 66 Survey questions. We then compute the inter-quartile range (i.e., the difference between the 25th percentile and the 75th percentile), denoted  $IQR$ , of the sample of 140 economies. Any value  $d$  lying outside the range bounded by the 25th percentile minus 1.5 times  $IQR$  and the 75th percentile plus 1.5 times  $IQR$  is identified as a potential outlier. Formally, we have:

$$\begin{cases} \text{lower bound} = Q1 - 1.5 \times IQR \\ \text{upper bound} = Q3 + 1.5 \times IQR \end{cases}$$

where

$Q1$  and  $Q3$  correspond to the 25th and 75th percentiles of the sample, respectively, and  $IQR$  is the difference between these two values.

This test allows for the identification of countries, which display overly large upward or downward swings or repeated and significant changes over several editions. The IQR test is complemented by a series of additional empirical tests, including an analysis of five-year trends and a comparison of changes in the Survey results with changes in other indicators capturing similar concepts. We also conduct interviews of local experts

### Box 3: Score calculation (cont'd.)

#### Exceptions

As described in the text, there are a number of exceptions to the approach described above. In describing them below, we use actual years—rather than letters—in equations for the sake of concreteness.

In the case of Survey questions that were introduced in 2015, where, by definition, no past data exist, the weight applied to the 2014 score is  $w_c^{2014} = 0$  and the weight applied to the 2015 score is  $w_c^{2015} = 1$ . Equation (1) simply is  $q_{ic}^{2014-15} = q_{ic}^{2015}$ . The same is true for the countries that were reinstated in 2015, namely Benin, Bosnia and Herzegovina, Ecuador, and Liberia. In this case, we have  $q_{ic}^{2014-15} = q_{ic}^{2015}$ .

In the case of countries for which the 2015 data was discarded, we rely on the results from last year's edition as a proxy.<sup>1</sup> They were calculated using Equation (1), but instead of using the 2014 and 2015 editions of the Survey, they were derived from the 2013 and 2014 editions, respectively. Therefore, we have  $q_{ic}^{2013, 2014} = w_c^{2013} \times q_{ic}^{2013} + w_c^{2014} \times q_{ic}^{2014}$ .

Finally, in the case of countries whose data failed the inter-year robustness check last year and for which the 2014 data were discarded, we use the Survey data from 2013 instead, and combine them with those of 2015 to compute the scores. Equation (1) then becomes:  $q_{ic}^{2013, 2015} = w_c^{2013} \times q_{ic}^{2013} + w_c^{2015} \times q_{ic}^{2015}$ .

#### Example of score computation

For this example, we compute the score of the United States for indicator 12.08 Quality of research institutions, which is derived from the following Survey question: "In your country, how do you assess the quality of scientific research institutions? [1 = extremely poor—among the worst in the world; 7 = extremely good—among the best in the world]." This question is *not* a new Survey question and the United States did not fail the inter-year robustness test either this year or last year. Therefore, we apply the normal treatment, using Equation (1). The United States' score was 6.14 in 2014 and 6.07 in 2015. The weighting scheme described above indicates how the two scores are combined. In the United States, the size of the sample was 369 in 2014 and 458 in 2015. Using  $\alpha = 0.6$  and applying Equations (2a) and (2b) yields weights of 42.3 percent for 2014 and 57.7 percent for 2015 (see Table 2). The final country score for this question is therefore:

$$\underbrace{0.423 \times 6.14}_{2014} + \underbrace{0.577 \times 6.07}_{2015} = 6.10.$$

This is the final score used in the computation of the GCI. Although numbers are rounded to two decimal places in this example and to one decimal place in the United States' country profile on page 360 exact figures are used in all calculations.

#### Note

- 1 This represents a change from the past. Until now, in this situation, only the results from the previous edition of the *Report* would be used.

and consider the latest developments in a country in order to assess the plausibility of the Survey results.

Based on the result of this test and additional qualitative analysis, and in light of the developments in these respective countries, it was decided to not use the data collected in Azerbaijan, Burundi, Guinea, the Russian Federation, Seychelles, and the United Arab Emirates. In those cases, we use the results from last year, which were derived from the results of the 2013 and 2014 editions, or the previous year (see the exceptions section in Box 3). Although this remains a remedial measure, we will continue to investigate the situation over the coming months in an effort to better understand the Survey data in these countries. This measure does not imply that the Partner Institutes have not implemented the Survey according the sampling guidelines.

Last year, the same analysis resulted in the Survey data of Rwanda being dismissed. This year, as an intermediate step toward the re-establishment of the standard computation method, we used a weighted average of the Survey data of 2013 and 2015 for Rwanda.

## CONCLUSIONS

The first of the World Economic Forum's *Global Competitiveness Reports* was launched in 1979. That first report also relied on survey data for complementing information not otherwise available. Today, the Executive Opinion Survey—also known as the "Voice of the Business Community"—has become one of the largest executive polls of its kind, collecting the perceptions of over 14,000 business executives in more than 140 countries worldwide. As described in this chapter, the insight into critical drivers of a country's development provided by the survey is not available from other sources. Drawing on investment decision makers of each country allows for a relevant and unique portrait of the business operating environment of each economy covered in this *Report*. As with all perception data, it is crucial to employ stringent processes while administering the survey in each country in order to collect a representative sample of the country's economic structure as well as minimizing the risk of cultural bias. For this reason, the Forum works closely with its network of over 160 Partner Institutes to carry out the Survey at a national level. Therefore, along with the data-editing



measures described in the second part of this chapter, the strong collaboration with the Partner Institutes and their commitment to following the guidelines is essential. Together these allow us to deliver this unique and strong dataset feeding into *The Global Competitiveness Report 2015–2016*.

## NOTES

- 1 The World Economic Forum's Competitiveness and Risks Team would like to acknowledge Research Now for carrying out the Executive Opinion Survey 2015 in the United States, following the detailed sampling guidelines. Furthermore, Research Now supplemented a sample in Germany.
- 2 *Company size* is defined as the number of employees of the firm in the country of the Survey respondent. The company size value used for delineating the large and small company sample frames varies across countries. The size value tracks closely with the overall size of the economy. Adjustments were made to the value based on searches in company directories and data gathered through the administration of the Survey in past years.
- 3 In order to reach the required number of surveys in each country (80 for most economies and 300 for the BRICS countries and the United States), a Partner Institute uses the response rate from previous years.
- 4 The *results* are the scores obtained by each economy in the various questions of the Survey. The two terms are used interchangeably throughout the text.
- 5 The *completion rate* is the proportion of answered questions among a subset of questions in the survey instrument. These 117 core questions are all numerical questions of sections III through XI.
- 6 Until 2013, we used a sector-weighted average was used for computing country scores. Since 2014, we have used a simple average. Refer to Chapter 1.3 of *The Global Competitiveness Report 2014–2015* for a detailed discussion about this evolution of the methodology.

## REFERENCE

- Browne, C., A. Di Battista, T. Geiger, and T. Gutknecht. 2014. "The Executive Opinion Survey: The Voice of the Business Community." *The Global Competitiveness Report 2014–2015*. Geneva: World Economic Forum. 85–96.



# Part 2

## Country/Economy Profiles



# How to Read the Country/Economy Profiles

The Country/Economy Profiles section presents a two-page profile for each of the 140 economies covered in *The Global Competitiveness Report 2015–2016*.

## PAGE 1

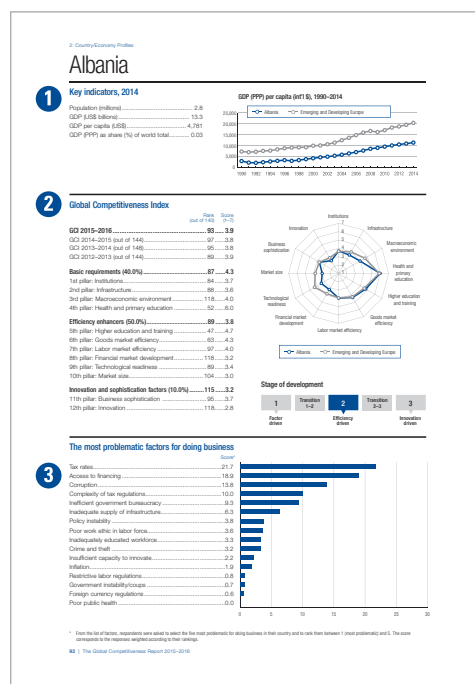
### 1 Key indicators

The first section presents a selection of key indicators for the economy under review. All data in this section are sourced from the April 2015 edition of the International Monetary Fund (IMF)'s *World Economic Outlook (WEO) Database*:

- Population (in millions).
- Gross domestic product (GDP) in billions and GDP per capita, both expressed in US dollars and valued at current prices.
- The chart on the upper right-hand side displays the evolution of GDP per capita at purchasing power parity (PPP) from 1990 through 2014 (or the period for which data are available) for the economy under review (blue line). The gray line plots the GDP-weighted average of GDP per capita of the group of economies to which the economy under review belongs. We draw on the IMF's classification (as defined in the April 2015 edition of the WEO), which divides the world into six regions: Emerging and Developing Europe; the Commonwealth of Independent States (CIS), which includes Georgia although it is not a CIS member; Emerging and Developing Asia; Middle East, North Africa, and Pakistan region (MENAP);<sup>1</sup> Sub-Saharan Africa; and Latin America and the Caribbean. Finally, advanced economies form a group of their own. For more information regarding the classification and the data, visit [www.imf.org/weo](http://www.imf.org/weo).

### 2 Global Competitiveness Index

This section details the economy's performance on the main components of the Global Competitiveness Index (GCI). The first column shows the country's rank among the 140 economies included in the Index, while the second column presents its score. The percentage contribution to the overall GCI score of each subindex



score is reported next to the subindex name. These weights vary depending on the country's stage of development. For more information on the methodology of the GCI, refer to Chapter 1.1.

On the right-hand side, a chart shows the country's performance in the 12 pillars of the GCI (blue line) measured against the average scores across all the economies at the same stage of development (gray line).

### 3 The most problematic factors for doing business

This chart summarizes those factors seen by business executives as the most problematic for doing business in their economy. The information is drawn from the 2015 edition of the World Economic Forum's Executive Opinion Survey (the Survey), with the exception of Azerbaijan, Burundi, Guinea, Seychelles, the Russian Federation, and the United Arab Emirates, for which responses from the 2014 Survey have been used. From a list of 16 factors, respondents were asked to select the five most problematic and rank them from 1 (most problematic) to 5. The results were then tabulated and weighted according to the ranking assigned by respondents. See Chapter 1.3 for details.

## PAGE 2

## 4 The Global Competitiveness Index in detail

This page details the country's performance on each of the indicators entering the composition of the GCI. Indicators are organized by pillar. For indicators entering the GCI in two different pillars, only the first instance is shown on this page.

- INDICATOR, UNITS:** This column contains the title of each indicator and, where relevant, the unit in which it is measured—for example, “days” or “% GDP.” Indicators that are not derived from the Survey are identified by an asterisk (\*). Indicators derived from the Survey are always expressed as scores on a 1–7 scale, with 7 being the most desirable outcome.
- VALUE:** This column reports the country's score on each of the variables that compose the GCI.
- RANK/140:** This column reports the country's position among the 140 economies covered by the GCI 2014–2015. The ranks of those indicators that constitute a notable competitive advantage are highlighted in blue bold typeface (except for inflation). Competitive advantages are defined as follows:
  - For those economies ranked in the top 10 in the overall GCI, individual indicators ranked from 1 through 10 are considered to be advantages. For instance, in the case of Germany—which is ranked 4th overall—its 5th rank on indicator 12.01 *Capacity for innovation* makes this indicator a competitive advantage.
  - For those economies ranked from 11 through 50 in the overall GCI, variables ranked higher than the economy's own rank are considered to be advantages. In the case of Iceland, ranked 29th overall, its rank of 11 on indicator 7.10 *Female participation in the labor force* makes this indicator a competitive advantage.
  - For those economies ranked lower than 50th in the overall GCI, any individual indicators with a rank of 50 or better are considered to be advantages. For Cambodia, ranked 90th overall, indicator 2.08 *Mobile-cellular telephone subscriptions*, where the country ranks 19th, constitutes a competitive advantage.

D Country/Economy Profile

Albania

4

The Global Competitiveness Index in detail

| Indicator                                               | Value | Rank | Indicator                                              | Value | Rank |  |
|---------------------------------------------------------|-------|------|--------------------------------------------------------|-------|------|--|
| <b>1st pillar: Infrastructure</b>                       |       |      |                                                        |       |      |  |
| 1.01 Property rights                                    | 5.0   | 130  | 6.06 No procedure to start a business                  | 5     | 39   |  |
| 1.02 Intellectual property protection                   | 3.0   | 130  | 6.07 No steps to open a business                       | 4.5   | 144  |  |
| 1.03 Ownership of public funds                          | 3.0   | 130  | 6.08 Agricultural policy costs                         | 4.5   | 145  |  |
| 1.04 Public trust in institutions                       | 2.0   | 82   | 6.09 Presence of long-term business                    | 3.0   | 110  |  |
| 1.05 Insurance payments and claims                      | 3.7   | 79   | 6.10 Trade tariffs, % duty                             | 2.4   | 139  |  |
| 1.06 Judicial independence                              | 2.0   | 130  | 6.11 Presence of foreign currency                      | 3.4   | 102  |  |
| 1.07 Functioning in decision of government officials    | 3.4   | 101  | 6.12 Business impact of rules on FDI                   | 4.4   | 78   |  |
| 1.08 Effectiveness of government spending               | 3.0   | 84   | 6.13 Quality of infrastructure                         | 4.5   | 145  |  |
| 1.09 Number of government regulations                   | 4.5   | 48   | 6.14 Progress in e-government                          | 3.0   | 110  |  |
| 1.10 Efficiency of legal framework in settling disputes | 3.8   | 121  | 6.15 Degree of customer orientation                    | 3.4   | 103  |  |
| 1.11 Efficiency of legal framework in managing risks    | 3.0   | 130  | 6.16 Basic infrastructure                              | 3.0   | 110  |  |
| 1.12 Transparency of government policymaking            | 4.5   | 48   | <b>2nd pillar: Labor market efficiency</b>             |       |      |  |
| 1.13 Business costs of resources                        | 4.7   | 40   | 7.01 Cooperation in labor market relations             | 5.0   | 27   |  |
| 1.14 Business costs of crime and violence               | 4.8   | 33   | 7.02 Flexibility of wage determination                 | 4.4   | 110  |  |
| 1.15 Occupational crime                                 | 4.4   | 54   | 7.03 Hiring and firing practices                       | 3.7   | 84   |  |
| 1.16 Reliability of police services                     | 3.7   | 84   | 7.04 Redundancy costs, weeks of salary                 | 3.0   | 110  |  |
| 1.17 Effectiveness of firms                             | 3.0   | 130  | 7.05 Effect of position on incentives to work          | 3.0   | 110  |  |
| 1.18 Strength of auditing and reporting standards       | 4.5   | 48   | 7.06 Pay and productivity                              | 4.4   | 78   |  |
| 1.19 Effectiveness of corporate governance              | 4.5   | 48   | 7.07 Financial and operational management              | 4.4   | 78   |  |
| 1.20 Effectiveness of corporate governance: employees   | 4.5   | 48   | 7.08 Country capacity to retain talent                 | 3.8   | 109  |  |
| 1.21 Strength of investor protection, 0–10 (best)       | 7.3   | 4    | 7.09 Country capacity to attract talent                | 5.0   | 110  |  |
| <b>2nd pillar: Infrastructure</b>                       |       |      |                                                        |       |      |  |
| 2.01 Quality of postal infrastructure                   | 3.0   | 130  | 7.10 Women in labor force, ratio to men                | 0.70  | 95   |  |
| 2.02 Quality of roads                                   | 4.5   | 48   | <b>3rd pillar: Financial market development</b>        |       |      |  |
| 2.03 Quality of railroad infrastructure                 | 1.0   | 137  | 8.01 Availability of financial services                | 3.7   | 103  |  |
| 2.04 Quality of port infrastructure                     | 4.2   | 62   | 8.02 Affordability of financial services               | 3.7   | 103  |  |
| 2.05 Quality of air transport infrastructure            | 4.7   | 35   | 8.03 Financing through local stock markets             | 1.0   | 140  |  |
| 2.06 Available credit and services, million             | 18.8  | 124  | 8.04 Risk of currency in crisis                        | 1.0   | 140  |  |
| 2.07 Quality of electricity supply                      | 4.7   | 31   | 8.05 Venture capital availability                      | 1.0   | 140  |  |
| 2.08 Mobile telephone subscriptions/100 pop             | 19.2  | 38   | 8.06 Availability of foreign exchange                  | 3.7   | 103  |  |
| 2.09 Fixed telephone lines/100 pop                      | 7.8   | 30   | 8.07 Regulation of securities exchanges                | 3.7   | 103  |  |
| <b>3rd pillar: Macroeconomic environment</b>            |       |      |                                                        |       |      |  |
| 3.01 Government budget balance, % GDP                   | -0.6  | 117  | 8.08 Long-term index, 0–10 (best)                      | 7     | 34   |  |
| 3.02 Gross national savings, % GDP                      | 17.0  | 34   | <b>3rd pillar: Technological readiness</b>             |       |      |  |
| 3.03 Inflation, annual, % change                        | 1.6   | 4    | 9.01 Availability of state technologies                | 3.0   | 110  |  |
| 3.04 General government debt, % GDP                     | 70.6  | 110  | 9.02 Private technology absorption                     | 4.4   | 110  |  |
| 3.05 Country credit rating, 0–100 (best)                | 86.0  | 47   | 9.03 FDI and technology transfer                       | 4.5   | 69   |  |
| <b>4th pillar: Health and primary education</b>         |       |      |                                                        |       |      |  |
| 4.01 Health index 0–100 (best)                          | 52.1  | 104  | 9.04 Healthcare usage, % of population                 | 4.5   | 69   |  |
| 4.02 Business impact of malaria                         | N/A   | N/A  | 9.05 Internet bandwidth, kbps per user                 | 35.1  | 78   |  |
| 4.03 Telemedicine usage/100 pop                         | 0.0   | 139  | 9.06 Mobile broadband subscriptions/100 pop            | 39.0  | 80   |  |
| 4.04 Business impact of tuberculosis                    | 6.2   | 49   | <b>10th pillar: Market size</b>                        |       |      |  |
| 4.05 HIV prevalence, % total pop                        | 0.1   | 4    | 10.01 Domestic market size index, 1–7 (best)           | 2.7   | 102  |  |
| 4.06 Business impact of HIV/AIDS                        | 6.3   | 48   | 10.02 Foreign market size index, 1–7 (best)            | 3.7   | 100  |  |
| 4.07 Infant mortality, deaths/100 live births           | 13.3  | 90   | 10.03 GDP PPP/100 pop                                  | 31.6  | 107  |  |
| 4.08 Life expectancy, years                             | 77.8  | 38   | 10.04 Economic growth, % change/100 pop                | 3.0   | 110  |  |
| 4.09 Quality of primary education                       | 4.8   | 33   | <b>11th pillar: Business sophistication</b>            |       |      |  |
| 4.10 Primary education enrollment, net %                | 91.2  | 29   | 11.01 Local supplier quality                           | 4.8   | 27   |  |
| <b>5th pillar: Higher education and training</b>        |       |      |                                                        |       |      |  |
| 5.01 Secondary education enrollment, gross %            | 88.4  | 39   | 11.02 Local supplier quality                           | 3.9   | 89   |  |
| 5.02 Tertiary education enrollment, gross %             | 65.0  | 49   | 11.03 State of science development                     | 3.0   | 110  |  |
| 5.03 Quality of the education system                    | 4.5   | 48   | 11.04 Nature of competitive advantage                  | 3.0   | 110  |  |
| 5.04 Quality of trade and technical education           | 4.8   | 31   | 11.05 Control of international distribution            | 3.4   | 100  |  |
| 5.05 Quality of management schools                      | 4.8   | 31   | 11.06 Production process sophistication                | 4.1   | 87   |  |
| 5.06 Innovation in schools                              | 4.8   | 31   | 11.07 Export of technology                             | 3.8   | 97   |  |
| 5.07 Availability of specialized training services      | 4.8   | 31   | 11.08 Willingness to delegate authority                | 3.8   | 97   |  |
| 5.08 Extent of staff training                           | 4.8   | 31   | <b>12th pillar: Innovation</b>                         |       |      |  |
| <b>6th pillar: Goods market efficiency</b>              |       |      |                                                        |       |      |  |
| 6.01 Diversity of local competition                     | 4.0   | 124  | 12.01 Quality of scientific research institutions      | 3.0   | 137  |  |
| 6.02 Extent of market dominance                         | 3.8   | 130  | 12.02 Company spending on R&D                          | 2.0   | 140  |  |
| 6.03 Effectiveness of anti-monopoly policy              | 3.0   | 132  | 12.03 University collaboration in R&D                  | 2.0   | 140  |  |
| 6.04 Effect of taxation on incentives to invest         | 3.2   | 135  | 12.04 Government procurement of advanced tech products | 3.0   | 139  |  |
| 6.05 Trade costs, % tariff                              | 30.7  | 40   | 12.05 Availability of scientists and engineers         | 3.0   | 139  |  |
|                                                         |       |      | 12.06 FDI patents, applications/100 pop                | 3.0   | 139  |  |

Source: World Economic Forum (WEF) Global Competitiveness Index (GCI) 2014–2015. For further details on methodology and data sources, see the section "How We Built the GCI" in the GCI 2014–2015 report.

See the Country/Economy Profile on page 49.

The Global Competitiveness Report 2014–2015 | 63

Notes: Values are on a 1 to 7 scale unless otherwise indicated with an asterisk (\*). For further details and explanations, please refer to the section "How to Read the Global Competitiveness Index" on page 10.

The Global Competitiveness Report 2015–2016 | 89

## ONLINE DATA PORTAL

In addition to the analysis presented in this *Report*, an interactive data platform can be accessed via [www.weforum.org/gcr](http://www.weforum.org/gcr). The platform offers a number of analytical and visualization tools, including sortable rankings, scatter plots, bar charts, and maps, as well as the option of downloading portions of the GCI data set.

## NOTE

- The IMF refers to this region as “Middle East, North Africa, Afghanistan, and Pakistan.” However, because Afghanistan is not covered in this *Report*, the shorter formulation was adopted.



# Index of Country/Economy Profiles

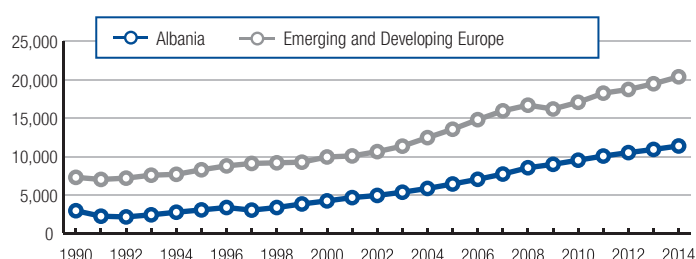
| Country/Economy        | Page | Country/Economy    | Page | Country/Economy      | Page |
|------------------------|------|--------------------|------|----------------------|------|
| Albania                | 92   | Guinea             | 186  | Nicaragua            | 280  |
| Algeria                | 94   | Guyana             | 188  | Nigeria              | 282  |
| Argentina              | 96   | Haiti              | 190  | Norway               | 284  |
| Armenia                | 98   | Honduras           | 192  | Oman                 | 286  |
| Australia              | 100  | Hong Kong SAR      | 194  | Pakistan             | 288  |
| Austria                | 102  | Hungary            | 196  | Panama               | 290  |
| Azerbaijan             | 104  | Iceland            | 198  | Paraguay             | 292  |
| Bahrain                | 106  | India              | 200  | Peru                 | 294  |
| Bangladesh             | 108  | Indonesia          | 202  | Philippines          | 296  |
| Belgium                | 110  | Iran, Islamic Rep. | 204  | Poland               | 298  |
| Benin                  | 112  | Ireland            | 206  | Portugal             | 300  |
| Bhutan                 | 114  | Israel             | 208  | Qatar                | 302  |
| Bolivia                | 116  | Italy              | 210  | Romania              | 304  |
| Bosnia and Herzegovina | 118  | Jamaica            | 212  | Russian Federation   | 306  |
| Botswana               | 120  | Japan              | 214  | Rwanda               | 308  |
| Brazil                 | 122  | Jordan             | 216  | Saudi Arabia         | 310  |
| Bulgaria               | 124  | Kazakhstan         | 218  | Senegal              | 312  |
| Burundi                | 126  | Kenya              | 220  | Serbia               | 314  |
| Cambodia               | 128  | Korea, Rep.        | 222  | Seychelles           | 316  |
| Cameroon               | 130  | Kuwait             | 224  | Sierra Leone         | 318  |
| Canada                 | 132  | Kyrgyz Republic    | 226  | Singapore            | 320  |
| Cape Verde             | 134  | Lao PDR            | 228  | Slovak Republic      | 322  |
| Chad                   | 136  | Latvia             | 230  | Slovenia             | 324  |
| Chile                  | 138  | Lebanon            | 232  | South Africa         | 326  |
| China                  | 140  | Lesotho            | 234  | Spain                | 328  |
| Colombia               | 142  | Liberia            | 236  | Sri Lanka            | 330  |
| Costa Rica             | 144  | Lithuania          | 238  | Swaziland            | 332  |
| Côte d'Ivoire          | 146  | Luxembourg         | 240  | Sweden               | 334  |
| Croatia                | 148  | Macedonia, FYR     | 242  | Switzerland          | 336  |
| Cyprus                 | 150  | Madagascar         | 244  | Taiwan, China        | 338  |
| Czech Republic         | 152  | Malawi             | 246  | Tajikistan           | 340  |
| Denmark                | 154  | Malaysia           | 248  | Tanzania             | 342  |
| Dominican Republic     | 156  | Mali               | 250  | Thailand             | 344  |
| Ecuador                | 158  | Malta              | 252  | Trinidad and Tobago  | 346  |
| Egypt                  | 160  | Mauritania         | 254  | Tunisia              | 348  |
| El Salvador            | 162  | Mauritius          | 256  | Turkey               | 350  |
| Estonia                | 164  | Mexico             | 258  | Uganda               | 352  |
| Ethiopia               | 166  | Moldova            | 260  | Ukraine              | 354  |
| Finland                | 168  | Mongolia           | 262  | United Arab Emirates | 356  |
| France                 | 170  | Montenegro         | 264  | United Kingdom       | 358  |
| Gabon                  | 172  | Morocco            | 266  | United States        | 360  |
| Gambia, The            | 174  | Mozambique         | 268  | Uruguay              | 362  |
| Georgia                | 176  | Myanmar            | 270  | Venezuela            | 364  |
| Germany                | 178  | Namibia            | 272  | Vietnam              | 366  |
| Ghana                  | 180  | Nepal              | 274  | Zambia               | 368  |
| Greece                 | 182  | Netherlands        | 276  | Zimbabwe             | 370  |
| Guatemala              | 184  | New Zealand        | 278  |                      |      |

# Albania

## Key indicators, 2014

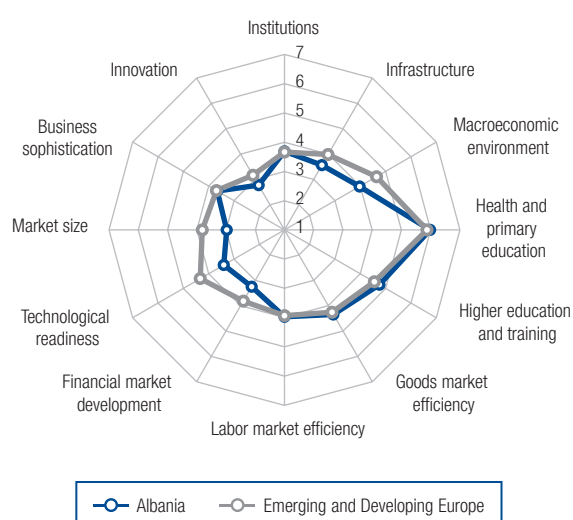
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 2.8   |
| GDP (US\$ billions).....                   | 13.3  |
| GDP per capita (US\$).....                 | 4,781 |
| GDP (PPP) as share (%) of world total..... | 0.03  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

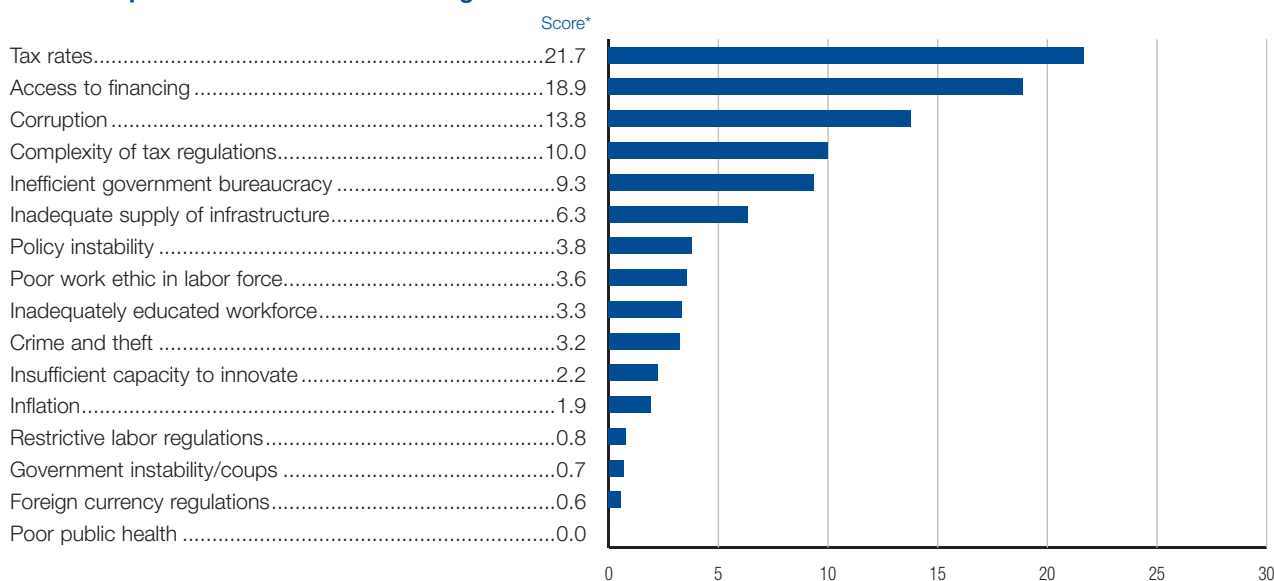
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>93</b>            | <b>3.9</b>     |
| GCI 2014–2015 (out of 144).....                            | 97                   | 3.8            |
| GCI 2013–2014 (out of 148).....                            | 95                   | 3.8            |
| GCI 2012–2013 (out of 144).....                            | 89                   | 3.9            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>87</b>            | <b>4.3</b>     |
| 1st pillar: Institutions.....                              | 84                   | 3.7            |
| 2nd pillar: Infrastructure.....                            | 88                   | 3.6            |
| 3rd pillar: Macroeconomic environment.....                 | 118                  | 4.0            |
| 4th pillar: Health and primary education.....              | 52                   | 6.0            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>89</b>            | <b>3.8</b>     |
| 5th pillar: Higher education and training.....             | 47                   | 4.7            |
| 6th pillar: Goods market efficiency.....                   | 63                   | 4.3            |
| 7th pillar: Labor market efficiency.....                   | 97                   | 4.0            |
| 8th pillar: Financial market development.....              | 118                  | 3.2            |
| 9th pillar: Technological readiness.....                   | 89                   | 3.4            |
| 10th pillar: Market size.....                              | 104                  | 3.0            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>115</b>           | <b>3.2</b>     |
| 11th pillar: Business sophistication.....                  | 95                   | 3.7            |
| 12th pillar: Innovation.....                               | 118                  | 2.8            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Albania

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE       | RANK/140 |
|---------------------------------------------------------------|-------------|----------|
| <b>1st pillar: Institutions</b>                               |             |          |
| 1.01 Property rights .....                                    | 3.0 .....   | 130      |
| 1.02 Intellectual property protection .....                   | 3.2 .....   | 110      |
| 1.03 Diversion of public funds .....                          | 3.2 .....   | 75       |
| 1.04 Public trust in politicians .....                        | 2.6 .....   | 92       |
| 1.05 Irregular payments and bribes .....                      | 3.7 .....   | 79       |
| 1.06 Judicial independence .....                              | 2.6 .....   | 120      |
| 1.07 Favoritism in decisions of government officials .....    | 3.4 .....   | 51       |
| 1.08 Wastefulness of government spending .....                | 3.3 .....   | 64       |
| 1.09 Burden of government regulation .....                    | 4.5 .....   | 9        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.8 .....   | 121      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.9 .....   | 108      |
| 1.12 Transparency of government policymaking .....            | 4.3 .....   | 53       |
| 1.13 Business costs of terrorism .....                        | 5.7 .....   | 48       |
| 1.14 Business costs of crime and violence .....               | 4.8 .....   | 63       |
| 1.15 Organized crime .....                                    | 4.4 .....   | 94       |
| 1.16 Reliability of police services .....                     | 3.7 .....   | 94       |
| 1.17 Ethical behavior of firms .....                          | 3.9 .....   | 70       |
| 1.18 Strength of auditing and reporting standards .....       | 4.1 .....   | 103      |
| 1.19 Efficacy of corporate boards .....                       | 4.9 .....   | 59       |
| 1.20 Protection of minority shareholders' interests .....     | 4.1 .....   | 67       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 7.3 .....   | 6        |
| <b>2nd pillar: Infrastructure</b>                             |             |          |
| 2.01 Quality of overall infrastructure .....                  | 3.9 .....   | 75       |
| 2.02 Quality of roads .....                                   | 4.3 .....   | 52       |
| 2.03 Quality of railroad infrastructure .....                 | 1.3 .....   | 107      |
| 2.04 Quality of port infrastructure .....                     | 4.2 .....   | 62       |
| 2.05 Quality of air transport infrastructure .....            | 4.7 .....   | 56       |
| 2.06 Available airline seat km/week, millions* .....          | 18.8 .....  | 124      |
| 2.07 Quality of electricity supply .....                      | 4.7 .....   | 71       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 105.5 ..... | 86       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 7.8 .....   | 95       |
| <b>3rd pillar: Macroeconomic environment</b>                  |             |          |
| 3.01 Government budget balance, % GDP* .....                  | –5.6 .....  | 117      |
| 3.02 Gross national savings, % GDP* .....                     | 17.0 .....  | 94       |
| 3.03 Inflation, annual % change* .....                        | 1.6 .....   | 91       |
| 3.04 General government debt, % GDP* .....                    | 72.6 .....  | 112      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 36.0 .....  | 87       |
| <b>4th pillar: Health and primary education</b>               |             |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L. ....   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. .... | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 18.0 .....  | 39       |
| 4.04 Business impact of tuberculosis .....                    | 6.2 .....   | 40       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1 .....   | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.3 .....   | 28       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 13.3 .....  | 70       |
| 4.08 Life expectancy, years* .....                            | 77.5 .....  | 38       |
| 4.09 Quality of primary education .....                       | 4.8 .....   | 32       |
| 4.10 Primary education enrollment, net %* .....               | 91.2 .....  | 92       |
| <b>5th pillar: Higher education and training</b>              |             |          |
| 5.01 Secondary education enrollment, gross %* .....           | 82.4 .....  | 89       |
| 5.02 Tertiary education enrollment, gross %* .....            | 55.5 .....  | 48       |
| 5.03 Quality of the education system .....                    | 4.5 .....   | 29       |
| 5.04 Quality of math and science education .....              | 4.8 .....   | 28       |
| 5.05 Quality of management schools .....                      | 4.3 .....   | 61       |
| 5.06 Internet access in schools .....                         | 4.8 .....   | 45       |
| 5.07 Availability of specialized training services .....      | 4.2 .....   | 66       |
| 5.08 Extent of staff training .....                           | 4.3 .....   | 37       |
| <b>6th pillar: Goods market efficiency</b>                    |             |          |
| 6.01 Intensity of local competition .....                     | 4.0 .....   | 134      |
| 6.02 Extent of market dominance .....                         | 2.8 .....   | 130      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.2 .....   | 112      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.2 .....   | 105      |
| 6.05 Total tax rate, % profits* .....                         | 30.7 .....  | 40       |

| INDICATOR                                                | VALUE      | RANK/140 |
|----------------------------------------------------------|------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |            |          |
| 6.06 No. procedures to start a business* .....           | 5 .....    | 38       |
| 6.07 No. days to start a business* .....                 | 4.5 .....  | 14       |
| 6.08 Agricultural policy costs .....                     | 4.6 .....  | 15       |
| 6.09 Prevalence of non-tariff barriers .....             | 3.8 .....  | 119      |
| 6.10 Trade tariffs, % duty* .....                        | 2.4 .....  | 38       |
| 6.11 Prevalence of foreign ownership .....               | 3.4 .....  | 122      |
| 6.12 Business impact of rules on FDI .....               | 4.4 .....  | 78       |
| 6.13 Burden of customs procedures .....                  | 3.5 .....  | 98       |
| 6.14 Imports as a percentage of GDP* .....               | 56.8 ..... | 51       |
| 6.15 Degree of customer orientation .....                | 5.4 .....  | 23       |
| 6.16 Buyer sophistication .....                          | 3.0 .....  | 103      |
| <b>7th pillar: Labor market efficiency</b>               |            |          |
| 7.01 Cooperation in labor-employer relations .....       | 5.0 .....  | 27       |
| 7.02 Flexibility of wage determination .....             | 4.4 .....  | 108      |
| 7.03 Hiring and firing practices .....                   | 3.7 .....  | 84       |
| 7.04 Redundancy costs, weeks of salary* .....            | 20.8 ..... | 95       |
| 7.05 Effect of taxation on incentives to work .....      | 3.6 .....  | 91       |
| 7.06 Pay and productivity .....                          | 4.4 .....  | 36       |
| 7.07 Reliance on professional management .....           | 4.1 .....  | 80       |
| 7.08 Country capacity to retain talent .....             | 2.8 .....  | 109      |
| 7.09 Country capacity to attract talent .....            | 2.5 .....  | 123      |
| 7.10 Women in labor force, ratio to men* .....           | 0.70 ..... | 96       |
| <b>8th pillar: Financial market development</b>          |            |          |
| 8.01 Availability of financial services .....            | 3.7 .....  | 116      |
| 8.02 Affordability of financial services .....           | 3.7 .....  | 103      |
| 8.03 Financing through local equity market .....         | 1.5 .....  | 140      |
| 8.04 Ease of access to loans .....                       | 1.9 .....  | 127      |
| 8.05 Venture capital availability .....                  | 1.9 .....  | 133      |
| 8.06 Soundness of banks .....                            | 4.6 .....  | 80       |
| 8.07 Regulation of securities exchanges .....            | 2.7 .....  | 133      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 7 .....    | 24       |
| <b>9th pillar: Technological readiness</b>               |            |          |
| 9.01 Availability of latest technologies .....           | 3.9 .....  | 115      |
| 9.02 Firm-level technology absorption .....              | 4.1 .....  | 112      |
| 9.03 FDI and technology transfer .....                   | 4.5 .....  | 66       |
| 9.04 Individuals using Internet, %* .....                | 60.1 ..... | 57       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 6.6 .....  | 78       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 26.1 ..... | 78       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 30.9 ..... | 85       |
| <b>10th pillar: Market size</b>                          |            |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.7 .....  | 102      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.7 .....  | 106      |
| 10.03 GDP (PPP\$ billions)* .....                        | 31.6 ..... | 107      |
| 10.04 Exports as a percentage of GDP* .....              | 38.3 ..... | 72       |
| <b>11th pillar: Business sophistication</b>              |            |          |
| 11.01 Local supplier quantity .....                      | 4.3 .....  | 87       |
| 11.02 Local supplier quality .....                       | 3.9 .....  | 99       |
| 11.03 State of cluster development .....                 | 2.9 .....  | 131      |
| 11.04 Nature of competitive advantage .....              | 3.6 .....  | 57       |
| 11.05 Value chain breadth .....                          | 2.8 .....  | 138      |
| 11.06 Control of international distribution .....        | 3.4 .....  | 100      |
| 11.07 Production process sophistication .....            | 4.0 .....  | 59       |
| 11.08 Extent of marketing .....                          | 4.1 .....  | 87       |
| 11.09 Willingness to delegate authority .....            | 3.8 .....  | 67       |
| <b>12th pillar: Innovation</b>                           |            |          |
| 12.01 Capacity for innovation .....                      | 3.6 .....  | 103      |
| 12.02 Quality of scientific research institutions .....  | 2.3 .....  | 137      |
| 12.03 Company spending on R&D .....                      | 2.9 .....  | 106      |
| 12.04 University-industry collaboration in R&D .....     | 2.3 .....  | 134      |
| 12.05 Gov't procurement of advanced tech products .....  | 3.8 .....  | 31       |
| 12.06 Availability of scientists and engineers .....     | 3.2 .....  | 118      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.2 .....  | 93       |

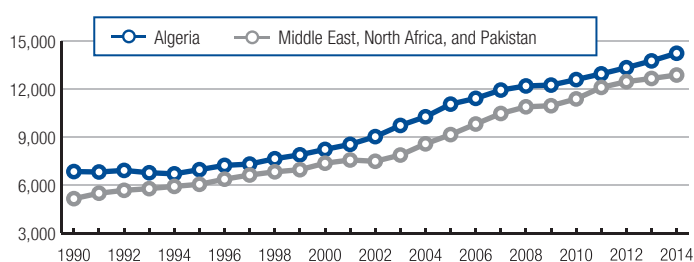
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Algeria

## Key indicators, 2014

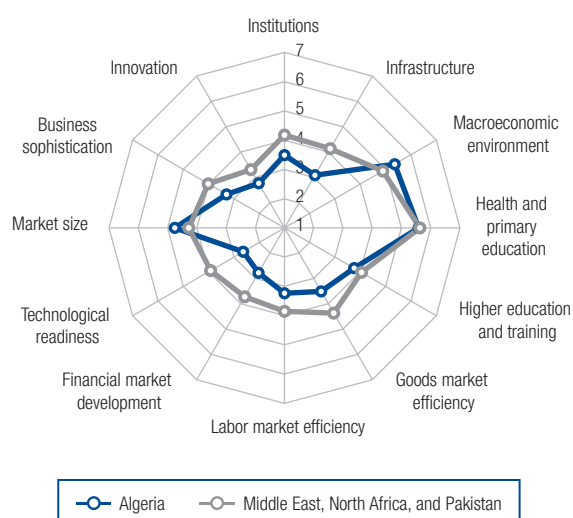
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 38.7  |
| GDP (US\$ billions).....                   | 214.1 |
| GDP per capita (US\$).....                 | 5,532 |
| GDP (PPP) as share (%) of world total..... | 0.51  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

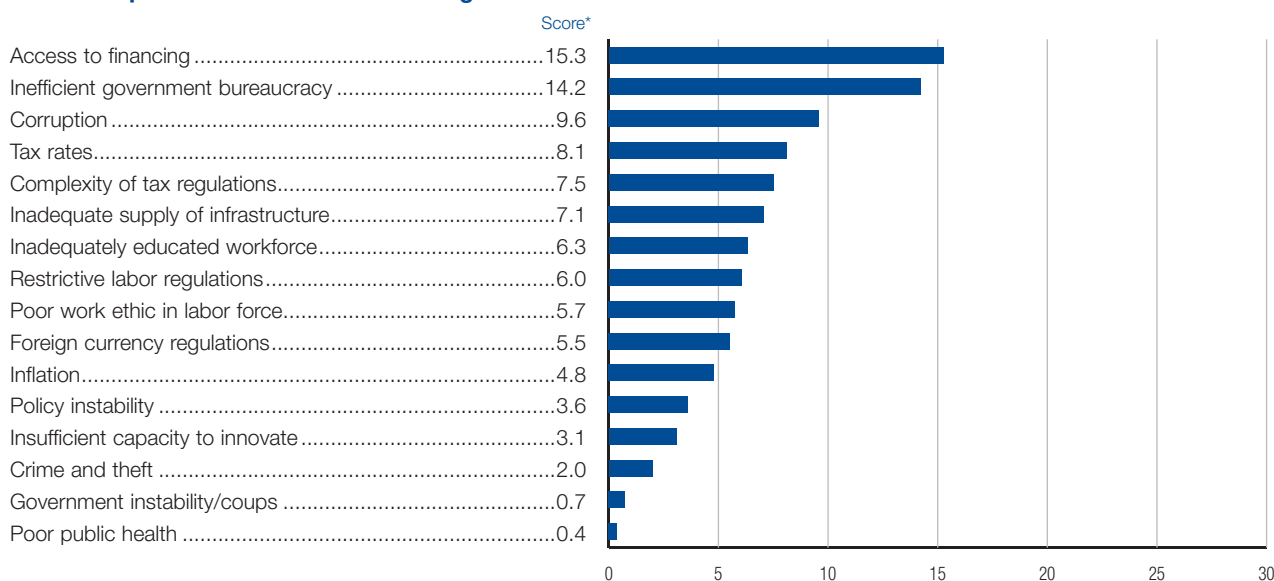
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>87</b>            | <b>4.0</b>     |
| GCI 2014–2015 (out of 144).....                           | 79                   | 4.1            |
| GCI 2013–2014 (out of 148).....                           | 100                  | 3.8            |
| GCI 2012–2013 (out of 144).....                           | 110                  | 3.7            |
| <b>Basic requirements (58.9%)</b> .....                   | <b>82</b>            | <b>4.4</b>     |
| 1st pillar: Institutions.....                             | 99                   | 3.5            |
| 2nd pillar: Infrastructure.....                           | 105                  | 3.1            |
| 3rd pillar: Macroeconomic environment.....                | 38                   | 5.3            |
| 4th pillar: Health and primary education.....             | 81                   | 5.6            |
| <b>Efficiency enhancers (35.8%)</b> .....                 | <b>117</b>           | <b>3.4</b>     |
| 5th pillar: Higher education and training.....            | 99                   | 3.7            |
| 6th pillar: Goods market efficiency.....                  | 134                  | 3.5            |
| 7th pillar: Labor market efficiency.....                  | 135                  | 3.2            |
| 8th pillar: Financial market development.....             | 135                  | 2.8            |
| 9th pillar: Technological readiness.....                  | 126                  | 2.6            |
| 10th pillar: Market size.....                             | 37                   | 4.7            |
| <b>Innovation and sophistication factors (5.3%)</b> ..... | <b>124</b>           | <b>3.0</b>     |
| 11th pillar: Business sophistication.....                 | 128                  | 3.3            |
| 12th pillar: Innovation.....                              | 119                  | 2.8            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Algeria

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140 |
|---------------------------------------------------------------|-------|----------|
| <b>1st pillar: Institutions</b>                               |       |          |
| 1.01 Property rights .....                                    | 3.7   | 106      |
| 1.02 Intellectual property protection .....                   | 3.3   | 105      |
| 1.03 Diversion of public funds .....                          | 3.0   | 86       |
| 1.04 Public trust in politicians .....                        | 2.9   | 75       |
| 1.05 Irregular payments and bribes .....                      | 3.1   | 110      |
| 1.06 Judicial independence .....                              | 3.3   | 95       |
| 1.07 Favoritism in decisions of government officials .....    | 3.1   | 72       |
| 1.08 Wastefulness of government spending .....                | 3.1   | 76       |
| 1.09 Burden of government regulation .....                    | 3.3   | 83       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.4   | 85       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.3   | 85       |
| 1.12 Transparency of government policymaking .....            | 3.4   | 122      |
| 1.13 Business costs of terrorism .....                        | 4.2   | 122      |
| 1.14 Business costs of crime and violence .....               | 4.3   | 83       |
| 1.15 Organized crime .....                                    | 4.5   | 89       |
| 1.16 Reliability of police services .....                     | 4.1   | 73       |
| 1.17 Ethical behavior of firms .....                          | 3.6   | 102      |
| 1.18 Strength of auditing and reporting standards .....       | 3.2   | 135      |
| 1.19 Efficacy of corporate boards .....                       | 3.5   | 139      |
| 1.20 Protection of minority shareholders' interests .....     | 3.7   | 98       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.5   | 110      |
| <b>2nd pillar: Infrastructure</b>                             |       |          |
| 2.01 Quality of overall infrastructure .....                  | 3.4   | 101      |
| 2.02 Quality of roads .....                                   | 3.2   | 105      |
| 2.03 Quality of railroad infrastructure .....                 | 2.7   | 65       |
| 2.04 Quality of port infrastructure .....                     | 3.0   | 111      |
| 2.05 Quality of air transport infrastructure .....            | 3.0   | 123      |
| 2.06 Available airline seat km/week, millions* .....          | 183.6 | 67       |
| 2.07 Quality of electricity supply .....                      | 4.0   | 90       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 93.3  | 106      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 7.7   | 96       |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |          |
| 3.01 Government budget balance, % GDP* .....                  | -6.2  | 125      |
| 3.02 Gross national savings, % GDP* .....                     | 40.2  | 7        |
| 3.03 Inflation, annual % change* .....                        | 2.9   | 44       |
| 3.04 General government debt, % GDP* .....                    | 8.8   | 5        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 50.8  | 69       |
| <b>4th pillar: Health and primary education</b>               |       |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.2   | 10       |
| 4.02 Business impact of malaria .....                         | 4.5   | 47       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 81.0  | 84       |
| 4.04 Business impact of tuberculosis .....                    | 4.0   | 127      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1   | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 4.3   | 115      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 21.6  | 89       |
| 4.08 Life expectancy, years* .....                            | 71.0  | 90       |
| 4.09 Quality of primary education .....                       | 2.9   | 115      |
| 4.10 Primary education enrollment, net %* .....               | 97.3  | 36       |
| <b>5th pillar: Higher education and training</b>              |       |          |
| 5.01 Secondary education enrollment, gross %* .....           | 97.6  | 46       |
| 5.02 Tertiary education enrollment, gross %* .....            | 31.5  | 76       |
| 5.03 Quality of the education system .....                    | 3.3   | 91       |
| 5.04 Quality of math and science education .....              | 3.3   | 105      |
| 5.05 Quality of management schools .....                      | 3.4   | 117      |
| 5.06 Internet access in schools .....                         | 2.8   | 128      |
| 5.07 Availability of specialized training services .....      | 3.2   | 124      |
| 5.08 Extent of staff training .....                           | 3.3   | 127      |
| <b>6th pillar: Goods market efficiency</b>                    |       |          |
| 6.01 Intensity of local competition .....                     | 3.7   | 138      |
| 6.02 Extent of market dominance .....                         | 3.3   | 109      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.3   | 110      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.4   | 95       |
| 6.05 Total tax rate, % profits* .....                         | 72.7  | 136      |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 13    | 134      |
| 6.07 No. days to start a business* .....                 | 22.0  | 102      |
| 6.08 Agricultural policy costs .....                     | 3.2   | 116      |
| 6.09 Prevalence of non-tariff barriers .....             | 3.5   | 129      |
| 6.10 Trade tariffs, % duty* .....                        | 13.8  | 130      |
| 6.11 Prevalence of foreign ownership .....               | 3.3   | 131      |
| 6.12 Business impact of rules on FDI .....               | 3.3   | 130      |
| 6.13 Burden of customs procedures .....                  | 3.2   | 118      |
| 6.14 Imports as a percentage of GDP* .....               | 32.5  | 104      |
| 6.15 Degree of customer orientation .....                | 3.8   | 122      |
| 6.16 Buyer sophistication .....                          | 3.1   | 100      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 3.6   | 128      |
| 7.02 Flexibility of wage determination .....             | 4.4   | 106      |
| 7.03 Hiring and firing practices .....                   | 3.4   | 103      |
| 7.04 Redundancy costs, weeks of salary* .....            | 17.3  | 77       |
| 7.05 Effect of taxation on incentives to work .....      | 3.5   | 96       |
| 7.06 Pay and productivity .....                          | 3.3   | 122      |
| 7.07 Reliance on professional management .....           | 2.9   | 134      |
| 7.08 Country capacity to retain talent .....             | 2.5   | 125      |
| 7.09 Country capacity to attract talent .....            | 2.4   | 128      |
| 7.10 Women in labor force, ratio to men* .....           | 0.21  | 140      |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.0   | 133      |
| 8.02 Affordability of financial services .....           | 3.1   | 134      |
| 8.03 Financing through local equity market .....         | 2.5   | 124      |
| 8.04 Ease of access to loans .....                       | 2.8   | 73       |
| 8.05 Venture capital availability .....                  | 2.6   | 79       |
| 8.06 Soundness of banks .....                            | 3.4   | 128      |
| 8.07 Regulation of securities exchanges .....            | 2.8   | 130      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 2     | 106      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 3.6   | 129      |
| 9.02 Firm-level technology absorption .....              | 3.4   | 137      |
| 9.03 FDI and technology transfer .....                   | 3.8   | 116      |
| 9.04 Individuals using Internet, %* .....                | 18.1  | 106      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 4.0   | 89       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 12.5  | 94       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 20.8  | 98       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 4.6   | 33       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 5.2   | 44       |
| 10.03 GDP (PPP\$ billions)* .....                        | 551.8 | 33       |
| 10.04 Exports as a percentage of GDP* .....              | 31.0  | 92       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.0   | 108      |
| 11.02 Local supplier quality .....                       | 3.3   | 131      |
| 11.03 State of cluster development .....                 | 3.2   | 108      |
| 11.04 Nature of competitive advantage .....              | 3.0   | 101      |
| 11.05 Value chain breadth .....                          | 3.3   | 119      |
| 11.06 Control of international distribution .....        | 3.4   | 102      |
| 11.07 Production process sophistication .....            | 3.0   | 121      |
| 11.08 Extent of marketing .....                          | 3.5   | 132      |
| 11.09 Willingness to delegate authority .....            | 3.1   | 125      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.3   | 126      |
| 12.02 Quality of scientific research institutions .....  | 3.0   | 112      |
| 12.03 Company spending on R&D .....                      | 2.6   | 122      |
| 12.04 University-industry collaboration in R&D .....     | 2.3   | 136      |
| 12.05 Gov't procurement of advanced tech products .....  | 3.1   | 92       |
| 12.06 Availability of scientists and engineers .....     | 3.9   | 74       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.2   | 92       |

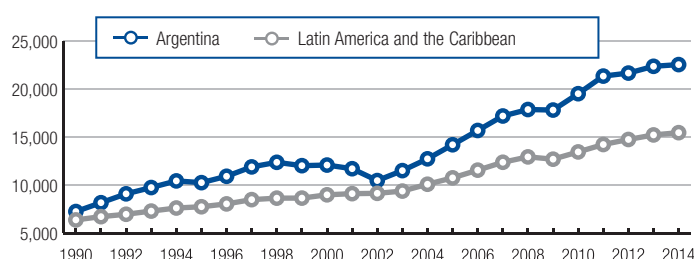
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Argentina

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 42.0   |
| GDP (US\$ billions).....                   | 540.2  |
| GDP per capita (US\$).....                 | 12,873 |
| GDP (PPP) as share (%) of world total..... | 0.88   |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>106</b>           | <b>3.8</b>     |
| GCI 2014–2015 (out of 144)..... | 104                  | 3.8            |
| GCI 2013–2014 (out of 148)..... | 104                  | 3.8            |
| GCI 2012–2013 (out of 144)..... | 94                   | 3.9            |

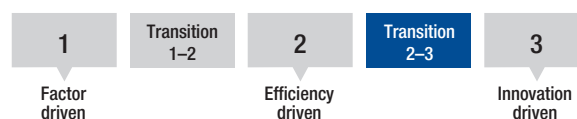
|                                               |            |            |
|-----------------------------------------------|------------|------------|
| <b>Basic requirements (30.3%)</b> .....       | <b>104</b> | <b>4.1</b> |
| 1st pillar: Institutions.....                 | 135        | 2.9        |
| 2nd pillar: Infrastructure.....               | 87         | 3.6        |
| 3rd pillar: Macroeconomic environment.....    | 114        | 4.1        |
| 4th pillar: Health and primary education..... | 68         | 5.8        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>88</b> | <b>3.8</b> |
| 5th pillar: Higher education and training..... | 39        | 4.9        |
| 6th pillar: Goods market efficiency.....       | 138       | 3.1        |
| 7th pillar: Labor market efficiency.....       | 139       | 3.1        |
| 8th pillar: Financial market development.....  | 132       | 2.8        |
| 9th pillar: Technological readiness.....       | 69        | 3.9        |
| 10th pillar: Market size.....                  | 27        | 5.0        |

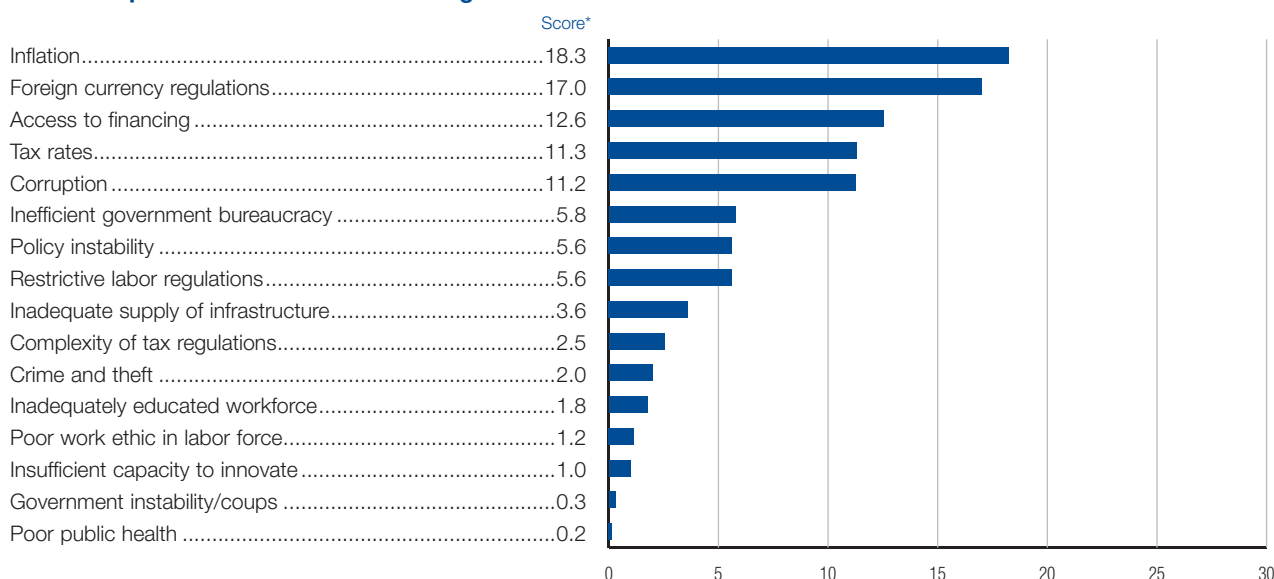
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (19.7%)</b> ..... | <b>99</b> | <b>3.4</b> |
| 11th pillar: Business sophistication.....                  | 101       | 3.6        |
| 12th pillar: Innovation.....                               | 93        | 3.1        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.



# Argentina

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140  |
|---------------------------------------------------------------|-------|-----------|
| <b>1st pillar: Institutions</b>                               |       |           |
| 1.01 Property rights .....                                    | 2.9   | 134       |
| 1.02 Intellectual property protection .....                   | 3.0   | 125       |
| 1.03 Diversion of public funds .....                          | 1.9   | 136       |
| 1.04 Public trust in politicians .....                        | 1.6   | 137       |
| 1.05 Irregular payments and bribes .....                      | 2.9   | 120       |
| 1.06 Judicial independence .....                              | 2.4   | 129       |
| 1.07 Favoritism in decisions of government officials .....    | 1.7   | 139       |
| 1.08 Wastefulness of government spending .....                | 1.5   | 138       |
| 1.09 Burden of government regulation .....                    | 2.2   | 135       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.7   | 129       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.3   | 134       |
| 1.12 Transparency of government policymaking .....            | 3.0   | 131       |
| 1.13 Business costs of terrorism .....                        | 5.7   | <b>46</b> |
| 1.14 Business costs of crime and violence .....               | 3.3   | 121       |
| 1.15 Organized crime .....                                    | 4.0   | 115       |
| 1.16 Reliability of police services .....                     | 2.7   | 131       |
| 1.17 Ethical behavior of firms .....                          | 2.8   | 138       |
| 1.18 Strength of auditing and reporting standards .....       | 3.8   | 115       |
| 1.19 Efficacy of corporate boards .....                       | 4.4   | 92        |
| 1.20 Protection of minority shareholders' interests .....     | 3.3   | 123       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8   | 55        |
| <b>2nd pillar: Infrastructure</b>                             |       |           |
| 2.01 Quality of overall infrastructure .....                  | 3.0   | 122       |
| 2.02 Quality of roads .....                                   | 3.1   | 108       |
| 2.03 Quality of railroad infrastructure .....                 | 1.9   | 93        |
| 2.04 Quality of port infrastructure .....                     | 3.8   | 81        |
| 2.05 Quality of air transport infrastructure .....            | 3.8   | 92        |
| 2.06 Available airline seat km/week, millions* .....          | 863.2 | <b>31</b> |
| 2.07 Quality of electricity supply .....                      | 2.6   | 124       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 158.7 | <b>13</b> |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 22.6  | <b>47</b> |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |           |
| 3.01 Government budget balance, % GDP* .....                  | –2.7  | 64        |
| 3.02 Gross national savings, % GDP* .....                     | 18.8  | 80        |
| 3.03 Inflation, annual % change* .....                        | n/a   | n/a       |
| 3.04 General government debt, % GDP* .....                    | 48.6  | 81        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 22.8  | 122       |
| <b>4th pillar: Health and primary education</b>               |       |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.0   | 7         |
| 4.02 Business impact of malaria .....                         | 6.7   | 2         |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 24.0  | 52        |
| 4.04 Business impact of tuberculosis .....                    | 6.4   | <b>30</b> |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.4   | 74        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.7   | 62        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 11.9  | 62        |
| 4.08 Life expectancy, years* .....                            | 76.2  | <b>50</b> |
| 4.09 Quality of primary education .....                       | 3.3   | 98        |
| 4.10 Primary education enrollment, net %* .....               | 95.4  | 55        |
| <b>5th pillar: Higher education and training</b>              |       |           |
| 5.01 Secondary education enrollment, gross %* .....           | 107.3 | <b>18</b> |
| 5.02 Tertiary education enrollment, gross %* .....            | 80.3  | <b>11</b> |
| 5.03 Quality of the education system .....                    | 3.1   | 108       |
| 5.04 Quality of math and science education .....              | 3.1   | 113       |
| 5.05 Quality of management schools .....                      | 4.8   | <b>35</b> |
| 5.06 Internet access in schools .....                         | 4.1   | 75        |
| 5.07 Availability of specialized training services .....      | 4.4   | 53        |
| 5.08 Extent of staff training .....                           | 3.8   | 88        |
| <b>6th pillar: Goods market efficiency</b>                    |       |           |
| 6.01 Intensity of local competition .....                     | 4.3   | 123       |
| 6.02 Extent of market dominance .....                         | 3.4   | 96        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.0   | 129       |
| 6.04 Effect of taxation on incentives to invest .....         | 1.9   | 139       |
| 6.05 Total tax rate, % profits* .....                         | 137.3 | 140       |

| INDICATOR                                                   | VALUE | RANK/140  |
|-------------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |           |
| 6.06 No. procedures to start a business* .....              | 14    | 136       |
| 6.07 No. days to start a business* .....                    | 25.0  | 105       |
| 6.08 Agricultural policy costs .....                        | 2.7   | 137       |
| 6.09 Prevalence of non-tariff barriers .....                | 3.2   | 139       |
| 6.10 Trade tariffs, % duty* .....                           | 11.2  | 118       |
| 6.11 Prevalence of foreign ownership .....                  | 4.3   | 84        |
| 6.12 Business impact of rules on FDI .....                  | 2.6   | 138       |
| 6.13 Burden of customs procedures .....                     | 2.1   | 139       |
| 6.14 Imports as a percentage of GDP* .....                  | 15.1  | 138       |
| 6.15 Degree of customer orientation .....                   | 3.8   | 121       |
| 6.16 Buyer sophistication .....                             | 3.4   | 60        |
| <b>7th pillar: Labor market efficiency</b>                  |       |           |
| 7.01 Cooperation in labor-employer relations .....          | 3.6   | 126       |
| 7.02 Flexibility of wage determination .....                | 2.8   | 135       |
| 7.03 Hiring and firing practices .....                      | 2.5   | 135       |
| 7.04 Redundancy costs, weeks of salary* .....               | 30.3  | 125       |
| 7.05 Effect of taxation on incentives to work .....         | 2.2   | 140       |
| 7.06 Pay and productivity .....                             | 3.0   | 130       |
| 7.07 Reliance on professional management .....              | 4.3   | 61        |
| 7.08 Country capacity to retain talent .....                | 3.5   | 68        |
| 7.09 Country capacity to attract talent .....               | 2.5   | 120       |
| 7.10 Women in labor force, ratio to men* .....              | 0.67  | 100       |
| <b>8th pillar: Financial market development</b>             |       |           |
| 8.01 Availability of financial services .....               | 3.1   | 132       |
| 8.02 Affordability of financial services .....              | 2.9   | 137       |
| 8.03 Financing through local equity market .....            | 2.5   | 125       |
| 8.04 Ease of access to loans .....                          | 1.7   | 132       |
| 8.05 Venture capital availability .....                     | 2.0   | 126       |
| 8.06 Soundness of banks .....                               | 4.5   | 87        |
| 8.07 Regulation of securities exchanges .....               | 3.0   | 125       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 2     | 106       |
| <b>9th pillar: Technological readiness</b>                  |       |           |
| 9.01 Availability of latest technologies .....              | 3.7   | 126       |
| 9.02 Firm-level technology absorption .....                 | 4.0   | 115       |
| 9.03 FDI and technology transfer .....                      | 3.0   | 138       |
| 9.04 Individuals using Internet, %* .....                   | 64.7  | <b>48</b> |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 14.7  | 53        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 48.1  | 54        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 53.6  | 51        |
| <b>10th pillar: Market size</b>                             |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.0   | <b>25</b> |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.1   | <b>47</b> |
| 10.03 GDP (PPP\$ billions)* .....                           | 947.6 | <b>24</b> |
| 10.04 Exports as a percentage of GDP* .....                 | 15.8  | 134       |
| <b>11th pillar: Business sophistication</b>                 |       |           |
| 11.01 Local supplier quantity .....                         | 3.9   | 115       |
| 11.02 Local supplier quality .....                          | 3.8   | 108       |
| 11.03 State of cluster development .....                    | 3.1   | 116       |
| 11.04 Nature of competitive advantage .....                 | 2.8   | 114       |
| 11.05 Value chain breadth .....                             | 3.6   | 87        |
| 11.06 Control of international distribution .....           | 3.4   | 101       |
| 11.07 Production process sophistication .....               | 3.7   | 76        |
| 11.08 Extent of marketing .....                             | 4.4   | 62        |
| 11.09 Willingness to delegate authority .....               | 3.5   | 94        |
| <b>12th pillar: Innovation</b>                              |       |           |
| 12.01 Capacity for innovation .....                         | 3.9   | 74        |
| 12.02 Quality of scientific research institutions .....     | 4.4   | <b>38</b> |
| 12.03 Company spending on R&D .....                         | 2.9   | 99        |
| 12.04 University-industry collaboration in R&D .....        | 3.6   | 66        |
| 12.05 Gov't procurement of advanced tech products .....     | 2.5   | 135       |
| 12.06 Availability of scientists and engineers .....        | 3.5   | 100       |
| 12.07 PCT patents, applications/million pop.* .....         | 1.3   | 65        |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

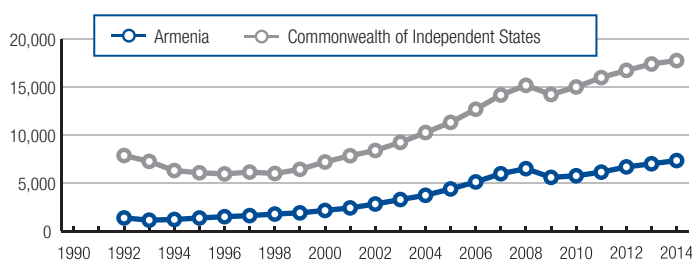


# Armenia

## Key indicators, 2014

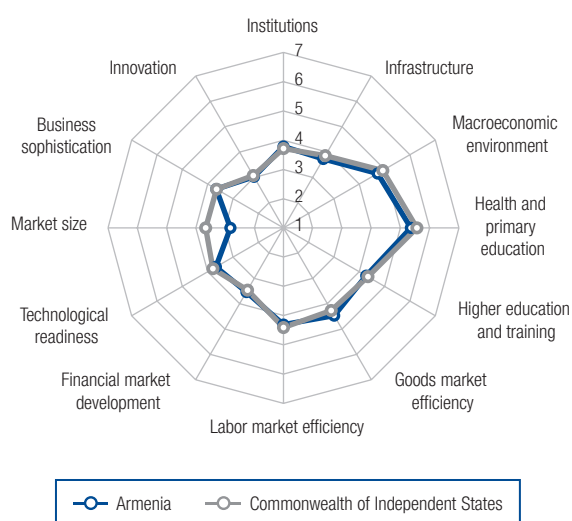
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 3.3   |
| GDP (US\$ billions).....                   | 10.3  |
| GDP per capita (US\$).....                 | 3,121 |
| GDP (PPP) as share (%) of world total..... | 0.02  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

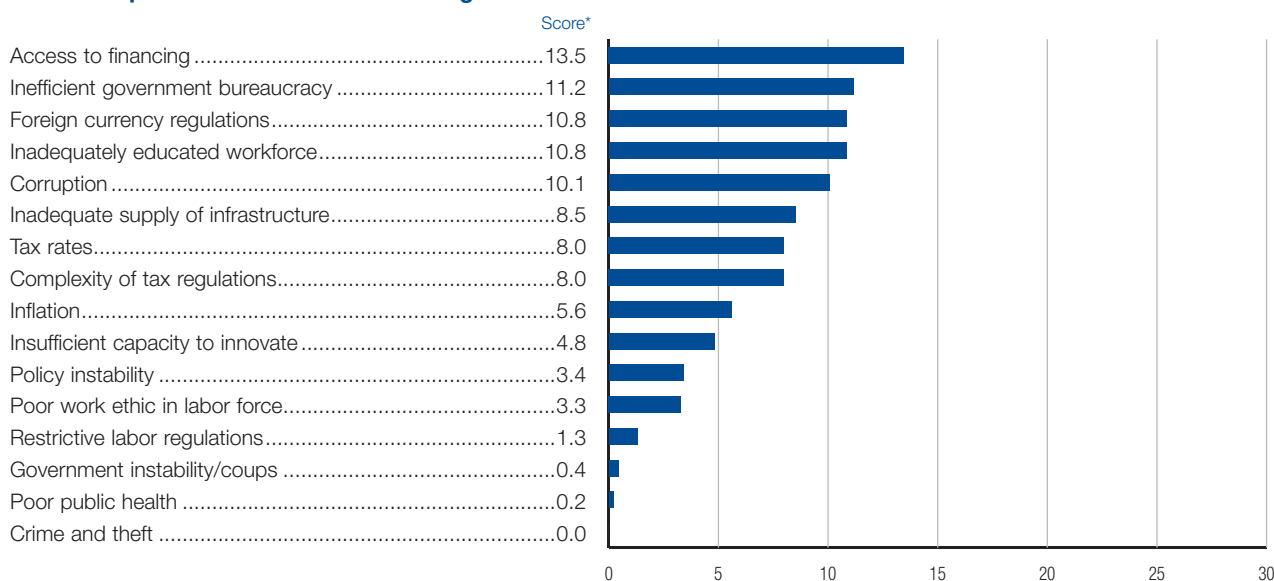
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>82</b>            | <b>4.0</b>     |
| GCI 2014–2015 (out of 144).....                            | 85                   | 4.0            |
| GCI 2013–2014 (out of 148).....                            | 79                   | 4.1            |
| GCI 2012–2013 (out of 144).....                            | 82                   | 4.0            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>81</b>            | <b>4.4</b>     |
| 1st pillar: Institutions.....                              | 76                   | 3.8            |
| 2nd pillar: Infrastructure.....                            | 82                   | 3.7            |
| 3rd pillar: Macroeconomic environment.....                 | 72                   | 4.7            |
| 4th pillar: Health and primary education.....              | 95                   | 5.4            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>84</b>            | <b>3.8</b>     |
| 5th pillar: Higher education and training.....             | 72                   | 4.3            |
| 6th pillar: Goods market efficiency.....                   | 50                   | 4.5            |
| 7th pillar: Labor market efficiency.....                   | 58                   | 4.3            |
| 8th pillar: Financial market development.....              | 94                   | 3.5            |
| 9th pillar: Technological readiness.....                   | 75                   | 3.7            |
| 10th pillar: Market size.....                              | 116                  | 2.8            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>101</b>           | <b>3.3</b>     |
| 11th pillar: Business sophistication.....                  | 97                   | 3.7            |
| 12th pillar: Innovation.....                               | 107                  | 3.0            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Armenia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE        | RANK/140 |
|---------------------------------------------------------------|--------------|----------|
| <b>1st pillar: Institutions</b>                               |              |          |
| 1.01 Property rights .....                                    | 4.0 .....    | 90       |
| 1.02 Intellectual property protection .....                   | 3.5 .....    | 93       |
| 1.03 Diversion of public funds .....                          | 3.2 .....    | 77       |
| 1.04 Public trust in politicians .....                        | 2.8 .....    | 79       |
| 1.05 Irregular payments and bribes .....                      | 3.9 .....    | 73       |
| 1.06 Judicial independence .....                              | 3.0 .....    | 106      |
| 1.07 Favoritism in decisions of government officials .....    | 3.1 .....    | 71       |
| 1.08 Wastefulness of government spending .....                | 3.0 .....    | 78       |
| 1.09 Burden of government regulation .....                    | 3.5 .....    | 56       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.3 .....    | 89       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.8 .....    | 115      |
| 1.12 Transparency of government policymaking .....            | 4.3 .....    | 51       |
| 1.13 Business costs of terrorism .....                        | 5.8 .....    | 40       |
| 1.14 Business costs of crime and violence .....               | 5.5 .....    | 25       |
| 1.15 Organized crime .....                                    | 5.1 .....    | 57       |
| 1.16 Reliability of police services .....                     | 4.0 .....    | 79       |
| 1.17 Ethical behavior of firms .....                          | 3.6 .....    | 96       |
| 1.18 Strength of auditing and reporting standards .....       | 4.4 .....    | 78       |
| 1.19 Efficacy of corporate boards .....                       | 4.4 .....    | 94       |
| 1.20 Protection of minority shareholders' interests .....     | 3.6 .....    | 108      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.0 .....    | 48       |
| <b>2nd pillar: Infrastructure</b>                             |              |          |
| 2.01 Quality of overall infrastructure .....                  | 4.3 .....    | 58       |
| 2.02 Quality of roads .....                                   | 3.8 .....    | 75       |
| 2.03 Quality of railroad infrastructure .....                 | 2.6 .....    | 71       |
| 2.04 Quality of port infrastructure .....                     | 2.1 .....    | 132      |
| 2.05 Quality of air transport infrastructure .....            | 4.0 .....    | 86       |
| 2.06 Available airline seat km/week, millions* .....          | 41.2 .....   | 102      |
| 2.07 Quality of electricity supply .....                      | 4.8 .....    | 69       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 115.9 .....  | 64       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 18.9 .....   | 59       |
| <b>3rd pillar: Macroeconomic environment</b>                  |              |          |
| 3.01 Government budget balance, % GDP* .....                  | –2.1 .....   | 51       |
| 3.02 Gross national savings, % GDP* .....                     | 13.0 .....   | 113      |
| 3.03 Inflation, annual % change* .....                        | 3.1 .....    | 56       |
| 3.04 General government debt, % GDP* .....                    | 44.2 .....   | 71       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 35.1 .....   | 88       |
| <b>4th pillar: Health and primary education</b>               |              |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F. ....    | n/a      |
| 4.02 Business impact of malaria .....                         | N/Appl. .... | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 49.0 .....   | 68       |
| 4.04 Business impact of tuberculosis .....                    | 5.7 .....    | 70       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2 .....    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.1 .....    | 38       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 14.0 .....   | 74       |
| 4.08 Life expectancy, years* .....                            | 74.5 .....   | 64       |
| 4.09 Quality of primary education .....                       | 3.9 .....    | 76       |
| 4.10 Primary education enrollment, net %* .....               | 84.1 .....   | 122      |
| <b>5th pillar: Higher education and training</b>              |              |          |
| 5.01 Secondary education enrollment, gross %* .....           | 96.6 .....   | 49       |
| 5.02 Tertiary education enrollment, gross %* .....            | 46.1 .....   | 59       |
| 5.03 Quality of the education system .....                    | 3.5 .....    | 84       |
| 5.04 Quality of math and science education .....              | 4.4 .....    | 47       |
| 5.05 Quality of management schools .....                      | 3.4 .....    | 115      |
| 5.06 Internet access in schools .....                         | 4.2 .....    | 70       |
| 5.07 Availability of specialized training services .....      | 3.6 .....    | 104      |
| 5.08 Extent of staff training .....                           | 3.4 .....    | 117      |
| <b>6th pillar: Goods market efficiency</b>                    |              |          |
| 6.01 Intensity of local competition .....                     | 4.8 .....    | 85       |
| 6.02 Extent of market dominance .....                         | 3.6 .....    | 79       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.6 .....    | 88       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.5 .....    | 76       |
| 6.05 Total tax rate, % profits* .....                         | 20.4 .....   | 13       |

| INDICATOR                                                | VALUE      | RANK/140 |
|----------------------------------------------------------|------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |            |          |
| 6.06 No. procedures to start a business* .....           | 2 .....    | 3        |
| 6.07 No. days to start a business* .....                 | 3.0 .....  | 8        |
| 6.08 Agricultural policy costs .....                     | 3.7 .....  | 81       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.5 .....  | 54       |
| 6.10 Trade tariffs, % duty* .....                        | 2.9 .....  | 45       |
| 6.11 Prevalence of foreign ownership .....               | 4.0 .....  | 101      |
| 6.12 Business impact of rules on FDI .....               | 3.9 .....  | 109      |
| 6.13 Burden of customs procedures .....                  | 3.5 .....  | 105      |
| 6.14 Imports as a percentage of GDP* .....               | 59.4 ..... | 44       |
| 6.15 Degree of customer orientation .....                | 4.7 .....  | 60       |
| 6.16 Buyer sophistication .....                          | 3.3 .....  | 72       |
| <b>7th pillar: Labor market efficiency</b>               |            |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.6 .....  | 44       |
| 7.02 Flexibility of wage determination .....             | 5.3 .....  | 40       |
| 7.03 Hiring and firing practices .....                   | 4.6 .....  | 15       |
| 7.04 Redundancy costs, weeks of salary* .....            | 11.0 ..... | 41       |
| 7.05 Effect of taxation on incentives to work .....      | 3.5 .....  | 101      |
| 7.06 Pay and productivity .....                          | 4.1 .....  | 61       |
| 7.07 Reliance on professional management .....           | 3.8 .....  | 93       |
| 7.08 Country capacity to retain talent .....             | 2.6 .....  | 119      |
| 7.09 Country capacity to attract talent .....            | 2.6 .....  | 111      |
| 7.10 Women in labor force, ratio to men* .....           | 0.77 ..... | 82       |
| <b>8th pillar: Financial market development</b>          |            |          |
| 8.01 Availability of financial services .....            | 4.3 .....  | 73       |
| 8.02 Affordability of financial services .....           | 4.0 .....  | 79       |
| 8.03 Financing through local equity market .....         | 2.6 .....  | 120      |
| 8.04 Ease of access to loans .....                       | 2.5 .....  | 97       |
| 8.05 Venture capital availability .....                  | 2.5 .....  | 90       |
| 8.06 Soundness of banks .....                            | 4.6 .....  | 83       |
| 8.07 Regulation of securities exchanges .....            | 3.6 .....  | 112      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 5 .....    | 63       |
| <b>9th pillar: Technological readiness</b>               |            |          |
| 9.01 Availability of latest technologies .....           | 4.4 .....  | 87       |
| 9.02 Firm-level technology absorption .....              | 4.1 .....  | 113      |
| 9.03 FDI and technology transfer .....                   | 4.3 .....  | 79       |
| 9.04 Individuals using Internet, %* .....                | 46.3 ..... | 75       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 9.1 .....  | 71       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 44.5 ..... | 58       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 34.2 ..... | 78       |
| <b>10th pillar: Market size</b>                          |            |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.6 .....  | 112      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.4 .....  | 120      |
| 10.03 GDP (PPP\$ billions)* .....                        | 24.3 ..... | 115      |
| 10.04 Exports as a percentage of GDP* .....              | 30.4 ..... | 96       |
| <b>11th pillar: Business sophistication</b>              |            |          |
| 11.01 Local supplier quantity .....                      | 4.3 .....  | 89       |
| 11.02 Local supplier quality .....                       | 4.0 .....  | 91       |
| 11.03 State of cluster development .....                 | 3.2 .....  | 105      |
| 11.04 Nature of competitive advantage .....              | 3.8 .....  | 49       |
| 11.05 Value chain breadth .....                          | 3.6 .....  | 89       |
| 11.06 Control of international distribution .....        | 3.4 .....  | 104      |
| 11.07 Production process sophistication .....            | 3.6 .....  | 85       |
| 11.08 Extent of marketing .....                          | 3.6 .....  | 121      |
| 11.09 Willingness to delegate authority .....            | 3.4 .....  | 106      |
| <b>12th pillar: Innovation</b>                           |            |          |
| 12.01 Capacity for innovation .....                      | 3.8 .....  | 87       |
| 12.02 Quality of scientific research institutions .....  | 3.2 .....  | 105      |
| 12.03 Company spending on R&D .....                      | 2.8 .....  | 109      |
| 12.04 University-industry collaboration in R&D .....     | 3.1 .....  | 111      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.8 .....  | 109      |
| 12.06 Availability of scientists and engineers .....     | 4.1 .....  | 59       |
| 12.07 PCT patents, applications/million pop.* .....      | 3.7 .....  | 49       |

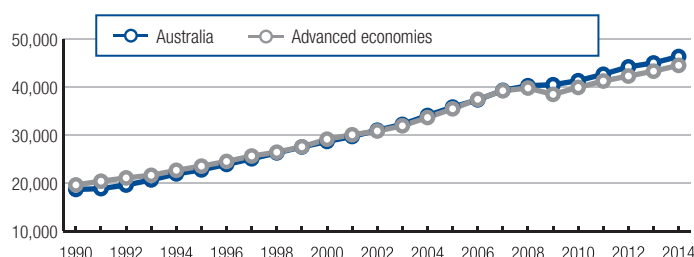
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Australia

## Key indicators, 2014

|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 23.6    |
| GDP (US\$ billions).....                   | 1,444.2 |
| GDP per capita (US\$).....                 | 61,219  |
| GDP (PPP) as share (%) of world total..... | 1.02    |

GDP (PPP) per capita (int'l \$), 1990–2014



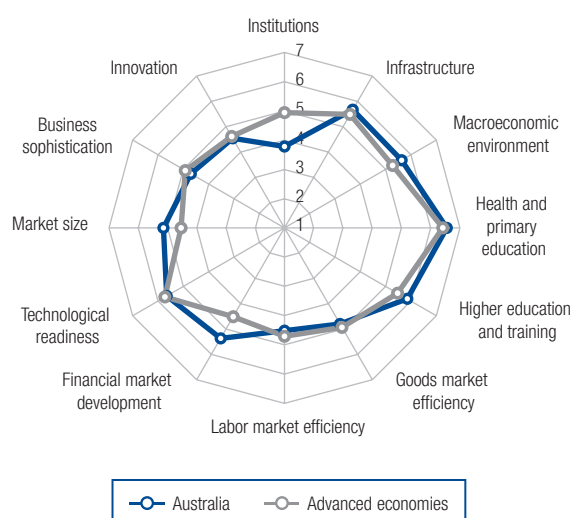
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>21</b>            | <b>5.1</b>     |
| GCI 2014–2015 (out of 144)..... | 22                   | 5.1            |
| GCI 2013–2014 (out of 148)..... | 21                   | 5.1            |
| GCI 2012–2013 (out of 144)..... | 20                   | 5.1            |

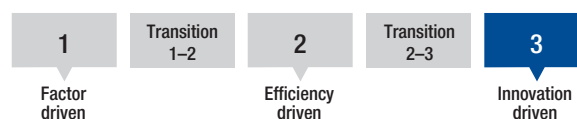
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>15</b> | <b>5.8</b> |
| 1st pillar: Institutions.....                 | 19        | 5.3        |
| 2nd pillar: Infrastructure.....               | 16        | 5.7        |
| 3rd pillar: Macroeconomic environment.....    | 28        | 5.6        |
| 4th pillar: Health and primary education..... | 9         | 6.5        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>14</b> | <b>5.2</b> |
| 5th pillar: Higher education and training..... | 8         | 5.8        |
| 6th pillar: Goods market efficiency.....       | 27        | 4.8        |
| 7th pillar: Labor market efficiency.....       | 36        | 4.5        |
| 8th pillar: Financial market development.....  | 7         | 5.4        |
| 9th pillar: Technological readiness.....       | 21        | 5.6        |
| 10th pillar: Market size.....                  | 22        | 5.1        |

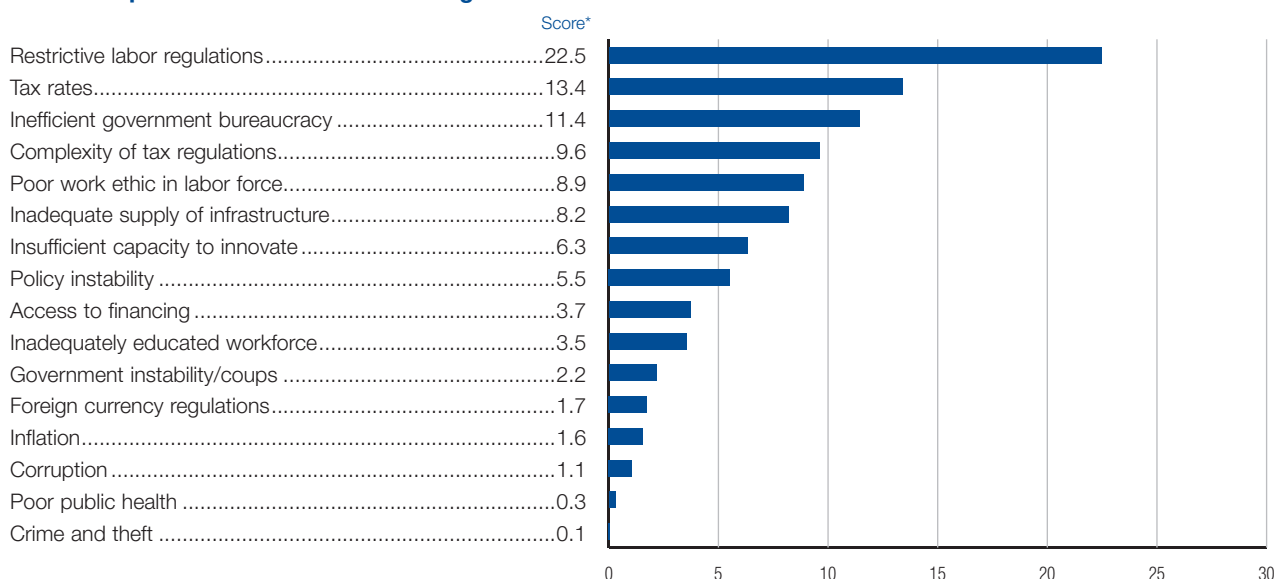
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>26</b> | <b>4.6</b> |
| 11th pillar: Business sophistication.....                  | 27        | 4.7        |
| 12th pillar: Innovation.....                               | 23        | 4.5        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Australia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 5.9     | 16       |
| 1.02 Intellectual property protection .....                   | 5.8     | 13       |
| 1.03 Diversion of public funds .....                          | 5.5     | 16       |
| 1.04 Public trust in politicians .....                        | 4.4     | 25       |
| 1.05 Irregular payments and bribes .....                      | 6.0     | 16       |
| 1.06 Judicial independence .....                              | 6.2     | 13       |
| 1.07 Favoritism in decisions of government officials .....    | 4.1     | 27       |
| 1.08 Wastefulness of government spending .....                | 3.5     | 53       |
| 1.09 Burden of government regulation .....                    | 3.3     | 80       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.9     | 22       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.7     | 23       |
| 1.12 Transparency of government policymaking .....            | 4.9     | 24       |
| 1.13 Business costs of terrorism .....                        | 5.5     | 58       |
| 1.14 Business costs of crime and violence .....               | 5.3     | 35       |
| 1.15 Organized crime .....                                    | 5.8     | 29       |
| 1.16 Reliability of police services .....                     | 6.1     | 14       |
| 1.17 Ethical behavior of firms .....                          | 5.7     | 13       |
| 1.18 Strength of auditing and reporting standards .....       | 6.1     | 9        |
| 1.19 Efficacy of corporate boards .....                       | 5.9     | 9        |
| 1.20 Protection of minority shareholders' interests .....     | 5.1     | 18       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.7     | 69       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 4.9     | 35       |
| 2.02 Quality of roads .....                                   | 4.7     | 41       |
| 2.03 Quality of railroad infrastructure .....                 | 3.9     | 34       |
| 2.04 Quality of port infrastructure .....                     | 5.0     | 32       |
| 2.05 Quality of air transport infrastructure .....            | 5.5     | 27       |
| 2.06 Available airline seat km/week, millions* .....          | 4,533.8 | 7        |
| 2.07 Quality of electricity supply .....                      | 6.3     | 22       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 131.2   | 43       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 38.9    | 23       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.6    | 83       |
| 3.02 Gross national savings, % GDP* .....                     | 24.0    | 46       |
| 3.03 Inflation, annual % change* .....                        | 2.5     | 1        |
| 3.04 General government debt, % GDP* .....                    | 34.3    | 48       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 89.6    | 12       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.    | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl.  | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 6.2     | 14       |
| 4.04 Business impact of tuberculosis .....                    | 6.7     | 14       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2     | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.4     | 24       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.4     | 22       |
| 4.08 Life expectancy, years* .....                            | 82.2    | 8        |
| 4.09 Quality of primary education .....                       | 5.4     | 12       |
| 4.10 Primary education enrollment, net %* .....               | 97.4    | 34       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 135.5   | 1        |
| 5.02 Tertiary education enrollment, gross %* .....            | 86.3    | 5        |
| 5.03 Quality of the education system .....                    | 5.1     | 13       |
| 5.04 Quality of math and science education .....              | 4.8     | 27       |
| 5.05 Quality of management schools .....                      | 5.3     | 19       |
| 5.06 Internet access in schools .....                         | 6.1     | 6        |
| 5.07 Availability of specialized training services .....      | 5.7     | 10       |
| 5.08 Extent of staff training .....                           | 4.7     | 24       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.9     | 9        |
| 6.02 Extent of market dominance .....                         | 3.9     | 47       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.3     | 32       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.4     | 91       |
| 6.05 Total tax rate, % profits* .....                         | 47.3    | 101      |

| INDICATOR                                                   | VALUE   | RANK/140 |
|-------------------------------------------------------------|---------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |          |
| 6.06 No. procedures to start a business* .....              | 3       | 9        |
| 6.07 No. days to start a business* .....                    | 2.5     | 4        |
| 6.08 Agricultural policy costs .....                        | 4.6     | 18       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.9     | 12       |
| 6.10 Trade tariffs, % duty* .....                           | 2.3     | 37       |
| 6.11 Prevalence of foreign ownership .....                  | 5.5     | 14       |
| 6.12 Business impact of rules on FDI .....                  | 4.8     | 49       |
| 6.13 Burden of customs procedures .....                     | 5.2     | 19       |
| 6.14 Imports as a percentage of GDP* .....                  | 20.7    | 134      |
| 6.15 Degree of customer orientation .....                   | 5.3     | 24       |
| 6.16 Buyer sophistication .....                             | 3.8     | 37       |
| <b>7th pillar: Labor market efficiency</b>                  |         |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.3     | 70       |
| 7.02 Flexibility of wage determination .....                | 4.1     | 117      |
| 7.03 Hiring and firing practices .....                      | 2.9     | 126      |
| 7.04 Redundancy costs, weeks of salary* .....               | 11.7    | 45       |
| 7.05 Effect of taxation on incentives to work .....         | 3.3     | 110      |
| 7.06 Pay and productivity .....                             | 4.1     | 66       |
| 7.07 Reliance on professional management .....              | 5.8     | 14       |
| 7.08 Country capacity to retain talent .....                | 4.5     | 24       |
| 7.09 Country capacity to attract talent .....               | 4.8     | 16       |
| 7.10 Women in labor force, ratio to men* .....              | 0.85    | 55       |
| <b>8th pillar: Financial market development</b>             |         |          |
| 8.01 Availability of financial services .....               | 5.6     | 19       |
| 8.02 Affordability of financial services .....              | 5.2     | 24       |
| 8.03 Financing through local equity market .....            | 5.0     | 14       |
| 8.04 Ease of access to loans .....                          | 3.3     | 39       |
| 8.05 Venture capital availability .....                     | 3.1     | 40       |
| 8.06 Soundness of banks .....                               | 6.6     | 3        |
| 8.07 Regulation of securities exchanges .....               | 5.7     | 10       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 11      | 4        |
| <b>9th pillar: Technological readiness</b>                  |         |          |
| 9.01 Availability of latest technologies .....              | 5.9     | 24       |
| 9.02 Firm-level technology absorption .....                 | 5.6     | 22       |
| 9.03 FDI and technology transfer .....                      | 4.8     | 43       |
| 9.04 Individuals using Internet, %* .....                   | 84.6    | 19       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 25.8    | 33       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 75.1    | 37       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 112.2   | 10       |
| <b>10th pillar: Market size</b>                             |         |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.1     | 19       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.3     | 33       |
| 10.03 GDP (PPP\$ billions)* .....                           | 1,095.4 | 19       |
| 10.04 Exports as a percentage of GDP* .....                 | 20.4    | 122      |
| <b>11th pillar: Business sophistication</b>                 |         |          |
| 11.01 Local supplier quantity .....                         | 4.7     | 48       |
| 11.02 Local supplier quality .....                          | 5.3     | 18       |
| 11.03 State of cluster development .....                    | 4.1     | 40       |
| 11.04 Nature of competitive advantage .....                 | 4.6     | 26       |
| 11.05 Value chain breadth .....                             | 3.8     | 61       |
| 11.06 Control of international distribution .....           | 4.1     | 40       |
| 11.07 Production process sophistication .....               | 5.0     | 29       |
| 11.08 Extent of marketing .....                             | 5.1     | 23       |
| 11.09 Willingness to delegate authority .....               | 4.9     | 17       |
| <b>12th pillar: Innovation</b>                              |         |          |
| 12.01 Capacity for innovation .....                         | 4.8     | 25       |
| 12.02 Quality of scientific research institutions .....     | 5.8     | 8        |
| 12.03 Company spending on R&D .....                         | 4.1     | 27       |
| 12.04 University-industry collaboration in R&D .....        | 4.8     | 21       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.3     | 70       |
| 12.06 Availability of scientists and engineers .....        | 4.9     | 17       |
| 12.07 PCT patents, applications/million pop.* .....         | 76.9    | 21       |

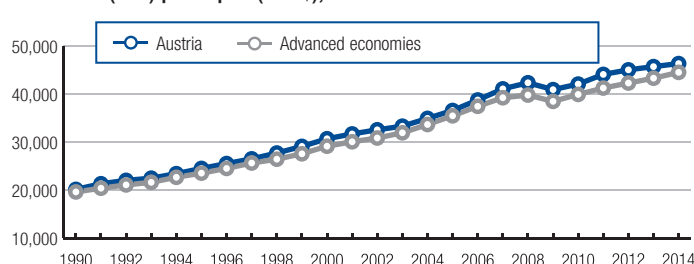
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Austria

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 8.5    |
| GDP (US\$ billions).....                   | 437.1  |
| GDP per capita (US\$).....                 | 51,307 |
| GDP (PPP) as share (%) of world total..... | 0.37   |

GDP (PPP) per capita (int'l \$), 1990–2014



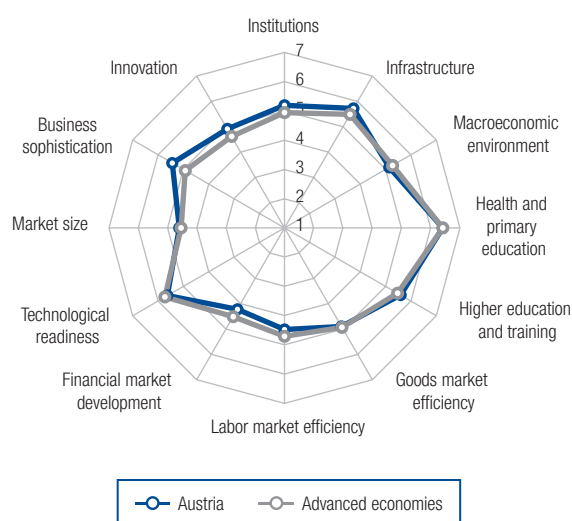
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>23</b>            | <b>5.1</b>     |
| GCI 2014–2015 (out of 144)..... | 21                   | 5.2            |
| GCI 2013–2014 (out of 148)..... | 16                   | 5.2            |
| GCI 2012–2013 (out of 144)..... | 16                   | 5.2            |

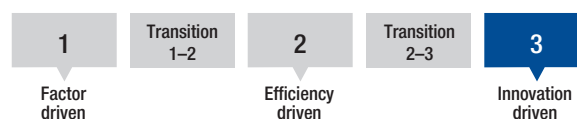
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>20</b> | <b>5.6</b> |
| 1st pillar: Institutions.....                 | 21        | 5.2        |
| 2nd pillar: Infrastructure.....               | 15        | 5.7        |
| 3rd pillar: Macroeconomic environment.....    | 45        | 5.1        |
| 4th pillar: Health and primary education..... | 19        | 6.4        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>24</b> | <b>4.9</b> |
| 5th pillar: Higher education and training..... | 16        | 5.6        |
| 6th pillar: Goods market efficiency.....       | 24        | 4.9        |
| 7th pillar: Labor market efficiency.....       | 40        | 4.5        |
| 8th pillar: Financial market development.....  | 47        | 4.2        |
| 9th pillar: Technological readiness.....       | 24        | 5.6        |
| 10th pillar: Market size.....                  | 42        | 4.6        |

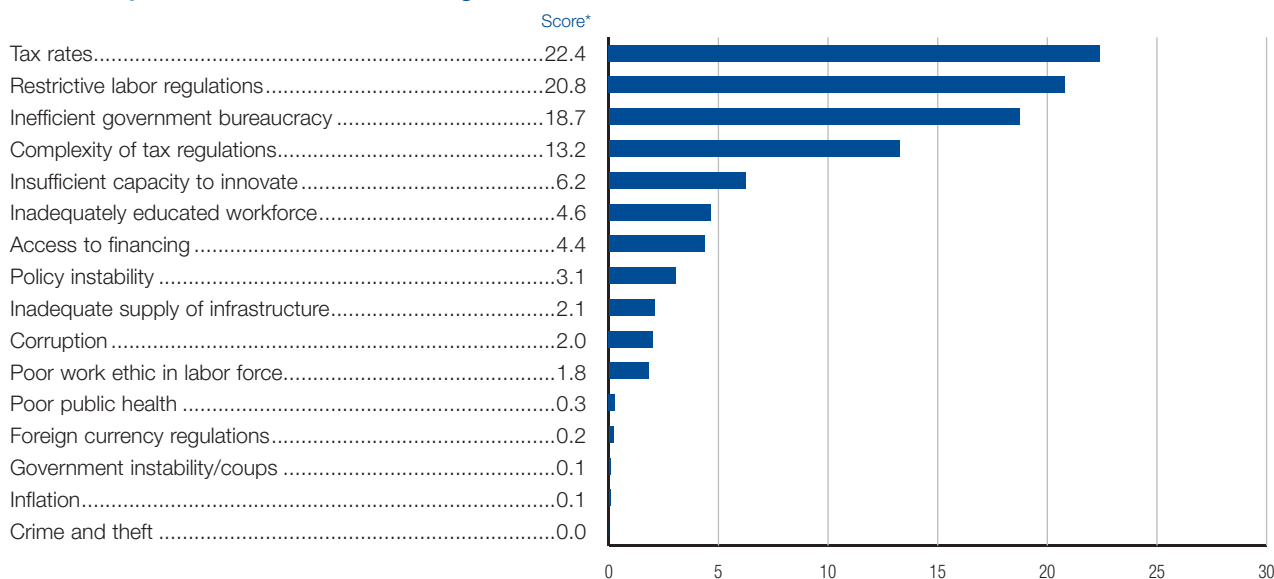
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>14</b> | <b>5.2</b> |
| 11th pillar: Business sophistication.....                  | 8         | 5.4        |
| 12th pillar: Innovation.....                               | 17        | 4.9        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Austria

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 5.9    | 15       |
| 1.02 Intellectual property protection .....                   | 5.7    | 19       |
| 1.03 Diversion of public funds .....                          | 4.7    | 30       |
| 1.04 Public trust in politicians .....                        | 3.9    | 33       |
| 1.05 Irregular payments and bribes .....                      | 5.7    | 22       |
| 1.06 Judicial independence .....                              | 5.2    | 27       |
| 1.07 Favoritism in decisions of government officials .....    | 3.9    | 33       |
| 1.08 Wastefulness of government spending .....                | 3.4    | 55       |
| 1.09 Burden of government regulation .....                    | 3.4    | 70       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.0    | 21       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.7    | 20       |
| 1.12 Transparency of government policymaking .....            | 5.0    | 21       |
| 1.13 Business costs of terrorism .....                        | 6.3    | 13       |
| 1.14 Business costs of crime and violence .....               | 6.0    | 10       |
| 1.15 Organized crime .....                                    | 6.4    | 8        |
| 1.16 Reliability of police services .....                     | 5.9    | 18       |
| 1.17 Ethical behavior of firms .....                          | 5.5    | 19       |
| 1.18 Strength of auditing and reporting standards .....       | 5.8    | 16       |
| 1.19 Efficacy of corporate boards .....                       | 5.8    | 10       |
| 1.20 Protection of minority shareholders' interests .....     | 4.9    | 23       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.3    | 32       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 6.0    | 8        |
| 2.02 Quality of roads .....                                   | 6.1    | 6        |
| 2.03 Quality of railroad infrastructure .....                 | 5.3    | 12       |
| 2.04 Quality of port infrastructure .....                     | 4.0    | 68       |
| 2.05 Quality of air transport infrastructure .....            | 5.4    | 32       |
| 2.06 Available airline seat km/week, millions* .....          | 477.5  | 45       |
| 2.07 Quality of electricity supply .....                      | 6.6    | 11       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 151.9  | 21       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 38.3   | 24       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.3   | 74       |
| 3.02 Gross national savings, % GDP* .....                     | 25.0   | 43       |
| 3.03 Inflation, annual % change* .....                        | 1.5    | 1        |
| 3.04 General government debt, % GDP* .....                    | 86.8   | 121      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 89.0   | 13       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 8.4    | 23       |
| 4.04 Business impact of tuberculosis .....                    | 6.8    | 5        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.4    | 74       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.7    | 8        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.2    | 16       |
| 4.08 Life expectancy, years* .....                            | 80.9   | 21       |
| 4.09 Quality of primary education .....                       | 4.9    | 30       |
| 4.10 Primary education enrollment, net %* .....               | 98.2   | 23       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 97.7   | 44       |
| 5.02 Tertiary education enrollment, gross %* .....            | 72.4   | 23       |
| 5.03 Quality of the education system .....                    | 4.3    | 37       |
| 5.04 Quality of math and science education .....              | 4.6    | 37       |
| 5.05 Quality of management schools .....                      | 4.9    | 32       |
| 5.06 Internet access in schools .....                         | 5.3    | 33       |
| 5.07 Availability of specialized training services .....      | 5.9    | 6        |
| 5.08 Extent of staff training .....                           | 5.1    | 15       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.7    | 15       |
| 6.02 Extent of market dominance .....                         | 5.2    | 6        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.8    | 22       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.1    | 115      |
| 6.05 Total tax rate, % profits* .....                         | 52.0   | 117      |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 8     | 93       |
| 6.07 No. days to start a business* .....                    | 22.0  | 102      |
| 6.08 Agricultural policy costs .....                        | 4.2   | 35       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.5   | 37       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 5.0   | 36       |
| 6.12 Business impact of rules on FDI .....                  | 5.1   | 26       |
| 6.13 Burden of customs procedures .....                     | 5.1   | 21       |
| 6.14 Imports as a percentage of GDP* .....                  | 53.7  | 54       |
| 6.15 Degree of customer orientation .....                   | 5.9   | 3        |
| 6.16 Buyer sophistication .....                             | 3.8   | 35       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.7   | 6        |
| 7.02 Flexibility of wage determination .....                | 2.4   | 139      |
| 7.03 Hiring and firing practices .....                      | 3.5   | 101      |
| 7.04 Redundancy costs, weeks of salary* .....               | 2.0   | 4        |
| 7.05 Effect of taxation on incentives to work .....         | 2.6   | 134      |
| 7.06 Pay and productivity .....                             | 4.2   | 49       |
| 7.07 Reliance on professional management .....              | 5.4   | 22       |
| 7.08 Country capacity to retain talent .....                | 4.4   | 27       |
| 7.09 Country capacity to attract talent .....               | 4.0   | 30       |
| 7.10 Women in labor force, ratio to men* .....              | 0.87  | 47       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 5.4   | 23       |
| 8.02 Affordability of financial services .....              | 5.3   | 22       |
| 8.03 Financing through local equity market .....            | 4.3   | 32       |
| 8.04 Ease of access to loans .....                          | 2.9   | 67       |
| 8.05 Venture capital availability .....                     | 2.9   | 58       |
| 8.06 Soundness of banks .....                               | 4.8   | 68       |
| 8.07 Regulation of securities exchanges .....               | 4.6   | 51       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 5     | 63       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 6.1   | 19       |
| 9.02 Firm-level technology absorption .....                 | 5.7   | 17       |
| 9.03 FDI and technology transfer .....                      | 4.7   | 51       |
| 9.04 Individuals using Internet, %* .....                   | 81.0  | 25       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 27.5  | 25       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 79.6  | 35       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 67.2  | 33       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.3   | 44       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.3   | 34       |
| 10.03 GDP (PPP\$ billions)* .....                           | 395.5 | 44       |
| 10.04 Exports as a percentage of GDP* .....                 | 55.9  | 32       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 5.3   | 12       |
| 11.02 Local supplier quality .....                          | 6.0   | 3        |
| 11.03 State of cluster development .....                    | 4.9   | 16       |
| 11.04 Nature of competitive advantage .....                 | 6.1   | 4        |
| 11.05 Value chain breadth .....                             | 5.5   | 11       |
| 11.06 Control of international distribution .....           | 4.9   | 11       |
| 11.07 Production process sophistication .....               | 6.0   | 8        |
| 11.08 Extent of marketing .....                             | 5.4   | 11       |
| 11.09 Willingness to delegate authority .....               | 4.7   | 22       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 5.4   | 8        |
| 12.02 Quality of scientific research institutions .....     | 5.1   | 25       |
| 12.03 Company spending on R&D .....                         | 4.9   | 14       |
| 12.04 University-industry collaboration in R&D .....        | 4.7   | 24       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.4   | 66       |
| 12.06 Availability of scientists and engineers .....        | 4.5   | 37       |
| 12.07 PCT patents, applications/million pop.* .....         | 167.5 | 10       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

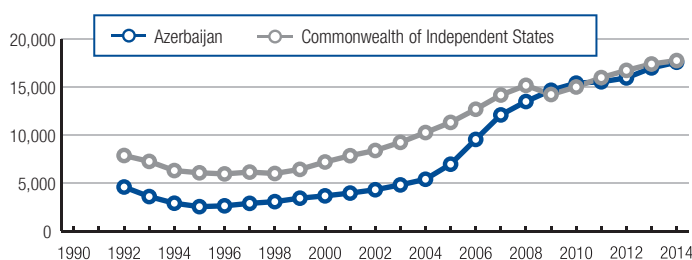


# Azerbaijan

## Key indicators, 2014

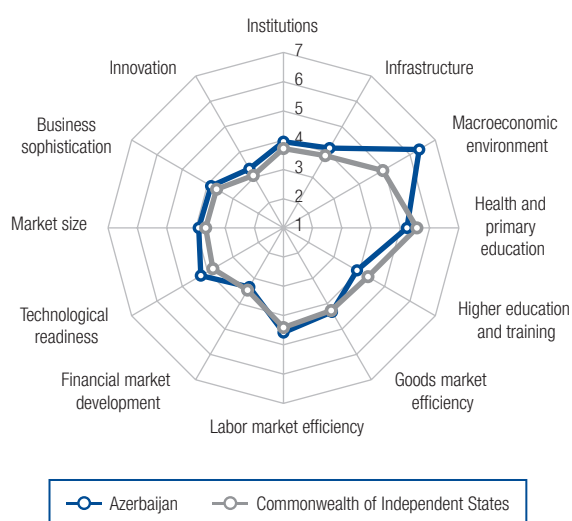
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 9.4   |
| GDP (US\$ billions).....                   | 74.1  |
| GDP per capita (US\$).....                 | 7,902 |
| GDP (PPP) as share (%) of world total..... | 0.15  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

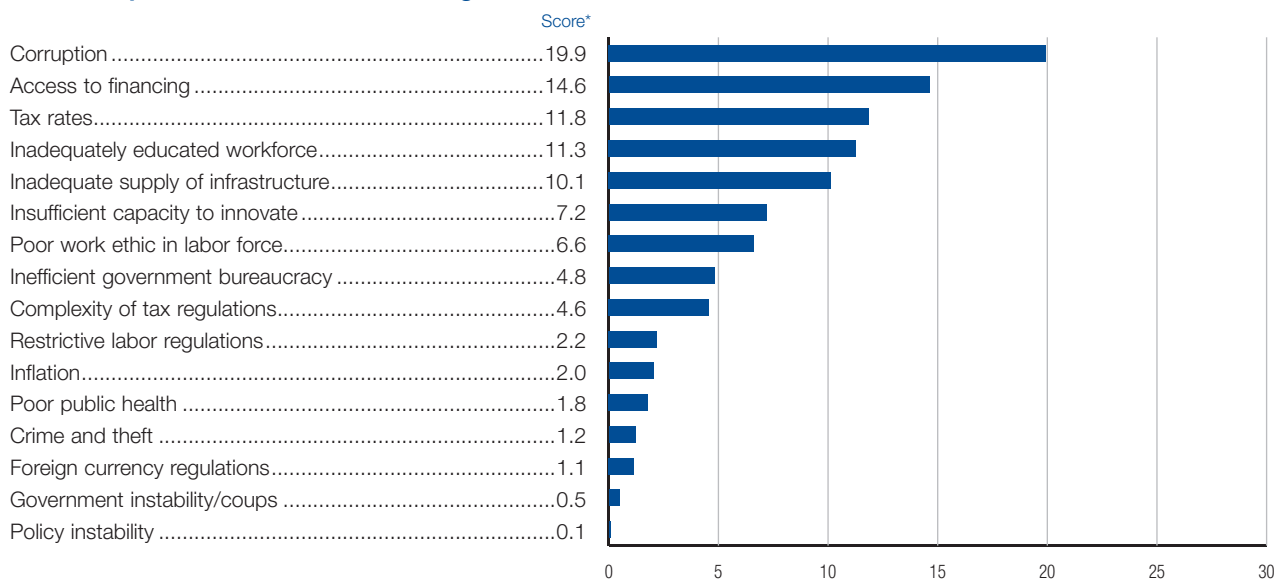
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>40</b>            | <b>4.5</b>     |
| GCI 2014–2015 (out of 144).....                           | 38                   | 4.5            |
| GCI 2013–2014 (out of 148).....                           | 39                   | 4.5            |
| GCI 2012–2013 (out of 144).....                           | 46                   | 4.4            |
| <b>Basic requirements (55.9%)</b> .....                   | <b>43</b>            | <b>4.9</b>     |
| 1st pillar: Institutions.....                             | 64                   | 3.9            |
| 2nd pillar: Infrastructure.....                           | 65                   | 4.1            |
| 3rd pillar: Macroeconomic environment.....                | 10                   | 6.4            |
| 4th pillar: Health and primary education.....             | 102                  | 5.2            |
| <b>Efficiency enhancers (38.1%)</b> .....                 | <b>69</b>            | <b>4.0</b>     |
| 5th pillar: Higher education and training.....            | 89                   | 3.9            |
| 6th pillar: Goods market efficiency.....                  | 66                   | 4.3            |
| 7th pillar: Labor market efficiency.....                  | 30                   | 4.6            |
| 8th pillar: Financial market development.....             | 114                  | 3.3            |
| 9th pillar: Technological readiness.....                  | 57                   | 4.3            |
| 10th pillar: Market size.....                             | 67                   | 3.9            |
| <b>Innovation and sophistication factors (6.0%)</b> ..... | <b>66</b>            | <b>3.6</b>     |
| 11th pillar: Business sophistication.....                 | 73                   | 3.9            |
| 12th pillar: Innovation.....                              | 61                   | 3.3            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Azerbaijan

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE       | RANK/140  |
|---------------------------------------------------------------|-------------|-----------|
| <b>1st pillar: Institutions</b>                               |             |           |
| 1.01 Property rights .....                                    | 3.8 .....   | 101       |
| 1.02 Intellectual property protection .....                   | 3.5 .....   | 92        |
| 1.03 Diversion of public funds .....                          | 3.1 .....   | 82        |
| 1.04 Public trust in politicians .....                        | 3.4 .....   | 47        |
| 1.05 Irregular payments and bribes .....                      | 3.6 .....   | 87        |
| 1.06 Judicial independence .....                              | 3.2 .....   | 101       |
| 1.07 Favoritism in decisions of government officials .....    | 3.3 .....   | 58        |
| 1.08 Wastefulness of government spending .....                | 3.5 .....   | 54        |
| 1.09 Burden of government regulation .....                    | 3.9 .....   | <b>31</b> |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.8 .....   | 63        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.5 .....   | 62        |
| 1.12 Transparency of government policymaking .....            | 4.3 .....   | 55        |
| 1.13 Business costs of terrorism .....                        | 5.7 .....   | 42        |
| 1.14 Business costs of crime and violence .....               | 5.7 .....   | <b>21</b> |
| 1.15 Organized crime .....                                    | 5.5 .....   | 43        |
| 1.16 Reliability of police services .....                     | 4.1 .....   | 70        |
| 1.17 Ethical behavior of firms .....                          | 4.0 .....   | 60        |
| 1.18 Strength of auditing and reporting standards .....       | 4.2 .....   | 92        |
| 1.19 Efficacy of corporate boards .....                       | 4.4 .....   | 91        |
| 1.20 Protection of minority shareholders' interests .....     | 3.9 .....   | 83        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.9 .....   | 50        |
| <b>2nd pillar: Infrastructure</b>                             |             |           |
| 2.01 Quality of overall infrastructure .....                  | 4.8 .....   | <b>39</b> |
| 2.02 Quality of roads .....                                   | 4.0 .....   | 70        |
| 2.03 Quality of railroad infrastructure .....                 | 3.8 .....   | 39        |
| 2.04 Quality of port infrastructure .....                     | 4.3 .....   | 59        |
| 2.05 Quality of air transport infrastructure .....            | 5.0 .....   | 41        |
| 2.06 Available airline seat km/week, millions* .....          | 94.1 .....  | 83        |
| 2.07 Quality of electricity supply .....                      | 4.9 .....   | 63        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 110.9 ..... | 78        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 18.9 .....  | 60        |
| <b>3rd pillar: Macroeconomic environment</b>                  |             |           |
| 3.01 Government budget balance, % GDP* .....                  | 0.4 .....   | <b>16</b> |
| 3.02 Gross national savings, % GDP* .....                     | 39.2 .....  | <b>8</b>  |
| 3.03 Inflation, annual % change* .....                        | 1.4 .....   | <b>1</b>  |
| 3.04 General government debt, % GDP* .....                    | 16.4 .....  | <b>14</b> |
| 3.05 Country credit rating, 0–100 (best)* .....               | 48.9 .....  | 70        |
| <b>4th pillar: Health and primary education</b>               |             |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.0 .....   | 8         |
| 4.02 Business impact of malaria .....                         | 5.8 .....   | 14        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 85.0 .....  | 85        |
| 4.04 Business impact of tuberculosis .....                    | 5.4 .....   | 79        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2 .....   | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 5.6 .....   | 69        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 29.9 .....  | 99        |
| 4.08 Life expectancy, years* .....                            | 70.7 .....  | 94        |
| 4.09 Quality of primary education .....                       | 3.1 .....   | 106       |
| 4.10 Primary education enrollment, net %* .....               | 89.1 .....  | 105       |
| <b>5th pillar: Higher education and training</b>              |             |           |
| 5.01 Secondary education enrollment, gross %* .....           | 100.3 ..... | <b>33</b> |
| 5.02 Tertiary education enrollment, gross %* .....            | 20.4 .....  | 91        |
| 5.03 Quality of the education system .....                    | 3.1 .....   | 107       |
| 5.04 Quality of math and science education .....              | 3.3 .....   | 104       |
| 5.05 Quality of management schools .....                      | 3.3 .....   | 121       |
| 5.06 Internet access in schools .....                         | 4.3 .....   | 68        |
| 5.07 Availability of specialized training services .....      | 4.0 .....   | 82        |
| 5.08 Extent of staff training .....                           | 3.7 .....   | 90        |
| <b>6th pillar: Goods market efficiency</b>                    |             |           |
| 6.01 Intensity of local competition .....                     | 4.3 .....   | 120       |
| 6.02 Extent of market dominance .....                         | 3.5 .....   | 85        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.2 .....   | 113       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.6 .....   | 74        |
| 6.05 Total tax rate, % profits* .....                         | 39.8 .....  | 79        |

| INDICATOR                                                   | VALUE       | RANK/140  |
|-------------------------------------------------------------|-------------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |             |           |
| 6.06 No. procedures to start a business* .....              | 3 .....     | <b>9</b>  |
| 6.07 No. days to start a business* .....                    | 5.0 .....   | <b>18</b> |
| 6.08 Agricultural policy costs .....                        | 3.7 .....   | 85        |
| 6.09 Prevalence of non-tariff barriers .....                | 4.4 .....   | 60        |
| 6.10 Trade tariffs, % duty* .....                           | 7.4 .....   | 88        |
| 6.11 Prevalence of foreign ownership .....                  | 3.8 .....   | 111       |
| 6.12 Business impact of rules on FDI .....                  | 4.3 .....   | 89        |
| 6.13 Burden of customs procedures .....                     | 3.2 .....   | 122       |
| 6.14 Imports as a percentage of GDP* .....                  | 26.3 .....  | 125       |
| 6.15 Degree of customer orientation .....                   | 4.6 .....   | 70        |
| 6.16 Buyer sophistication .....                             | 4.0 .....   | <b>25</b> |
| <b>7th pillar: Labor market efficiency</b>                  |             |           |
| 7.01 Cooperation in labor-employer relations .....          | 4.3 .....   | 74        |
| 7.02 Flexibility of wage determination .....                | 5.4 .....   | <b>34</b> |
| 7.03 Hiring and firing practices .....                      | 4.4 .....   | <b>27</b> |
| 7.04 Redundancy costs, weeks of salary* .....               | 21.7 .....  | 100       |
| 7.05 Effect of taxation on incentives to work .....         | 3.4 .....   | 104       |
| 7.06 Pay and productivity .....                             | 4.4 .....   | <b>37</b> |
| 7.07 Reliance on professional management .....              | 3.8 .....   | 92        |
| 7.08 Country capacity to retain talent .....                | 3.5 .....   | 64        |
| 7.09 Country capacity to attract talent .....               | 4.0 .....   | <b>32</b> |
| 7.10 Women in labor force, ratio to men* .....              | 0.93 .....  | <b>22</b> |
| <b>8th pillar: Financial market development</b>             |             |           |
| 8.01 Availability of financial services .....               | 4.1 .....   | 91        |
| 8.02 Affordability of financial services .....              | 4.1 .....   | 75        |
| 8.03 Financing through local equity market .....            | 3.1 .....   | 96        |
| 8.04 Ease of access to loans .....                          | 2.7 .....   | 79        |
| 8.05 Venture capital availability .....                     | 2.7 .....   | 71        |
| 8.06 Soundness of banks .....                               | 4.3 .....   | 103       |
| 8.07 Regulation of securities exchanges .....               | 3.7 .....   | 98        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 2 .....     | 106       |
| <b>9th pillar: Technological readiness</b>                  |             |           |
| 9.01 Availability of latest technologies .....              | 5.0 .....   | 54        |
| 9.02 Firm-level technology absorption .....                 | 4.7 .....   | 62        |
| 9.03 FDI and technology transfer .....                      | 4.7 .....   | 50        |
| 9.04 Individuals using Internet, %* .....                   | 61.0 .....  | 54        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 19.8 .....  | 45        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 32.2 .....  | 70        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 46.8 .....  | 62        |
| <b>10th pillar: Market size</b>                             |             |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 3.6 .....   | 70        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.7 .....   | 64        |
| 10.03 GDP (PPP\$ billions)* .....                           | 165.3 ..... | 63        |
| 10.04 Exports as a percentage of GDP* .....                 | 43.9 .....  | 55        |
| <b>11th pillar: Business sophistication</b>                 |             |           |
| 11.01 Local supplier quantity .....                         | 4.4 .....   | 79        |
| 11.02 Local supplier quality .....                          | 4.1 .....   | 79        |
| 11.03 State of cluster development .....                    | 3.4 .....   | 97        |
| 11.04 Nature of competitive advantage .....                 | 3.1 .....   | 97        |
| 11.05 Value chain breadth .....                             | 3.7 .....   | 77        |
| 11.06 Control of international distribution .....           | 4.1 .....   | 46        |
| 11.07 Production process sophistication .....               | 4.0 .....   | 55        |
| 11.08 Extent of marketing .....                             | 4.3 .....   | 75        |
| 11.09 Willingness to delegate authority .....               | 3.6 .....   | 77        |
| <b>12th pillar: Innovation</b>                              |             |           |
| 12.01 Capacity for innovation .....                         | 4.1 .....   | 53        |
| 12.02 Quality of scientific research institutions .....     | 3.4 .....   | 89        |
| 12.03 Company spending on R&D .....                         | 3.2 .....   | 71        |
| 12.04 University-industry collaboration in R&D .....        | 3.2 .....   | 103       |
| 12.05 Gov't procurement of advanced tech products .....     | 4.2 .....   | <b>12</b> |
| 12.06 Availability of scientists and engineers .....        | 4.2 .....   | 54        |
| 12.07 PCT patents, applications/million pop.* .....         | 0.7 .....   | 75        |

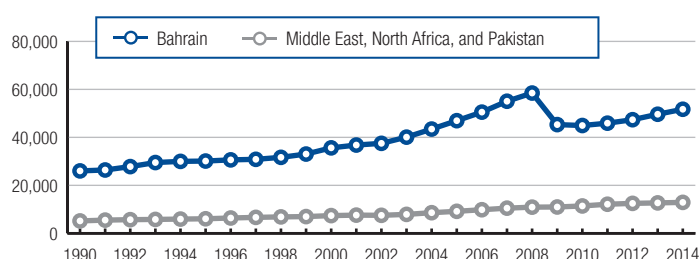
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Bahrain

## Key indicators, 2014

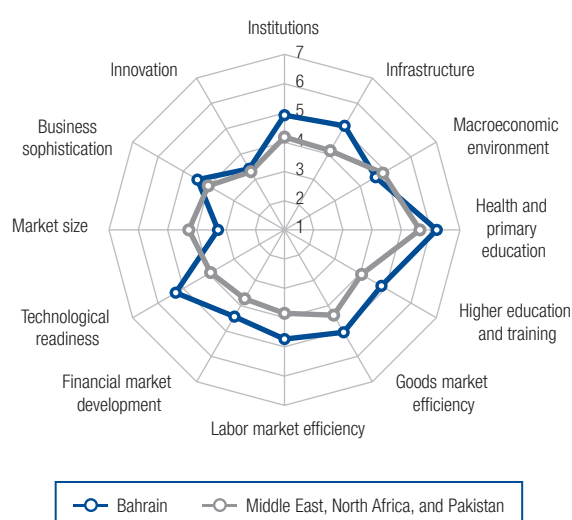
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 1.2    |
| GDP (US\$ billions).....                   | 33.9   |
| GDP per capita (US\$).....                 | 28,272 |
| GDP (PPP) as share (%) of world total..... | 0.06   |

GDP (PPP) per capita (int'l \$), 1990–2014

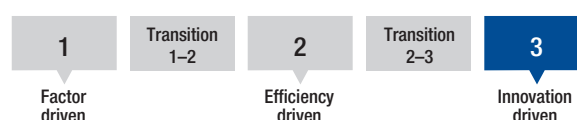


## Global Competitiveness Index

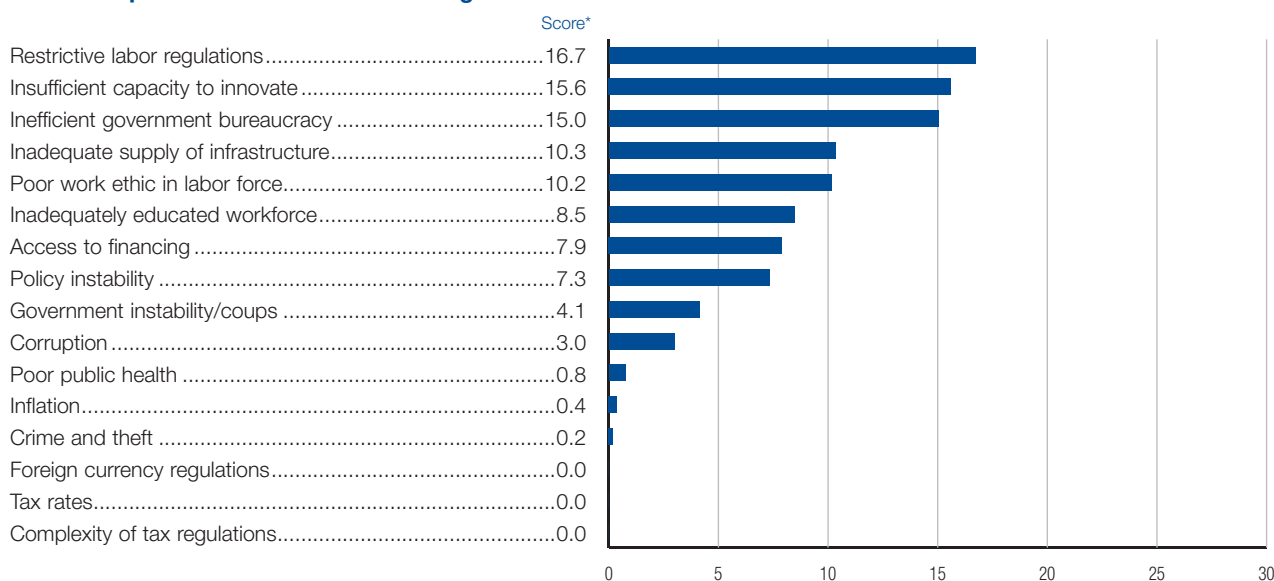
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>39</b>            | <b>4.5</b>     |
| GCI 2014–2015 (out of 144).....                            | 44                   | 4.5            |
| GCI 2013–2014 (out of 148).....                            | 43                   | 4.5            |
| GCI 2012–2013 (out of 144).....                            | 35                   | 4.6            |
| <b>Basic requirements (20.0%)</b> .....                    | <b>32</b>            | <b>5.2</b>     |
| 1st pillar: Institutions.....                              | 26                   | 4.9            |
| 2nd pillar: Infrastructure.....                            | 29                   | 5.1            |
| 3rd pillar: Macroeconomic environment.....                 | 82                   | 4.6            |
| 4th pillar: Health and primary education.....              | 35                   | 6.2            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>35</b>            | <b>4.6</b>     |
| 5th pillar: Higher education and training.....             | 44                   | 4.8            |
| 6th pillar: Goods market efficiency.....                   | 18                   | 5.0            |
| 7th pillar: Labor market efficiency.....                   | 24                   | 4.7            |
| 8th pillar: Financial market development.....              | 33                   | 4.4            |
| 9th pillar: Technological readiness.....                   | 34                   | 5.3            |
| 10th pillar: Market size.....                              | 92                   | 3.3            |
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>43</b>            | <b>3.9</b>     |
| 11th pillar: Business sophistication.....                  | 32                   | 4.4            |
| 12th pillar: Innovation.....                               | 56                   | 3.4            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Bahrain

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 5.3    | 29       |
| 1.02 Intellectual property protection .....                   | 4.8    | 31       |
| 1.03 Diversion of public funds .....                          | 4.9    | 24       |
| 1.04 Public trust in politicians .....                        | 4.4    | 24       |
| 1.05 Irregular payments and bribes .....                      | 5.8    | 21       |
| 1.06 Judicial independence .....                              | 4.7    | 41       |
| 1.07 Favoritism in decisions of government officials .....    | 4.2    | 22       |
| 1.08 Wastefulness of government spending .....                | 4.3    | 17       |
| 1.09 Burden of government regulation .....                    | 4.5    | 10       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.5    | 33       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.4    | 28       |
| 1.12 Transparency of government policymaking .....            | 4.8    | 27       |
| 1.13 Business costs of terrorism .....                        | 4.6    | 106      |
| 1.14 Business costs of crime and violence .....               | 5.0    | 54       |
| 1.15 Organized crime .....                                    | 6.2    | 18       |
| 1.16 Reliability of police services .....                     | 5.0    | 36       |
| 1.17 Ethical behavior of firms .....                          | 5.1    | 24       |
| 1.18 Strength of auditing and reporting standards .....       | 5.8    | 18       |
| 1.19 Efficacy of corporate boards .....                       | 5.4    | 27       |
| 1.20 Protection of minority shareholders' interests .....     | 5.0    | 20       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.0    | 90       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 5.3    | 25       |
| 2.02 Quality of roads .....                                   | 5.4    | 22       |
| 2.03 Quality of railroad infrastructure .....                 | N/Apl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 5.4    | 23       |
| 2.05 Quality of air transport infrastructure .....            | 5.0    | 44       |
| 2.06 Available airline seat km/week, millions* .....          | 163.1  | 71       |
| 2.07 Quality of electricity supply .....                      | 6.2    | 25       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 173.3  | 6        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 21.2   | 53       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | −5.7   | 119      |
| 3.02 Gross national savings, % GDP* .....                     | 18.8   | 81       |
| 3.03 Inflation, annual % change* .....                        | 2.5    | 1        |
| 3.04 General government debt, % GDP* .....                    | 43.8   | 70       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 56.4   | 57       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 18.0   | 39       |
| 4.04 Business impact of tuberculosis .....                    | 5.9    | 58       |
| 4.05 HIV prevalence, % adult pop.* .....                      | <0.2   | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.9    | 56       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 5.2    | 35       |
| 4.08 Life expectancy, years* .....                            | 76.7   | 45       |
| 4.09 Quality of primary education .....                       | 4.7    | 38       |
| 4.10 Primary education enrollment, net %* .....               | 96.5   | 48       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 95.5   | 53       |
| 5.02 Tertiary education enrollment, gross %* .....            | 33.5   | 73       |
| 5.03 Quality of the education system .....                    | 4.6    | 26       |
| 5.04 Quality of math and science education .....              | 4.6    | 42       |
| 5.05 Quality of management schools .....                      | 4.6    | 43       |
| 5.06 Internet access in schools .....                         | 5.3    | 34       |
| 5.07 Availability of specialized training services .....      | 4.9    | 31       |
| 5.08 Extent of staff training .....                           | 4.8    | 22       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.3    | 47       |
| 6.02 Extent of market dominance .....                         | 4.0    | 40       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.6    | 24       |
| 6.04 Effect of taxation on incentives to invest .....         | 6.6    | 1        |
| 6.05 Total tax rate, % profits* .....                         | 13.5   | 4        |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 7     | 76       |
| 6.07 No. days to start a business* .....                    | 9.0   | 50       |
| 6.08 Agricultural policy costs .....                        | 4.2   | 33       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.9   | 13       |
| 6.10 Trade tariffs, % duty* .....                           | 4.1   | 57       |
| 6.11 Prevalence of foreign ownership .....                  | 5.4   | 18       |
| 6.12 Business impact of rules on FDI .....                  | 5.6   | 8        |
| 6.13 Burden of customs procedures .....                     | 4.9   | 27       |
| 6.14 Imports as a percentage of GDP* .....                  | 48.6  | 66       |
| 6.15 Degree of customer orientation .....                   | 5.0   | 37       |
| 6.16 Buyer sophistication .....                             | 3.9   | 29       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.4   | 17       |
| 7.02 Flexibility of wage determination .....                | 5.8   | 13       |
| 7.03 Hiring and firing practices .....                      | 4.4   | 24       |
| 7.04 Redundancy costs, weeks of salary* .....               | 4.3   | 7        |
| 7.05 Effect of taxation on incentives to work .....         | 5.9   | 4        |
| 7.06 Pay and productivity .....                             | 4.8   | 11       |
| 7.07 Reliance on professional management .....              | 4.9   | 30       |
| 7.08 Country capacity to retain talent .....                | 4.8   | 17       |
| 7.09 Country capacity to attract talent .....               | 5.0   | 12       |
| 7.10 Women in labor force, ratio to men* .....              | 0.46  | 127      |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 5.7   | 15       |
| 8.02 Affordability of financial services .....              | 5.5   | 15       |
| 8.03 Financing through local equity market .....            | 3.8   | 51       |
| 8.04 Ease of access to loans .....                          | 4.2   | 8        |
| 8.05 Venture capital availability .....                     | 3.6   | 23       |
| 8.06 Soundness of banks .....                               | 5.8   | 29       |
| 8.07 Regulation of securities exchanges .....               | 5.6   | 13       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 1     | 129      |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 5.7   | 29       |
| 9.02 Firm-level technology absorption .....                 | 5.3   | 33       |
| 9.03 FDI and technology transfer .....                      | 4.9   | 30       |
| 9.04 Individuals using Internet, %* .....                   | 91.0  | 10       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 21.4  | 42       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 49.1  | 50       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 126.2 | 4        |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 2.9   | 94       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.4   | 71       |
| 10.03 GDP (PPP\$ billions)* .....                           | 61.9  | 88       |
| 10.04 Exports as a percentage of GDP* .....                 | 73.9  | 19       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.7   | 47       |
| 11.02 Local supplier quality .....                          | 4.6   | 44       |
| 11.03 State of cluster development .....                    | 4.5   | 27       |
| 11.04 Nature of competitive advantage .....                 | 3.6   | 59       |
| 11.05 Value chain breadth .....                             | 4.2   | 41       |
| 11.06 Control of international distribution .....           | 4.6   | 21       |
| 11.07 Production process sophistication .....               | 4.6   | 32       |
| 11.08 Extent of marketing .....                             | 4.9   | 28       |
| 11.09 Willingness to delegate authority .....               | 4.0   | 46       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 3.9   | 70       |
| 12.02 Quality of scientific research institutions .....     | 3.5   | 87       |
| 12.03 Company spending on R&D .....                         | 3.0   | 87       |
| 12.04 University-industry collaboration in R&D .....        | 3.3   | 90       |
| 12.05 Gov't procurement of advanced tech products .....     | 4.1   | 15       |
| 12.06 Availability of scientists and engineers .....        | 4.3   | 42       |
| 12.07 PCT patents, applications/million pop.* .....         | 1.9   | 56       |

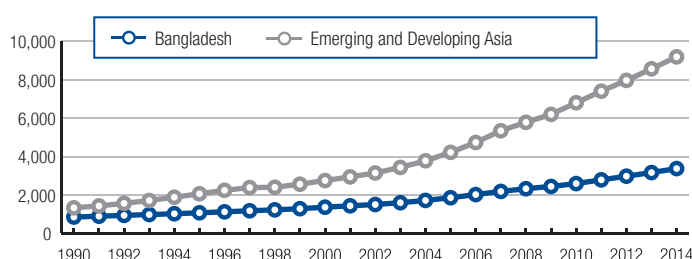
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Bangladesh

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 158.2 |
| GDP (US\$ billions).....                   | 185.4 |
| GDP per capita (US\$).....                 | 1,172 |
| GDP (PPP) as share (%) of world total..... | 0.50  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016.....</b>       | <b>107.....</b>      | <b>3.8</b>     |
| GCI 2014–2015 (out of 144)..... | 109.....             | 3.7            |
| GCI 2013–2014 (out of 148)..... | 110.....             | 3.7            |
| GCI 2012–2013 (out of 144)..... | 118.....             | 3.6            |

### Basic requirements (60.0%).....109.....3.9

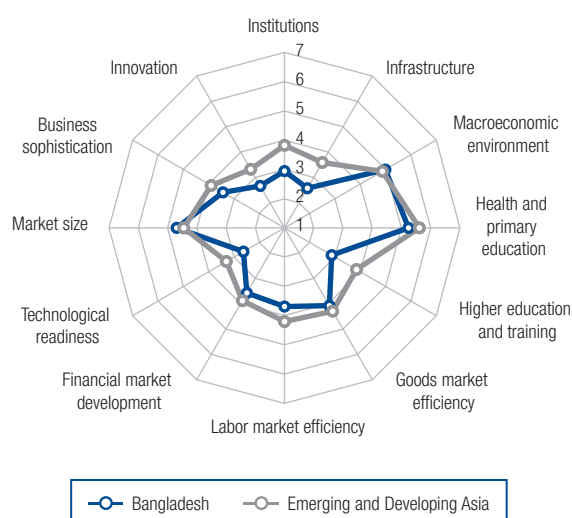
|                                               |          |     |
|-----------------------------------------------|----------|-----|
| 1st pillar: Institutions.....                 | 132..... | 2.9 |
| 2nd pillar: Infrastructure.....               | 123..... | 2.6 |
| 3rd pillar: Macroeconomic environment.....    | 49.....  | 5.0 |
| 4th pillar: Health and primary education..... | 101..... | 5.2 |

### Efficiency enhancers (35.0%).....105.....3.6

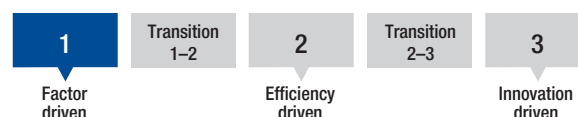
|                                                |          |     |
|------------------------------------------------|----------|-----|
| 5th pillar: Higher education and training..... | 122..... | 2.9 |
| 6th pillar: Goods market efficiency.....       | 101..... | 4.1 |
| 7th pillar: Labor market efficiency.....       | 121..... | 3.7 |
| 8th pillar: Financial market development.....  | 90.....  | 3.6 |
| 9th pillar: Technological readiness.....       | 127..... | 2.6 |
| 10th pillar: Market size.....                  | 40.....  | 4.7 |

### Innovation and sophistication factors (5.0%).....123.....3.0

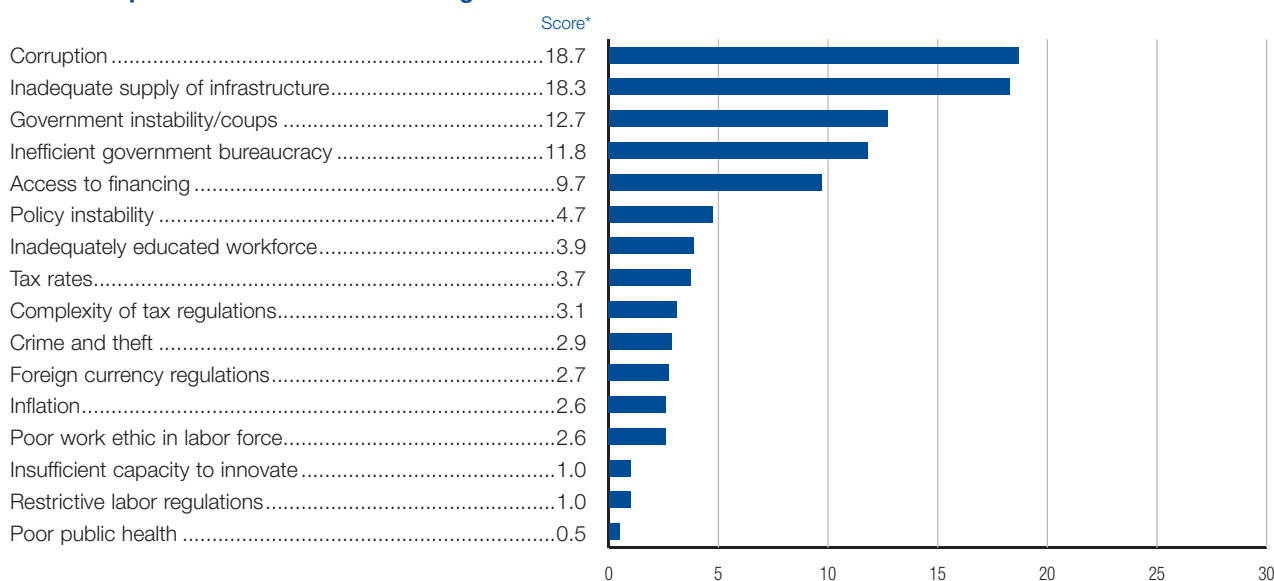
|                                           |          |     |
|-------------------------------------------|----------|-----|
| 11th pillar: Business sophistication..... | 117..... | 3.4 |
| 12th pillar: Innovation.....              | 127..... | 2.7 |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Bangladesh

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140 |
|---------------------------------------------------------------|-------|----------|
| <b>1st pillar: Institutions</b>                               |       |          |
| 1.01 Property rights .....                                    | 3.5   | 119      |
| 1.02 Intellectual property protection .....                   | 2.6   | 135      |
| 1.03 Diversion of public funds .....                          | 2.7   | 108      |
| 1.04 Public trust in politicians .....                        | 1.7   | 136      |
| 1.05 Irregular payments and bribes .....                      | 2.1   | 139      |
| 1.06 Judicial independence .....                              | 2.4   | 130      |
| 1.07 Favoritism in decisions of government officials .....    | 2.2   | 128      |
| 1.08 Wastefulness of government spending .....                | 2.6   | 106      |
| 1.09 Burden of government regulation .....                    | 3.0   | 107      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.6   | 131      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.7   | 117      |
| 1.12 Transparency of government policymaking .....            | 3.4   | 117      |
| 1.13 Business costs of terrorism .....                        | 4.3   | 120      |
| 1.14 Business costs of crime and violence .....               | 3.4   | 119      |
| 1.15 Organized crime .....                                    | 4.0   | 110      |
| 1.16 Reliability of police services .....                     | 2.6   | 136      |
| 1.17 Ethical behavior of firms .....                          | 3.0   | 135      |
| 1.18 Strength of auditing and reporting standards .....       | 3.3   | 134      |
| 1.19 Efficacy of corporate boards .....                       | 3.9   | 135      |
| 1.20 Protection of minority shareholders' interests .....     | 3.1   | 131      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.1   | 42       |
| <b>2nd pillar: Infrastructure</b>                             |       |          |
| 2.01 Quality of overall infrastructure .....                  | 2.8   | 124      |
| 2.02 Quality of roads .....                                   | 2.9   | 113      |
| 2.03 Quality of railroad infrastructure .....                 | 2.5   | 75       |
| 2.04 Quality of port infrastructure .....                     | 3.6   | 93       |
| 2.05 Quality of air transport infrastructure .....            | 3.2   | 121      |
| 2.06 Available airline seat km/week, millions* .....          | 259.2 | 59       |
| 2.07 Quality of electricity supply .....                      | 2.7   | 120      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 75.9  | 119      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.7   | 128      |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |          |
| 3.01 Government budget balance, % GDP* .....                  | -3    | 66       |
| 3.02 Gross national savings, % GDP* .....                     | 30.0  | 22       |
| 3.03 Inflation, annual % change* .....                        | 7.0   | 117      |
| 3.04 General government debt, % GDP* .....                    | 33.9  | 46       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 31.7  | 96       |
| <b>4th pillar: Health and primary education</b>               |       |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 394.3 | 41       |
| 4.02 Business impact of malaria .....                         | 5.6   | 19       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 224.0 | 120      |
| 4.04 Business impact of tuberculosis .....                    | 5.5   | 75       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1   | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.0   | 50       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 33.2  | 105      |
| 4.08 Life expectancy, years* .....                            | 70.7  | 93       |
| 4.09 Quality of primary education .....                       | 3.0   | 111      |
| 4.10 Primary education enrollment, net %* .....               | 91.5  | 87       |
| <b>5th pillar: Higher education and training</b>              |       |          |
| 5.01 Secondary education enrollment, gross %* .....           | 53.6  | 116      |
| 5.02 Tertiary education enrollment, gross %* .....            | 13.2  | 105      |
| 5.03 Quality of the education system .....                    | 3.4   | 87       |
| 5.04 Quality of math and science education .....              | 3.3   | 106      |
| 5.05 Quality of management schools .....                      | 3.7   | 105      |
| 5.06 Internet access in schools .....                         | 3.2   | 121      |
| 5.07 Availability of specialized training services .....      | 3.1   | 132      |
| 5.08 Extent of staff training .....                           | 3.2   | 130      |
| <b>6th pillar: Goods market efficiency</b>                    |       |          |
| 6.01 Intensity of local competition .....                     | 5.0   | 75       |
| 6.02 Extent of market dominance .....                         | 3.2   | 114      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.3   | 111      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.5   | 79       |
| 6.05 Total tax rate, % profits* .....                         | 32.5  | 49       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 9     | 104      |
| 6.07 No. days to start a business* .....                 | 19.5  | 98       |
| 6.08 Agricultural policy costs .....                     | 4.3   | 29       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.5   | 44       |
| 6.10 Trade tariffs, % duty* .....                        | 13.5  | 128      |
| 6.11 Prevalence of foreign ownership .....               | 3.8   | 113      |
| 6.12 Business impact of rules on FDI .....               | 4.6   | 65       |
| 6.13 Burden of customs procedures .....                  | 3.2   | 123      |
| 6.14 Imports as a percentage of GDP* .....               | 26.7  | 123      |
| 6.15 Degree of customer orientation .....                | 4.0   | 113      |
| 6.16 Buyer sophistication .....                          | 3.4   | 69       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.0   | 102      |
| 7.02 Flexibility of wage determination .....             | 4.8   | 85       |
| 7.03 Hiring and firing practices .....                   | 4.3   | 36       |
| 7.04 Redundancy costs, weeks of salary* .....            | 31.0  | 127      |
| 7.05 Effect of taxation on incentives to work .....      | 3.9   | 55       |
| 7.06 Pay and productivity .....                          | 3.5   | 107      |
| 7.07 Reliance on professional management .....           | 3.5   | 113      |
| 7.08 Country capacity to retain talent .....             | 2.7   | 115      |
| 7.09 Country capacity to attract talent .....            | 2.5   | 122      |
| 7.10 Women in labor force, ratio to men* .....           | 0.70  | 97       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.1   | 94       |
| 8.02 Affordability of financial services .....           | 3.9   | 88       |
| 8.03 Financing through local equity market .....         | 4.1   | 39       |
| 8.04 Ease of access to loans .....                       | 2.4   | 102      |
| 8.05 Venture capital availability .....                  | 2.1   | 122      |
| 8.06 Soundness of banks .....                            | 4.0   | 116      |
| 8.07 Regulation of securities exchanges .....            | 3.4   | 117      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 6     | 44       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.0   | 106      |
| 9.02 Firm-level technology absorption .....              | 4.1   | 108      |
| 9.03 FDI and technology transfer .....                   | 3.7   | 118      |
| 9.04 Individuals using Internet, %* .....                | 9.6   | 126      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 1.2   | 105      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 5.9   | 114      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 6.4   | 122      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 4.6   | 32       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.8   | 58       |
| 10.03 GDP (PPP\$ billions)* .....                        | 533.7 | 35       |
| 10.04 Exports as a percentage of GDP* .....              | 17.2  | 125      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.6   | 65       |
| 11.02 Local supplier quality .....                       | 3.9   | 93       |
| 11.03 State of cluster development .....                 | 3.8   | 62       |
| 11.04 Nature of competitive advantage .....              | 2.1   | 139      |
| 11.05 Value chain breadth .....                          | 3.4   | 102      |
| 11.06 Control of international distribution .....        | 3.2   | 119      |
| 11.07 Production process sophistication .....            | 3.3   | 104      |
| 11.08 Extent of marketing .....                          | 3.9   | 107      |
| 11.09 Willingness to delegate authority .....            | 2.6   | 136      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.4   | 117      |
| 12.02 Quality of scientific research institutions .....  | 2.7   | 123      |
| 12.03 Company spending on R&D .....                      | 2.5   | 126      |
| 12.04 University-industry collaboration in R&D .....     | 2.6   | 131      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.6   | 130      |
| 12.06 Availability of scientists and engineers .....     | 3.8   | 83       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 111      |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

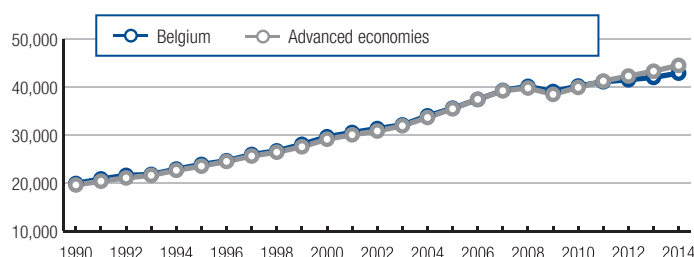


# Belgium

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 11.2   |
| GDP (US\$ billions).....                   | 534.7  |
| GDP per capita (US\$).....                 | 47,722 |
| GDP (PPP) as share (%) of world total..... | 0.45   |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>19</b>            | <b>5.2</b>     |
| GCI 2014–2015 (out of 144)..... | 18                   | 5.2            |
| GCI 2013–2014 (out of 148)..... | 17                   | 5.1            |
| GCI 2012–2013 (out of 144)..... | 17                   | 5.2            |

### Basic requirements (20.0%).....23.....5.6

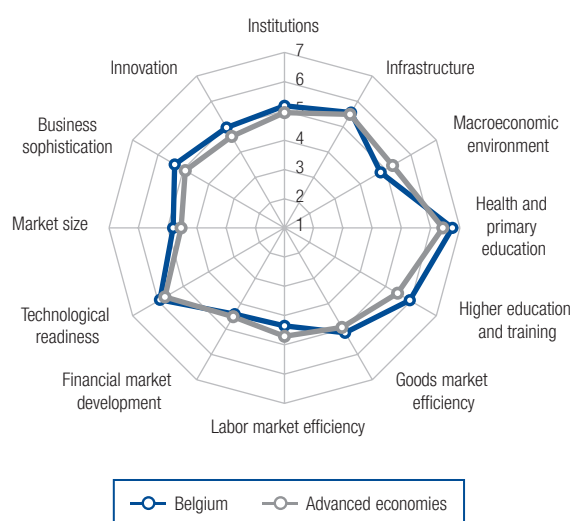
|                                               |    |     |
|-----------------------------------------------|----|-----|
| 1st pillar: Institutions.....                 | 22 | 5.2 |
| 2nd pillar: Infrastructure.....               | 21 | 5.5 |
| 3rd pillar: Macroeconomic environment.....    | 65 | 4.8 |
| 4th pillar: Health and primary education..... | 3  | 6.7 |

### Efficiency enhancers (50.0%).....18.....5.1

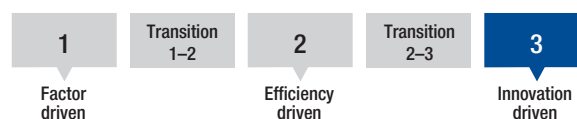
|                                                |    |     |
|------------------------------------------------|----|-----|
| 5th pillar: Higher education and training..... | 5  | 5.9 |
| 6th pillar: Goods market efficiency.....       | 14 | 5.1 |
| 7th pillar: Labor market efficiency.....       | 54 | 4.3 |
| 8th pillar: Financial market development.....  | 36 | 4.4 |
| 9th pillar: Technological readiness.....       | 14 | 5.9 |
| 10th pillar: Market size.....                  | 34 | 4.8 |

### Innovation and sophistication factors (30.0%).....15.....5.1

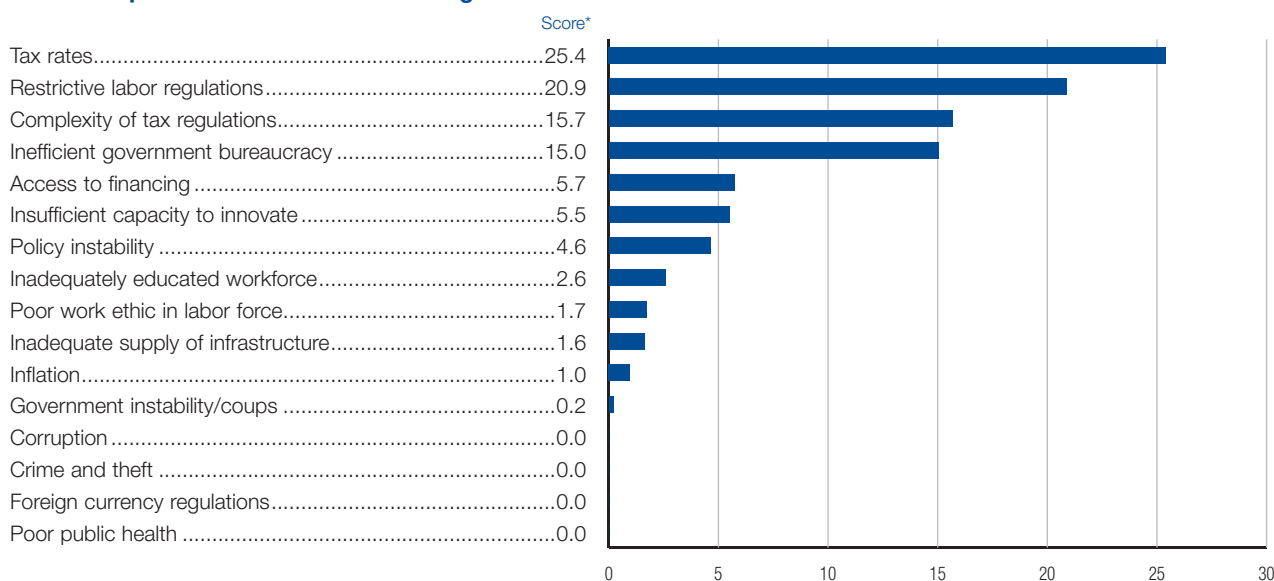
|                                           |    |     |
|-------------------------------------------|----|-----|
| 11th pillar: Business sophistication..... | 12 | 5.3 |
| 12th pillar: Innovation.....              | 16 | 5.0 |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Belgium

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 5.4    | 26       |
| 1.02 Intellectual property protection .....                   | 5.7    | 18       |
| 1.03 Diversion of public funds .....                          | 5.4    | 17       |
| 1.04 Public trust in politicians .....                        | 4.6    | 20       |
| 1.05 Irregular payments and bribes .....                      | 5.8    | 20       |
| 1.06 Judicial independence .....                              | 5.8    | 16       |
| 1.07 Favoritism in decisions of government officials .....    | 4.3    | 20       |
| 1.08 Wastefulness of government spending .....                | 3.3    | 60       |
| 1.09 Burden of government regulation .....                    | 2.8    | 119      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.5    | 34       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.7    | 22       |
| 1.12 Transparency of government policymaking .....            | 4.4    | 49       |
| 1.13 Business costs of terrorism .....                        | 5.7    | 47       |
| 1.14 Business costs of crime and violence .....               | 5.4    | 32       |
| 1.15 Organized crime .....                                    | 5.8    | 26       |
| 1.16 Reliability of police services .....                     | 5.7    | 23       |
| 1.17 Ethical behavior of firms .....                          | 5.6    | 15       |
| 1.18 Strength of auditing and reporting standards .....       | 5.6    | 24       |
| 1.19 Efficacy of corporate boards .....                       | 5.8    | 14       |
| 1.20 Protection of minority shareholders' interests .....     | 5.0    | 19       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.2    | 39       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 5.4    | 22       |
| 2.02 Quality of roads .....                                   | 5.1    | 30       |
| 2.03 Quality of railroad infrastructure .....                 | 4.9    | 17       |
| 2.04 Quality of port infrastructure .....                     | 6.3    | 6        |
| 2.05 Quality of air transport infrastructure .....            | 5.8    | 17       |
| 2.06 Available airline seat km/week, millions* .....          | 674.9  | 36       |
| 2.07 Quality of electricity supply .....                      | 6.2    | 27       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 114.3  | 70       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 42.1   | 17       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.2   | 72       |
| 3.02 Gross national savings, % GDP* .....                     | 23.5   | 50       |
| 3.03 Inflation, annual % change* .....                        | 0.5    | 1        |
| 3.04 General government debt, % GDP* .....                    | 105.6  | 130      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 82.1   | 18       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 9.1    | 27       |
| 4.04 Business impact of tuberculosis .....                    | 6.7    | 13       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.3    | 63       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.5    | 23       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.5    | 23       |
| 4.08 Life expectancy, years* .....                            | 80.4   | 25       |
| 4.09 Quality of primary education .....                       | 6.2    | 2        |
| 4.10 Primary education enrollment, net %* .....               | 98.3   | 19       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 107.3  | 19       |
| 5.02 Tertiary education enrollment, gross %* .....            | 70.8   | 25       |
| 5.03 Quality of the education system .....                    | 5.5    | 5        |
| 5.04 Quality of math and science education .....              | 6.0    | 3        |
| 5.05 Quality of management schools .....                      | 6.0    | 2        |
| 5.06 Internet access in schools .....                         | 5.6    | 25       |
| 5.07 Availability of specialized training services .....      | 6.1    | 3        |
| 5.08 Extent of staff training .....                           | 5.2    | 11       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 6.0    | 6        |
| 6.02 Extent of market dominance .....                         | 5.2    | 8        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.1    | 15       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.0    | 118      |
| 6.05 Total tax rate, % profits* .....                         | 57.8   | 120      |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 3     | 9        |
| 6.07 No. days to start a business* .....                    | 4.0   | 10       |
| 6.08 Agricultural policy costs .....                        | 4.2   | 36       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.5   | 41       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 5.4   | 17       |
| 6.12 Business impact of rules on FDI .....                  | 4.9   | 36       |
| 6.13 Burden of customs procedures .....                     | 5.0   | 23       |
| 6.14 Imports as a percentage of GDP* .....                  | 106.1 | 6        |
| 6.15 Degree of customer orientation .....                   | 5.6   | 11       |
| 6.16 Buyer sophistication .....                             | 4.3   | 16       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.7   | 41       |
| 7.02 Flexibility of wage determination .....                | 3.8   | 129      |
| 7.03 Hiring and firing practices .....                      | 3.0   | 125      |
| 7.04 Redundancy costs, weeks of salary* .....               | 19.7  | 89       |
| 7.05 Effect of taxation on incentives to work .....         | 2.5   | 135      |
| 7.06 Pay and productivity .....                             | 4.2   | 51       |
| 7.07 Reliance on professional management .....              | 5.9   | 11       |
| 7.08 Country capacity to retain talent .....                | 4.6   | 20       |
| 7.09 Country capacity to attract talent .....               | 4.2   | 23       |
| 7.10 Women in labor force, ratio to men* .....              | 0.86  | 50       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 5.9   | 12       |
| 8.02 Affordability of financial services .....              | 5.5   | 13       |
| 8.03 Financing through local equity market .....            | 4.4   | 26       |
| 8.04 Ease of access to loans .....                          | 3.3   | 36       |
| 8.05 Venture capital availability .....                     | 3.5   | 28       |
| 8.06 Soundness of banks .....                               | 4.9   | 65       |
| 8.07 Regulation of securities exchanges .....               | 4.9   | 32       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 4     | 80       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 6.2   | 15       |
| 9.02 Firm-level technology absorption .....                 | 5.6   | 19       |
| 9.03 FDI and technology transfer .....                      | 5.1   | 21       |
| 9.04 Individuals using Internet, %* .....                   | 85.0  | 18       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 36.0  | 8        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 263.9 | 11       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 57.8  | 49       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.5   | 38       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.8   | 21       |
| 10.03 GDP (PPP\$ billions)* .....                           | 481.5 | 37       |
| 10.04 Exports as a percentage of GDP* .....                 | 111.0 | 5        |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 5.3   | 11       |
| 11.02 Local supplier quality .....                          | 5.8   | 5        |
| 11.03 State of cluster development .....                    | 4.6   | 22       |
| 11.04 Nature of competitive advantage .....                 | 5.9   | 10       |
| 11.05 Value chain breadth .....                             | 5.1   | 17       |
| 11.06 Control of international distribution .....           | 4.6   | 20       |
| 11.07 Production process sophistication .....               | 6.0   | 10       |
| 11.08 Extent of marketing .....                             | 5.4   | 13       |
| 11.09 Willingness to delegate authority .....               | 5.1   | 12       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 5.3   | 13       |
| 12.02 Quality of scientific research institutions .....     | 6.0   | 5        |
| 12.03 Company spending on R&D .....                         | 5.1   | 10       |
| 12.04 University-industry collaboration in R&D .....        | 5.6   | 6        |
| 12.05 Gov't procurement of advanced tech products .....     | 3.5   | 58       |
| 12.06 Availability of scientists and engineers .....        | 4.6   | 31       |
| 12.07 PCT patents, applications/million pop.* .....         | 111.1 | 16       |

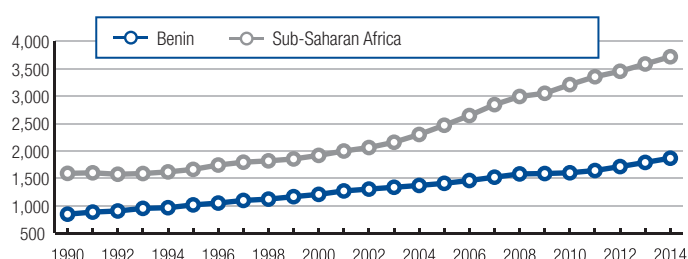
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Benin

## Key indicators, 2014

|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 10.6 |
| GDP (US\$ billions).....                   | 8.7  |
| GDP per capita (US\$).....                 | 822  |
| GDP (PPP) as share (%) of world total..... | 0.02 |

GDP (PPP) per capita (int'l \$), 1990–2014



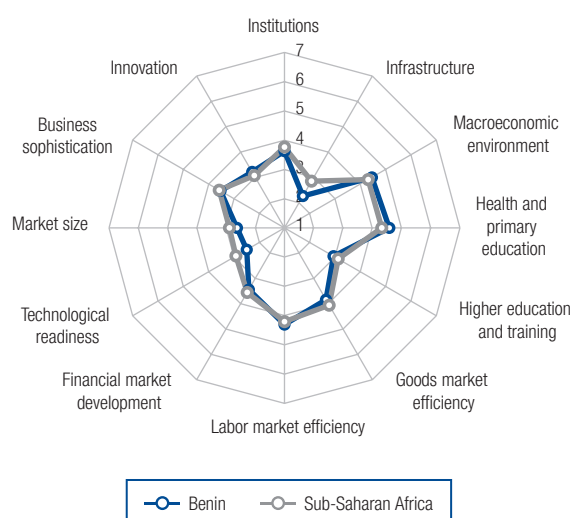
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>122</b>           | <b>3.5</b>     |
| GCI 2014–2015 (out of 144)..... | n/a                  | n/a            |
| GCI 2013–2014 (out of 148)..... | 130                  | 3.4            |
| GCI 2012–2013 (out of 144)..... | 119                  | 3.6            |

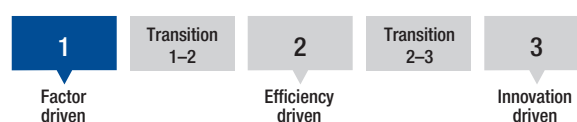
|                                               |            |            |
|-----------------------------------------------|------------|------------|
| <b>Basic requirements (60.0%)</b> .....       | <b>118</b> | <b>3.7</b> |
| 1st pillar: Institutions.....                 | 90         | 3.6        |
| 2nd pillar: Infrastructure.....               | 130        | 2.3        |
| 3rd pillar: Macroeconomic environment.....    | 88         | 4.4        |
| 4th pillar: Health and primary education..... | 117        | 4.6        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (35.0%)</b> .....      | <b>125</b> | <b>3.3</b> |
| 5th pillar: Higher education and training..... | 121        | 2.9        |
| 6th pillar: Goods market efficiency.....       | 122        | 3.8        |
| 7th pillar: Labor market efficiency.....       | 59         | 4.3        |
| 8th pillar: Financial market development.....  | 103        | 3.4        |
| 9th pillar: Technological readiness.....       | 130        | 2.5        |
| 10th pillar: Market size.....                  | 122        | 2.6        |

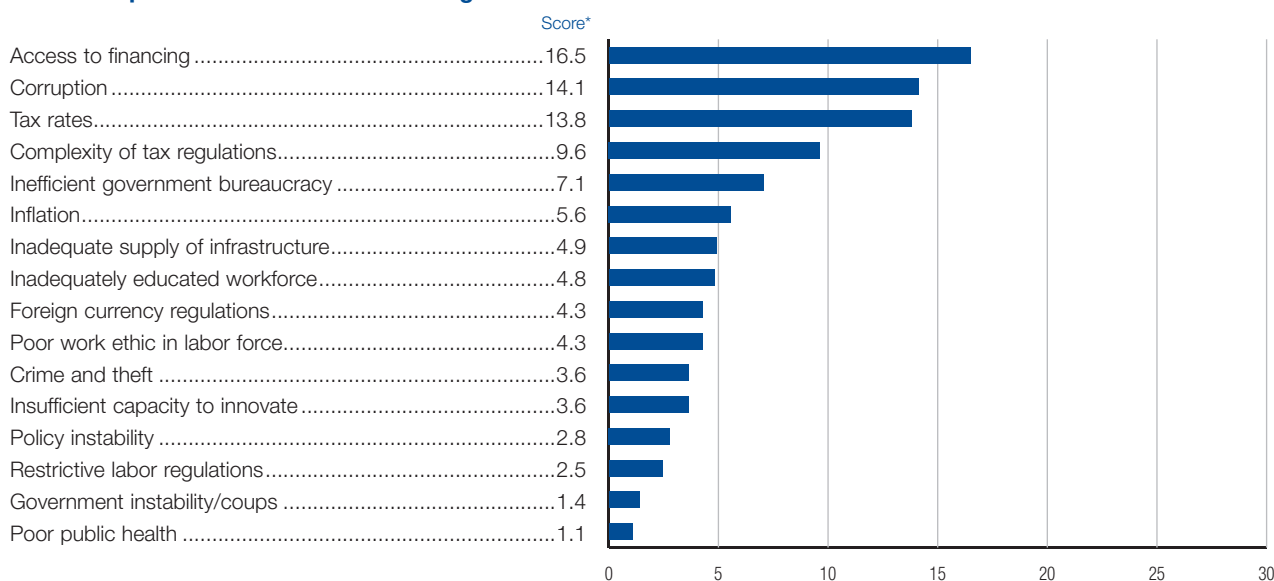
|                                                           |           |            |
|-----------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>96</b> | <b>3.4</b> |
| 11th pillar: Business sophistication.....                 | 109       | 3.5        |
| 12th pillar: Innovation.....                              | 82        | 3.2        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Benin

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 3.9      | 99       |
| 1.02 Intellectual property protection .....                   | 3.8      | 78       |
| 1.03 Diversion of public funds .....                          | 2.8      | 102      |
| 1.04 Public trust in politicians .....                        | 3.0      | 63       |
| 1.05 Irregular payments and bribes .....                      | 2.4      | 135      |
| 1.06 Judicial independence .....                              | 3.5      | 87       |
| 1.07 Favoritism in decisions of government officials .....    | 3.3      | 57       |
| 1.08 Wastefulness of government spending .....                | 3.2      | 68       |
| 1.09 Burden of government regulation .....                    | 3.4      | 71       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.2      | 101      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.2      | 89       |
| 1.12 Transparency of government policymaking .....            | 3.6      | 110      |
| 1.13 Business costs of terrorism .....                        | 5.1      | 81       |
| 1.14 Business costs of crime and violence .....               | 4.6      | 70       |
| 1.15 Organized crime .....                                    | 4.4      | 92       |
| 1.16 Reliability of police services .....                     | 4.4      | 55       |
| 1.17 Ethical behavior of firms .....                          | 3.5      | 104      |
| 1.18 Strength of auditing and reporting standards .....       | 4.8      | 123      |
| 1.19 Efficacy of corporate boards .....                       | 3.7      | 60       |
| 1.20 Protection of minority shareholders' interests .....     | 3.8      | 91       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.4      | 113      |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 2.5      | 132      |
| 2.02 Quality of roads .....                                   | 2.7      | 124      |
| 2.03 Quality of railroad infrastructure .....                 | 1.5      | 102      |
| 2.04 Quality of port infrastructure .....                     | 3.4      | 99       |
| 2.05 Quality of air transport infrastructure .....            | 2.8      | 129      |
| 2.06 Available airline seat km/week, millions* .....          | 17.6     | 125      |
| 2.07 Quality of electricity supply .....                      | 1.7      | 136      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 101.7    | 95       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 1.8      | 117      |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | –1.9     | 49       |
| 3.02 Gross national savings, % GDP* .....                     | 10.2     | 127      |
| 3.03 Inflation, annual % change* .....                        | –1.0     | 91       |
| 3.04 General government debt, % GDP* .....                    | 30.9     | 36       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 23.2     | 120      |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 28,853.7 | 72       |
| 4.02 Business impact of malaria .....                         | 3.4      | 65       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 70.0     | 81       |
| 4.04 Business impact of tuberculosis .....                    | 3.9      | 130      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.1      | 108      |
| 4.06 Business impact of HIV/AIDS .....                        | 3.9      | 128      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 56.2     | 129      |
| 4.08 Life expectancy, years* .....                            | 59.3     | 123      |
| 4.09 Quality of primary education .....                       | 2.8      | 123      |
| 4.10 Primary education enrollment, net %* .....               | 94.9     | 64       |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 54.2     | 114      |
| 5.02 Tertiary education enrollment, gross %* .....            | 12.4     | 107      |
| 5.03 Quality of the education system .....                    | 2.4      | 135      |
| 5.04 Quality of math and science education .....              | 3.2      | 109      |
| 5.05 Quality of management schools .....                      | 3.3      | 119      |
| 5.06 Internet access in schools .....                         | 3.3      | 115      |
| 5.07 Availability of specialized training services .....      | 3.8      | 91       |
| 5.08 Extent of staff training .....                           | 3.5      | 111      |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 4.9      | 81       |
| 6.02 Extent of market dominance .....                         | 3.8      | 60       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.0      | 130      |
| 6.04 Effect of taxation on incentives to invest .....         | 2.5      | 135      |
| 6.05 Total tax rate, % profits* .....                         | 63.3     | 125      |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 7     | 76       |
| 6.07 No. days to start a business* .....                 | 12.0  | 68       |
| 6.08 Agricultural policy costs .....                     | 3.4   | 106      |
| 6.09 Prevalence of non-tariff barriers .....             | 3.5   | 132      |
| 6.10 Trade tariffs, % duty* .....                        | 10.4  | 109      |
| 6.11 Prevalence of foreign ownership .....               | 3.8   | 108      |
| 6.12 Business impact of rules on FDI .....               | 4.2   | 96       |
| 6.13 Burden of customs procedures .....                  | 3.3   | 116      |
| 6.14 Imports as a percentage of GDP* .....               | 46.5  | 72       |
| 6.15 Degree of customer orientation .....                | 4.9   | 48       |
| 6.16 Buyer sophistication .....                          | 2.3   | 134      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.3   | 68       |
| 7.02 Flexibility of wage determination .....             | 5.3   | 41       |
| 7.03 Hiring and firing practices .....                   | 3.4   | 108      |
| 7.04 Redundancy costs, weeks of salary* .....            | 11.6  | 44       |
| 7.05 Effect of taxation on incentives to work .....      | 4.0   | 52       |
| 7.06 Pay and productivity .....                          | 3.5   | 105      |
| 7.07 Reliance on professional management .....           | 3.3   | 126      |
| 7.08 Country capacity to retain talent .....             | 2.9   | 103      |
| 7.09 Country capacity to attract talent .....            | 3.0   | 92       |
| 7.10 Women in labor force, ratio to men* .....           | 0.88  | 40       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.3   | 130      |
| 8.02 Affordability of financial services .....           | 3.2   | 128      |
| 8.03 Financing through local equity market .....         | 3.6   | 66       |
| 8.04 Ease of access to loans .....                       | 2.2   | 115      |
| 8.05 Venture capital availability .....                  | 2.2   | 114      |
| 8.06 Soundness of banks .....                            | 4.2   | 109      |
| 8.07 Regulation of securities exchanges .....            | 3.6   | 107      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 6     | 44       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 3.5   | 132      |
| 9.02 Firm-level technology absorption .....              | 4.0   | 117      |
| 9.03 FDI and technology transfer .....                   | 3.4   | 131      |
| 9.04 Individuals using Internet, %* .....                | 5.3   | 132      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.4   | 113      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 2.8   | 129      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 2.8   | 131      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.4   | 123      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.3   | 124      |
| 10.03 GDP (PPP\$ billions)* .....                        | 19.8  | 120      |
| 10.04 Exports as a percentage of GDP* .....              | 28.5  | 103      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.0   | 114      |
| 11.02 Local supplier quality .....                       | 4.1   | 85       |
| 11.03 State of cluster development .....                 | 3.4   | 96       |
| 11.04 Nature of competitive advantage .....              | 3.3   | 86       |
| 11.05 Value chain breadth .....                          | 3.7   | 79       |
| 11.06 Control of international distribution .....        | 3.3   | 111      |
| 11.07 Production process sophistication .....            | 2.8   | 129      |
| 11.08 Extent of marketing .....                          | 4.4   | 65       |
| 11.09 Willingness to delegate authority .....            | 3.1   | 128      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.9   | 22       |
| 12.02 Quality of scientific research institutions .....  | 3.7   | 73       |
| 12.03 Company spending on R&D .....                      | 3.3   | 58       |
| 12.04 University-industry collaboration in R&D .....     | 2.7   | 126      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.8   | 112      |
| 12.06 Availability of scientists and engineers .....     | 3.7   | 91       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119      |

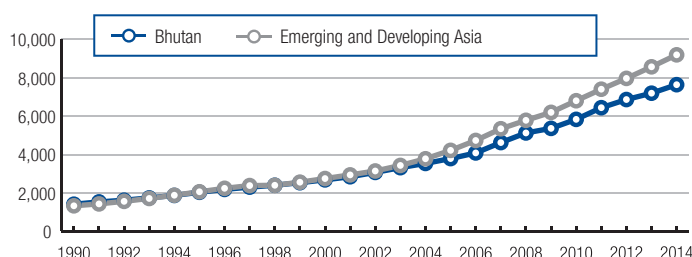
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Bhutan

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 0.8   |
| GDP (US\$ billions).....                   | 2.1   |
| GDP per capita (US\$).....                 | 2,730 |
| GDP (PPP) as share (%) of world total..... | 0.01  |

GDP (PPP) per capita (int'l \$), 1990–2014



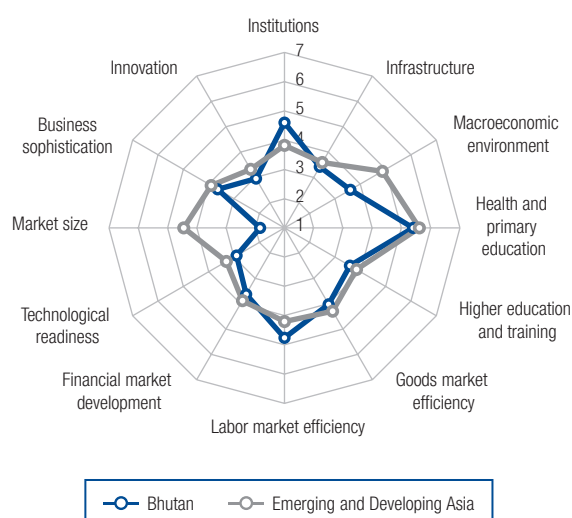
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>105</b>           | <b>3.8</b>     |
| GCI 2014–2015 (out of 144)..... | 103                  | 3.8            |
| GCI 2013–2014 (out of 148)..... | 109                  | 3.7            |
| GCI 2012–2013 (out of 144)..... | n/a                  | n/a            |

|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (45.4%)</b> .....       | <b>90</b> | <b>4.2</b> |
| 1st pillar: Institutions.....                 | 33        | 4.6        |
| 2nd pillar: Infrastructure.....               | 92        | 3.4        |
| 3rd pillar: Macroeconomic environment.....    | 126       | 3.6        |
| 4th pillar: Health and primary education..... | 89        | 5.4        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (45.9%)</b> .....      | <b>116</b> | <b>3.4</b> |
| 5th pillar: Higher education and training..... | 103        | 3.6        |
| 6th pillar: Goods market efficiency.....       | 107        | 4.0        |
| 7th pillar: Labor market efficiency.....       | 23         | 4.8        |
| 8th pillar: Financial market development.....  | 86         | 3.6        |
| 9th pillar: Technological readiness.....       | 111        | 2.9        |
| 10th pillar: Market size.....                  | 136        | 1.8        |

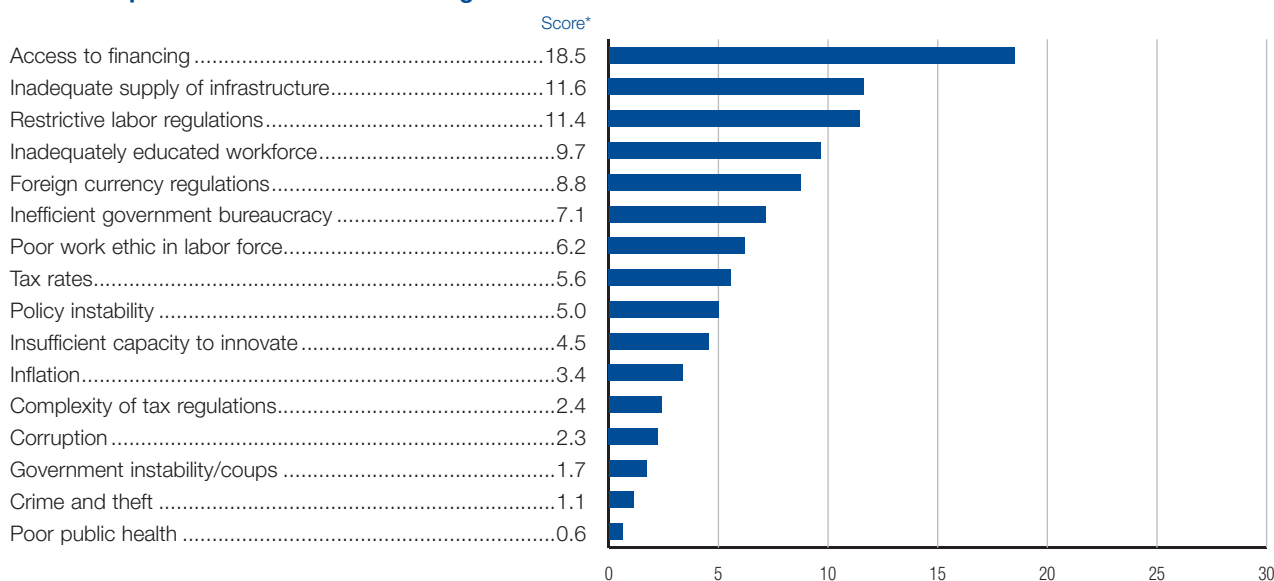
|                                                           |            |            |
|-----------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (8.6%)</b> ..... | <b>105</b> | <b>3.3</b> |
| 11th pillar: Business sophistication.....                 | 99         | 3.6        |
| 12th pillar: Innovation.....                              | 111        | 2.9        |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Bhutan

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 4.5     | 47       |
| 1.02 Intellectual property protection .....                   | 4.1     | 54       |
| 1.03 Diversion of public funds .....                          | 4.7     | 29       |
| 1.04 Public trust in politicians .....                        | 4.2     | 27       |
| 1.05 Irregular payments and bribes .....                      | 4.8     | 39       |
| 1.06 Judicial independence .....                              | 4.9     | 35       |
| 1.07 Favoritism in decisions of government officials .....    | 3.7     | 38       |
| 1.08 Wastefulness of government spending .....                | 4.5     | 15       |
| 1.09 Burden of government regulation .....                    | 3.6     | 50       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.5     | 30       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.0     | 43       |
| 1.12 Transparency of government policymaking .....            | 4.1     | 68       |
| 1.13 Business costs of terrorism .....                        | 5.9     | 35       |
| 1.14 Business costs of crime and violence .....               | 5.8     | 12       |
| 1.15 Organized crime .....                                    | 6.3     | 12       |
| 1.16 Reliability of police services .....                     | 4.9     | 39       |
| 1.17 Ethical behavior of firms .....                          | 4.5     | 34       |
| 1.18 Strength of auditing and reporting standards .....       | 4.8     | 60       |
| 1.19 Efficacy of corporate boards .....                       | 5.1     | 43       |
| 1.20 Protection of minority shareholders' interests .....     | 4.2     | 59       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.0     | 90       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 4.0     | 72       |
| 2.02 Quality of roads .....                                   | 4.0     | 67       |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 1.8     | 136      |
| 2.05 Quality of air transport infrastructure .....            | 3.5     | 109      |
| 2.06 Available airline seat km/week, millions* .....          | 3.0     | 137      |
| 2.07 Quality of electricity supply .....                      | 5.8     | 37       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 82.1    | 114      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 3.1     | 107      |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.8    | 87       |
| 3.02 Gross national savings, % GDP* .....                     | 22.1    | 57       |
| 3.03 Inflation, annual % change* .....                        | 7.7     | 122      |
| 3.04 General government debt, % GDP* .....                    | 107.5   | 132      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 26.0    | 114      |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 20.2    | 21       |
| 4.02 Business impact of malaria .....                         | 4.5     | 46       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 169.0   | 111      |
| 4.04 Business impact of tuberculosis .....                    | 4.4     | 109      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1     | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 4.6     | 105      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 29.7    | 98       |
| 4.08 Life expectancy, years* .....                            | 68.3    | 101      |
| 4.09 Quality of primary education .....                       | 4.3     | 51       |
| 4.10 Primary education enrollment, net %* .....               | 88.1    | 107      |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 77.7    | 94       |
| 5.02 Tertiary education enrollment, gross %* .....            | 9.4     | 116      |
| 5.03 Quality of the education system .....                    | 4.0     | 51       |
| 5.04 Quality of math and science education .....              | 3.8     | 83       |
| 5.05 Quality of management schools .....                      | 3.8     | 98       |
| 5.06 Internet access in schools .....                         | 3.8     | 92       |
| 5.07 Availability of specialized training services .....      | 3.3     | 123      |
| 5.08 Extent of staff training .....                           | 3.8     | 86       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 4.6     | 102      |
| 6.02 Extent of market dominance .....                         | 3.1     | 117      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.9     | 61       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8     | 45       |
| 6.05 Total tax rate, % profits* .....                         | 38.7    | 72       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 8     | 93       |
| 6.07 No. days to start a business* .....                 | 17.0  | 89       |
| 6.08 Agricultural policy costs .....                     | 4.6   | 14       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.1   | 94       |
| 6.10 Trade tariffs, % duty* .....                        | 22.4  | 139      |
| 6.11 Prevalence of foreign ownership .....               | 2.6   | 139      |
| 6.12 Business impact of rules on FDI .....               | 3.6   | 119      |
| 6.13 Burden of customs procedures .....                  | 4.4   | 51       |
| 6.14 Imports as a percentage of GDP* .....               | 49.0  | 65       |
| 6.15 Degree of customer orientation .....                | 4.3   | 96       |
| 6.16 Buyer sophistication .....                          | 2.9   | 117      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.8   | 33       |
| 7.02 Flexibility of wage determination .....             | 5.3   | 42       |
| 7.03 Hiring and firing practices .....                   | 4.0   | 60       |
| 7.04 Redundancy costs, weeks of salary* .....            | 8.3   | 19       |
| 7.05 Effect of taxation on incentives to work .....      | 4.1   | 40       |
| 7.06 Pay and productivity .....                          | 4.2   | 52       |
| 7.07 Reliance on professional management .....           | 4.5   | 48       |
| 7.08 Country capacity to retain talent .....             | 4.0   | 37       |
| 7.09 Country capacity to attract talent .....            | 3.6   | 58       |
| 7.10 Women in labor force, ratio to men* .....           | 0.87  | 46       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.9   | 100      |
| 8.02 Affordability of financial services .....           | 4.0   | 77       |
| 8.03 Financing through local equity market .....         | 3.7   | 57       |
| 8.04 Ease of access to loans .....                       | 2.5   | 98       |
| 8.05 Venture capital availability .....                  | 2.6   | 83       |
| 8.06 Soundness of banks .....                            | 4.4   | 93       |
| 8.07 Regulation of securities exchanges .....            | 4.2   | 67       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 4     | 80       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.1   | 105      |
| 9.02 Firm-level technology absorption .....              | 3.9   | 120      |
| 9.03 FDI and technology transfer .....                   | 3.6   | 126      |
| 9.04 Individuals using Internet, %* .....                | 34.4  | 94       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 3.3   | 92       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 2.5   | 130      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 28.2  | 90       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 1.6   | 136      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 2.7   | 135      |
| 10.03 GDP (PPP\$ billions)* .....                        | 5.9   | 134      |
| 10.04 Exports as a percentage of GDP* .....              | 32.8  | 86       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.1   | 104      |
| 11.02 Local supplier quality .....                       | 3.7   | 111      |
| 11.03 State of cluster development .....                 | 3.5   | 86       |
| 11.04 Nature of competitive advantage .....              | 4.0   | 39       |
| 11.05 Value chain breadth .....                          | 3.4   | 107      |
| 11.06 Control of international distribution .....        | 3.2   | 115      |
| 11.07 Production process sophistication .....            | 3.3   | 106      |
| 11.08 Extent of marketing .....                          | 3.4   | 133      |
| 11.09 Willingness to delegate authority .....            | 3.6   | 83       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.8   | 88       |
| 12.02 Quality of scientific research institutions .....  | 2.7   | 125      |
| 12.03 Company spending on R&D .....                      | 3.1   | 82       |
| 12.04 University-industry collaboration in R&D .....     | 2.7   | 125      |
| 12.05 Gov't procurement of advanced tech products .....  | 3.7   | 41       |
| 12.06 Availability of scientists and engineers .....     | 3.0   | 128      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119      |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

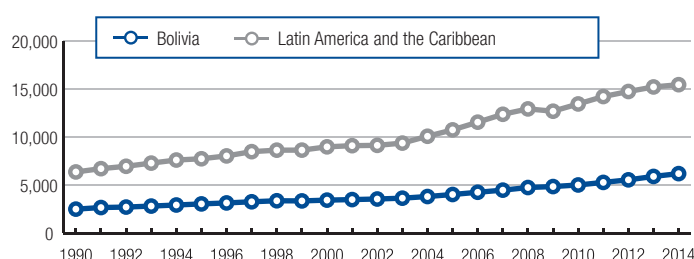


# Bolivia

## Key indicators, 2014

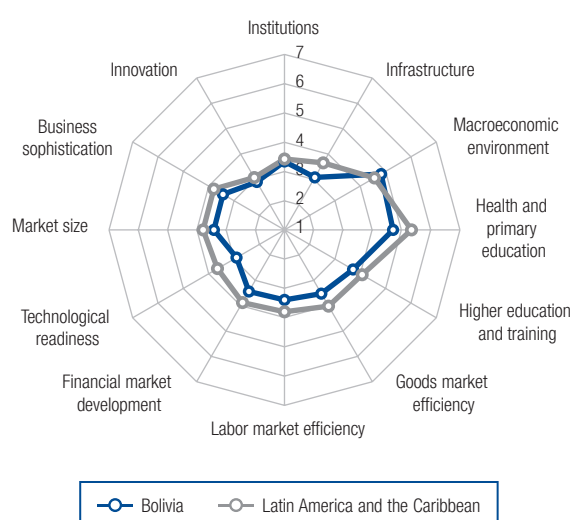
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 11.2  |
| GDP (US\$ billions).....                   | 34.4  |
| GDP per capita (US\$).....                 | 3,061 |
| GDP (PPP) as share (%) of world total..... | 0.07  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

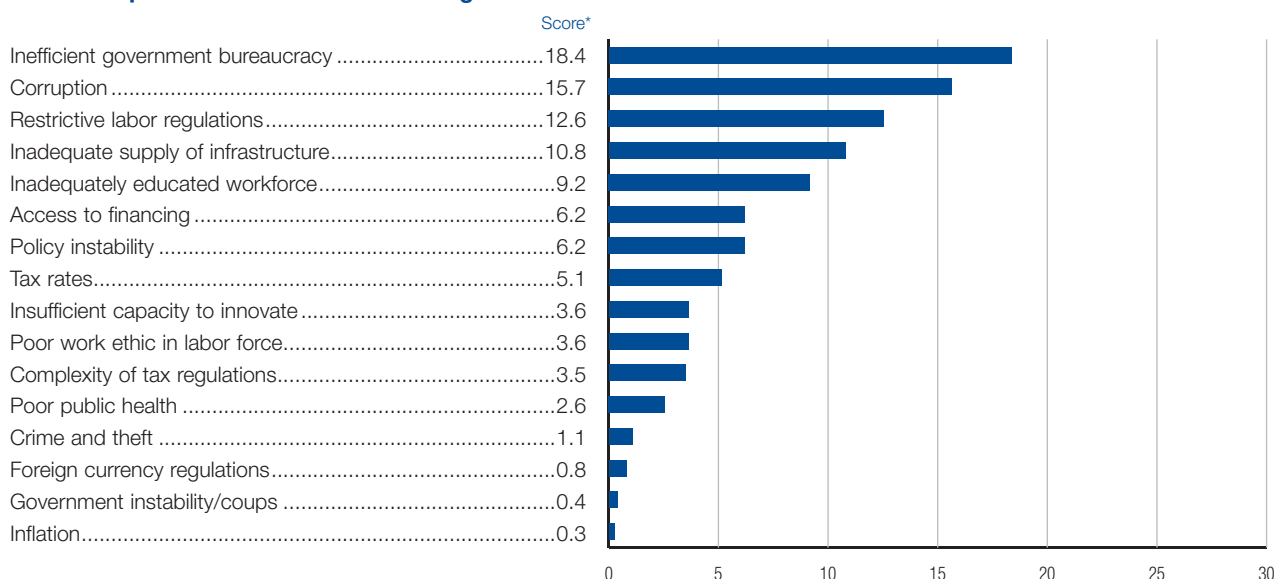
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016.....</b>                                 | <b>117</b>           | <b>3.6</b>     |
| GCI 2014–2015 (out of 144).....                           | 105                  | 3.8            |
| GCI 2013–2014 (out of 148).....                           | 98                   | 3.8            |
| GCI 2012–2013 (out of 144).....                           | 104                  | 3.8            |
| <b>Basic requirements (40.0%).....</b>                    | <b>107</b>           | <b>4.0</b>     |
| 1st pillar: Institutions.....                             | 110                  | 3.3            |
| 2nd pillar: Infrastructure.....                           | 107                  | 3.1            |
| 3rd pillar: Macroeconomic environment.....                | 63                   | 4.8            |
| 4th pillar: Health and primary education.....             | 109                  | 4.7            |
| <b>Efficiency enhancers (50.0%).....</b>                  | <b>121</b>           | <b>3.4</b>     |
| 5th pillar: Higher education and training.....            | 101                  | 3.7            |
| 6th pillar: Goods market efficiency.....                  | 132                  | 3.5            |
| 7th pillar: Labor market efficiency.....                  | 129                  | 3.4            |
| 8th pillar: Financial market development.....             | 104                  | 3.4            |
| 9th pillar: Technological readiness.....                  | 110                  | 2.9            |
| 10th pillar: Market size.....                             | 84                   | 3.4            |
| <b>Innovation and sophistication factors (10.0%).....</b> | <b>117</b>           | <b>3.2</b>     |
| 11th pillar: Business sophistication.....                 | 116                  | 3.4            |
| 12th pillar: Innovation.....                              | 114                  | 2.9            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Bolivia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140  |
|---------------------------------------------------------------|-------|-----------|
| <b>1st pillar: Institutions</b>                               |       |           |
| 1.01 Property rights .....                                    | 3.4   | 121       |
| 1.02 Intellectual property protection .....                   | 3.2   | 107       |
| 1.03 Diversion of public funds .....                          | 2.9   | 99        |
| 1.04 Public trust in politicians .....                        | 2.6   | 90        |
| 1.05 Irregular payments and bribes .....                      | 2.7   | 129       |
| 1.06 Judicial independence .....                              | 2.6   | 126       |
| 1.07 Favoritism in decisions of government officials .....    | 2.9   | 83        |
| 1.08 Wastefulness of government spending .....                | 3.3   | 63        |
| 1.09 Burden of government regulation .....                    | 3.1   | 95        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.2   | 103       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.7   | 119       |
| 1.12 Transparency of government policymaking .....            | 3.7   | 104       |
| 1.13 Business costs of terrorism .....                        | 4.8   | 96        |
| 1.14 Business costs of crime and violence .....               | 4.1   | 90        |
| 1.15 Organized crime .....                                    | 4.5   | 86        |
| 1.16 Reliability of police services .....                     | 3.5   | 108       |
| 1.17 Ethical behavior of firms .....                          | 3.3   | 122       |
| 1.18 Strength of auditing and reporting standards .....       | 4.3   | 90        |
| 1.19 Efficacy of corporate boards .....                       | 4.1   | 116       |
| 1.20 Protection of minority shareholders' interests .....     | 3.7   | 97        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.1   | 126       |
| <b>2nd pillar: Infrastructure</b>                             |       |           |
| 2.01 Quality of overall infrastructure .....                  | 3.3   | 105       |
| 2.02 Quality of roads .....                                   | 3.1   | 109       |
| 2.03 Quality of railroad infrastructure .....                 | 2.2   | 87        |
| 2.04 Quality of port infrastructure .....                     | 2.1   | 134       |
| 2.05 Quality of air transport infrastructure .....            | 3.4   | 110       |
| 2.06 Available airline seat km/week, millions* .....          | 88.3  | 86        |
| 2.07 Quality of electricity supply .....                      | 4.4   | 82        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 96.3  | 100       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 8.1   | 91        |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |           |
| 3.01 Government budget balance, % GDP* .....                  | –3.2  | 73        |
| 3.02 Gross national savings, % GDP* .....                     | 22.7  | 54        |
| 3.03 Inflation, annual % change* .....                        | 5.8   | 102       |
| 3.04 General government debt, % GDP* .....                    | 32.4  | <b>42</b> |
| 3.05 Country credit rating, 0–100 (best)* .....               | 38.3  | 80        |
| <b>4th pillar: Health and primary education</b>               |       |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 104.8 | 34        |
| 4.02 Business impact of malaria .....                         | 3.9   | 55        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 123.0 | 97        |
| 4.04 Business impact of tuberculosis .....                    | 3.5   | 137       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.3   | 63        |
| 4.06 Business impact of HIV/AIDS .....                        | 3.2   | 137       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 31.2  | 101       |
| 4.08 Life expectancy, years* .....                            | 67.2  | 105       |
| 4.09 Quality of primary education .....                       | 2.8   | 121       |
| 4.10 Primary education enrollment, net %* .....               | 81.6  | 125       |
| <b>5th pillar: Higher education and training</b>              |       |           |
| 5.01 Secondary education enrollment, gross %* .....           | 80.0  | 91        |
| 5.02 Tertiary education enrollment, gross %* .....            | 37.7  | 68        |
| 5.03 Quality of the education system .....                    | 3.1   | 105       |
| 5.04 Quality of math and science education .....              | 2.8   | 125       |
| 5.05 Quality of management schools .....                      | 3.1   | 129       |
| 5.06 Internet access in schools .....                         | 3.5   | 107       |
| 5.07 Availability of specialized training services .....      | 3.6   | 103       |
| 5.08 Extent of staff training .....                           | 3.3   | 124       |
| <b>6th pillar: Goods market efficiency</b>                    |       |           |
| 6.01 Intensity of local competition .....                     | 4.3   | 127       |
| 6.02 Extent of market dominance .....                         | 3.4   | 90        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.2   | 117       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.5   | 85        |
| 6.05 Total tax rate, % profits* .....                         | 83.7  | 139       |

| INDICATOR                                                | VALUE        | RANK/140  |
|----------------------------------------------------------|--------------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |              |           |
| 6.06 No. procedures to start a business* .....           | 15           | 137       |
| 6.07 No. days to start a business* .....                 | 49.0         | 127       |
| 6.08 Agricultural policy costs .....                     | 3.6          | 91        |
| 6.09 Prevalence of non-tariff barriers .....             | 3.6          | 124       |
| 6.10 Trade tariffs, % duty* .....                        | 8.8          | 95        |
| 6.11 Prevalence of foreign ownership .....               | 3.3          | 129       |
| 6.12 Business impact of rules on FDI .....               | 3.6          | 123       |
| 6.13 Burden of customs procedures .....                  | 3.4          | 109       |
| 6.14 Imports as a percentage of GDP* .....               | 39.0         | 89        |
| 6.15 Degree of customer orientation .....                | 3.6          | 131       |
| 6.16 Buyer sophistication .....                          | 3.3          | 80        |
| <b>7th pillar: Labor market efficiency</b>               |              |           |
| 7.01 Cooperation in labor-employer relations .....       | 3.6          | 124       |
| 7.02 Flexibility of wage determination .....             | 4.1          | 116       |
| 7.03 Hiring and firing practices .....                   | 3.0          | 124       |
| 7.04 Redundancy costs, weeks of salary* .....            | not possible | 139       |
| 7.05 Effect of taxation on incentives to work .....      | 3.5          | 98        |
| 7.06 Pay and productivity .....                          | 3.5          | 108       |
| 7.07 Reliance on professional management .....           | 3.5          | 117       |
| 7.08 Country capacity to retain talent .....             | 3.3          | 82        |
| 7.09 Country capacity to attract talent .....            | 3.1          | 90        |
| 7.10 Women in labor force, ratio to men* .....           | 0.80         | 72        |
| <b>8th pillar: Financial market development</b>          |              |           |
| 8.01 Availability of financial services .....            | 3.8          | 104       |
| 8.02 Affordability of financial services .....           | 3.7          | 104       |
| 8.03 Financing through local equity market .....         | 3.3          | 83        |
| 8.04 Ease of access to loans .....                       | 3.6          | <b>24</b> |
| 8.05 Venture capital availability .....                  | 3.1          | <b>41</b> |
| 8.06 Soundness of banks .....                            | 4.8          | 69        |
| 8.07 Regulation of securities exchanges .....            | 4.2          | 68        |
| 8.08 Legal rights index, 0–12 (best)* .....              | 0            | 139       |
| <b>9th pillar: Technological readiness</b>               |              |           |
| 9.01 Availability of latest technologies .....           | 3.8          | 124       |
| 9.02 Firm-level technology absorption .....              | 3.7          | 131       |
| 9.03 FDI and technology transfer .....                   | 3.5          | 130       |
| 9.04 Individuals using Internet, %* .....                | 39.0         | 91        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 1.6          | 101       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 15.5         | 89        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 28.1         | 91        |
| <b>10th pillar: Market size</b>                          |              |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.2          | 87        |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.2          | 85        |
| 10.03 GDP (PPP\$ billions)* .....                        | 70.0         | 85        |
| 10.04 Exports as a percentage of GDP* .....              | 39.5         | 67        |
| <b>11th pillar: Business sophistication</b>              |              |           |
| 11.01 Local supplier quantity .....                      | 3.8          | 121       |
| 11.02 Local supplier quality .....                       | 3.7          | 114       |
| 11.03 State of cluster development .....                 | 3.1          | 111       |
| 11.04 Nature of competitive advantage .....              | 2.8          | 115       |
| 11.05 Value chain breadth .....                          | 3.2          | 120       |
| 11.06 Control of international distribution .....        | 3.4          | 99        |
| 11.07 Production process sophistication .....            | 3.3          | 107       |
| 11.08 Extent of marketing .....                          | 3.9          | 106       |
| 11.09 Willingness to delegate authority .....            | 3.5          | 92        |
| <b>12th pillar: Innovation</b>                           |              |           |
| 12.01 Capacity for innovation .....                      | 3.3          | 124       |
| 12.02 Quality of scientific research institutions .....  | 2.8          | 120       |
| 12.03 Company spending on R&D .....                      | 2.9          | 100       |
| 12.04 University-industry collaboration in R&D .....     | 3.5          | 72        |
| 12.05 Gov't procurement of advanced tech products .....  | 3.3          | 72        |
| 12.06 Availability of scientists and engineers .....     | 3.2          | 120       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.1          | 99        |

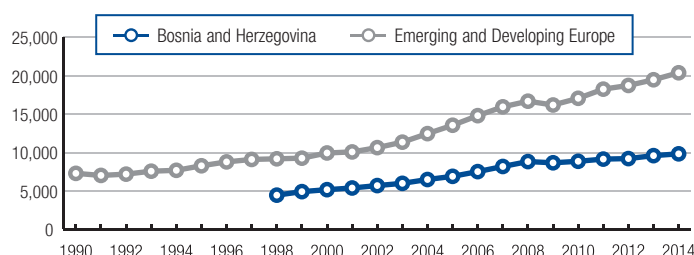
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Bosnia and Herzegovina

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 3.9   |
| GDP (US\$ billions).....                   | 18.0  |
| GDP per capita (US\$).....                 | 4,644 |
| GDP (PPP) as share (%) of world total..... | 0.04  |

GDP (PPP) per capita (int'l \$), 1990–2014



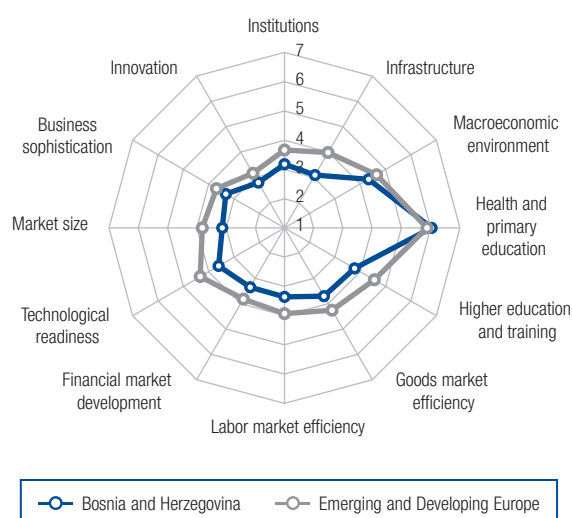
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>111</b>           | <b>3.7</b>     |
| GCI 2014–2015 (out of 144)..... | n/a                  | n/a            |
| GCI 2013–2014 (out of 148)..... | 87                   | 4.0            |
| GCI 2012–2013 (out of 144)..... | 88                   | 3.9            |

|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (40.0%)</b> .....       | <b>95</b> | <b>4.2</b> |
| 1st pillar: Institutions.....                 | 127       | 3.2        |
| 2nd pillar: Infrastructure.....               | 103       | 3.1        |
| 3rd pillar: Macroeconomic environment.....    | 98        | 4.3        |
| 4th pillar: Health and primary education..... | 48        | 6.0        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>112</b> | <b>3.5</b> |
| 5th pillar: Higher education and training..... | 97         | 3.8        |
| 6th pillar: Goods market efficiency.....       | 129        | 3.7        |
| 7th pillar: Labor market efficiency.....       | 131        | 3.4        |
| 8th pillar: Financial market development.....  | 113        | 3.3        |
| 9th pillar: Technological readiness.....       | 79         | 3.6        |
| 10th pillar: Market size.....                  | 97         | 3.1        |

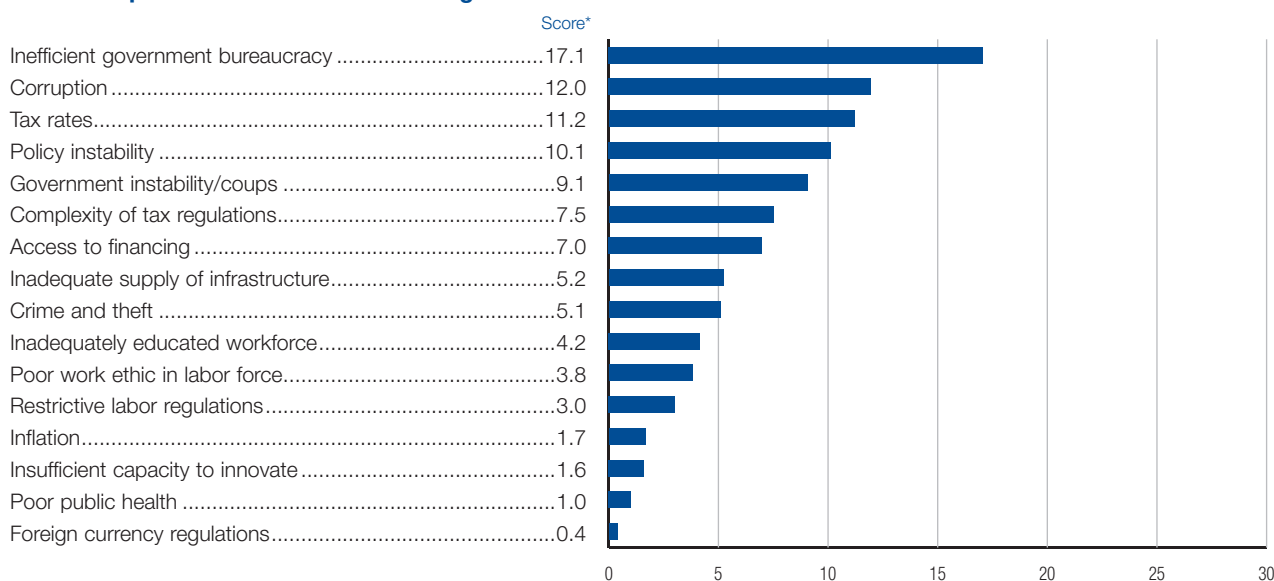
|                                                            |            |            |
|------------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>120</b> | <b>3.0</b> |
| 11th pillar: Business sophistication.....                  | 125        | 3.3        |
| 12th pillar: Innovation.....                               | 115        | 2.8        |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Bosnia and Herzegovina

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 3.1    | 127      |
| 1.02 Intellectual property protection .....                   | 2.9    | 131      |
| 1.03 Diversion of public funds .....                          | 2.8    | 101      |
| 1.04 Public trust in politicians .....                        | 2.1    | 116      |
| 1.05 Irregular payments and bribes .....                      | 3.1    | 108      |
| 1.06 Judicial independence .....                              | 2.9    | 110      |
| 1.07 Favoritism in decisions of government officials .....    | 2.5    | 108      |
| 1.08 Wastefulness of government spending .....                | 1.7    | 137      |
| 1.09 Burden of government regulation .....                    | 2.5    | 130      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.7    | 128      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.8    | 116      |
| 1.12 Transparency of government policymaking .....            | 2.9    | 133      |
| 1.13 Business costs of terrorism .....                        | 5.4    | 65       |
| 1.14 Business costs of crime and violence .....               | 4.0    | 97       |
| 1.15 Organized crime .....                                    | 4.0    | 113      |
| 1.16 Reliability of police services .....                     | 5.4    | 27       |
| 1.17 Ethical behavior of firms .....                          | 3.0    | 134      |
| 1.18 Strength of auditing and reporting standards .....       | 3.5    | 131      |
| 1.19 Efficacy of corporate boards .....                       | 3.9    | 132      |
| 1.20 Protection of minority shareholders' interests .....     | 2.7    | 139      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.4    | 77       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 3.1    | 118      |
| 2.02 Quality of roads .....                                   | 2.6    | 129      |
| 2.03 Quality of railroad infrastructure .....                 | 2.0    | 92       |
| 2.04 Quality of port infrastructure .....                     | 2.0    | 135      |
| 2.05 Quality of air transport infrastructure .....            | 2.4    | 138      |
| 2.06 Available airline seat km/week, millions* .....          | 12.6   | 128      |
| 2.07 Quality of electricity supply .....                      | 4.3    | 85       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 91.3   | 108      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 22.2   | 49       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.0   | 70       |
| 3.02 Gross national savings, % GDP* .....                     | 11.1   | 123      |
| 3.03 Inflation, annual % change* .....                        | –0.9   | 89       |
| 3.04 General government debt, % GDP* .....                    | 44.9   | 72       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 29.5   | 106      |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 46.0   | 64       |
| 4.04 Business impact of tuberculosis .....                    | 6.8    | 7        |
| 4.05 HIV prevalence, % adult pop.* .....                      | <0.1   | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.9    | 2        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 5.7    | 39       |
| 4.08 Life expectancy, years* .....                            | 76.3   | 48       |
| 4.09 Quality of primary education .....                       | 3.7    | 82       |
| 4.10 Primary education enrollment, net %* .....               | 98.4   | 16       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 89.0   | 73       |
| 5.02 Tertiary education enrollment, gross %* .....            | 37.0   | 70       |
| 5.03 Quality of the education system .....                    | 2.4    | 136      |
| 5.04 Quality of math and science education .....              | 3.6    | 92       |
| 5.05 Quality of management schools .....                      | 3.3    | 120      |
| 5.06 Internet access in schools .....                         | 3.9    | 83       |
| 5.07 Availability of specialized training services .....      | 3.1    | 130      |
| 5.08 Extent of staff training .....                           | 2.9    | 137      |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 4.4    | 117      |
| 6.02 Extent of market dominance .....                         | 3.1    | 115      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.1    | 122      |
| 6.04 Effect of taxation on incentives to invest .....         | 2.8    | 127      |
| 6.05 Total tax rate, % profits* .....                         | 23.3   | 21       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 11    | 123      |
| 6.07 No. days to start a business* .....                    | 37.0  | 123      |
| 6.08 Agricultural policy costs .....                        | 2.9   | 128      |
| 6.09 Prevalence of non-tariff barriers .....                | 4.2   | 88       |
| 6.10 Trade tariffs, % duty* .....                           | 4.9   | 67       |
| 6.11 Prevalence of foreign ownership .....                  | 3.3   | 127      |
| 6.12 Business impact of rules on FDI .....                  | 3.3   | 128      |
| 6.13 Burden of customs procedures .....                     | 3.3   | 112      |
| 6.14 Imports as a percentage of GDP* .....                  | 64.1  | 35       |
| 6.15 Degree of customer orientation .....                   | 4.1   | 107      |
| 6.16 Buyer sophistication .....                             | 2.1   | 139      |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 3.5   | 133      |
| 7.02 Flexibility of wage determination .....                | 5.1   | 62       |
| 7.03 Hiring and firing practices .....                      | 3.1   | 122      |
| 7.04 Redundancy costs, weeks of salary* .....               | 9.2   | 28       |
| 7.05 Effect of taxation on incentives to work .....         | 2.6   | 133      |
| 7.06 Pay and productivity .....                             | 2.9   | 132      |
| 7.07 Reliance on professional management .....              | 2.9   | 135      |
| 7.08 Country capacity to retain talent .....                | 2.0   | 136      |
| 7.09 Country capacity to attract talent .....               | 1.8   | 137      |
| 7.10 Women in labor force, ratio to men* .....              | 0.63  | 109      |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 3.8   | 106      |
| 8.02 Affordability of financial services .....              | 3.7   | 106      |
| 8.03 Financing through local equity market .....            | 2.5   | 122      |
| 8.04 Ease of access to loans .....                          | 2.0   | 125      |
| 8.05 Venture capital availability .....                     | 2.3   | 106      |
| 8.06 Soundness of banks .....                               | 3.8   | 122      |
| 8.07 Regulation of securities exchanges .....               | 3.1   | 124      |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 7     | 24       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 4.2   | 103      |
| 9.02 Firm-level technology absorption .....                 | 4.4   | 83       |
| 9.03 FDI and technology transfer .....                      | 3.3   | 135      |
| 9.04 Individuals using Internet, %* .....                   | 60.8  | 56       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 14.1  | 55       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 43.0  | 60       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 27.8  | 93       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 2.9   | 95       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 3.9   | 98       |
| 10.03 GDP (PPP\$ billions)* .....                           | 38.1  | 98       |
| 10.04 Exports as a percentage of GDP* .....                 | 42.7  | 58       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.1   | 99       |
| 11.02 Local supplier quality .....                          | 3.9   | 96       |
| 11.03 State of cluster development .....                    | 3.0   | 122      |
| 11.04 Nature of competitive advantage .....                 | 2.8   | 116      |
| 11.05 Value chain breadth .....                             | 3.1   | 123      |
| 11.06 Control of international distribution .....           | 3.1   | 124      |
| 11.07 Production process sophistication .....               | 2.9   | 126      |
| 11.08 Extent of marketing .....                             | 3.4   | 134      |
| 11.09 Willingness to delegate authority .....               | 3.6   | 86       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 3.0   | 134      |
| 12.02 Quality of scientific research institutions .....     | 3.1   | 106      |
| 12.03 Company spending on R&D .....                         | 2.5   | 124      |
| 12.04 University-industry collaboration in R&D .....        | 4.3   | 35       |
| 12.05 Gov't procurement of advanced tech products .....     | 2.4   | 138      |
| 12.06 Availability of scientists and engineers .....        | 3.1   | 125      |
| 12.07 PCT patents, applications/million pop.* .....         | 2.4   | 55       |

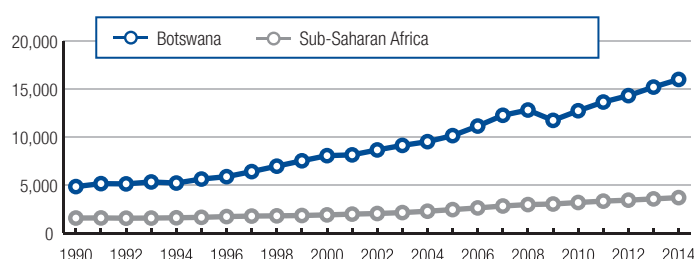
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Botswana

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 2.1   |
| GDP (US\$ billions).....                   | 15.8  |
| GDP per capita (US\$).....                 | 7,505 |
| GDP (PPP) as share (%) of world total..... | 0.03  |

GDP (PPP) per capita (int'l \$), 1990–2014



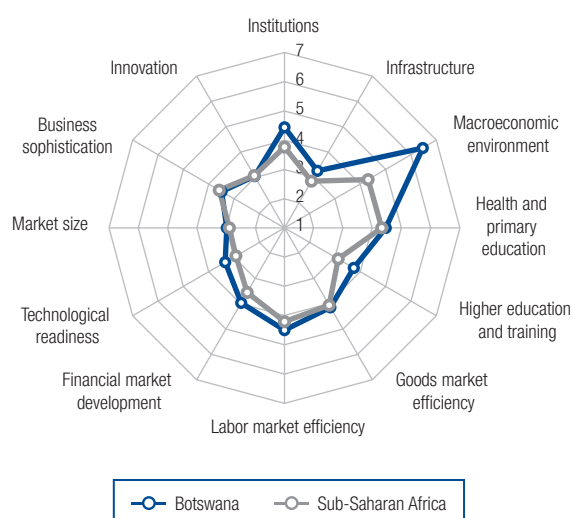
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>71</b>            | <b>4.2</b>     |
| GCI 2014–2015 (out of 144)..... | 74                   | 4.2            |
| GCI 2013–2014 (out of 148)..... | 74                   | 4.1            |
| GCI 2012–2013 (out of 144)..... | 79                   | 4.1            |

|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (51.8%)</b> .....       | <b>61</b> | <b>4.6</b> |
| 1st pillar: Institutions.....                 | 37        | 4.4        |
| 2nd pillar: Infrastructure.....               | 96        | 3.3        |
| 3rd pillar: Macroeconomic environment.....    | 9         | 6.5        |
| 4th pillar: Health and primary education..... | 119       | 4.5        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (41.2%)</b> .....      | <b>91</b> | <b>3.8</b> |
| 5th pillar: Higher education and training..... | 100       | 3.7        |
| 6th pillar: Goods market efficiency.....       | 95        | 4.1        |
| 7th pillar: Labor market efficiency.....       | 39        | 4.5        |
| 8th pillar: Financial market development.....  | 63        | 4.0        |
| 9th pillar: Technological readiness.....       | 91        | 3.3        |
| 10th pillar: Market size.....                  | 105       | 3.0        |

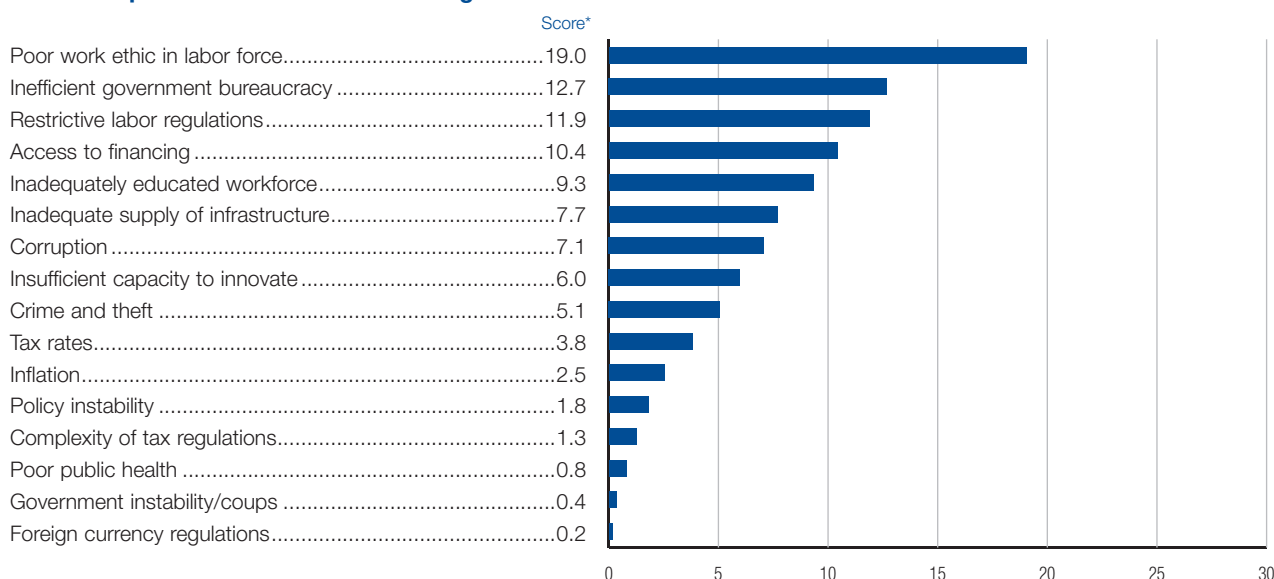
|                                                           |            |            |
|-----------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (7.1%)</b> ..... | <b>111</b> | <b>3.3</b> |
| 11th pillar: Business sophistication.....                 | 111        | 3.5        |
| 12th pillar: Innovation.....                              | 102        | 3.0        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Botswana

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140 |
|---------------------------------------------------------------|-------|----------|
| <b>1st pillar: Institutions</b>                               |       |          |
| 1.01 Property rights .....                                    | 4.9   | 38       |
| 1.02 Intellectual property protection .....                   | 4.3   | 47       |
| 1.03 Diversion of public funds .....                          | 4.2   | 38       |
| 1.04 Public trust in politicians .....                        | 3.7   | 40       |
| 1.05 Irregular payments and bribes .....                      | 4.7   | 44       |
| 1.06 Judicial independence .....                              | 4.8   | 36       |
| 1.07 Favoritism in decisions of government officials .....    | 3.4   | 49       |
| 1.08 Wastefulness of government spending .....                | 4.1   | 26       |
| 1.09 Burden of government regulation .....                    | 3.2   | 88       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.5   | 32       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.2   | 33       |
| 1.12 Transparency of government policymaking .....            | 4.4   | 48       |
| 1.13 Business costs of terrorism .....                        | 6.1   | 23       |
| 1.14 Business costs of crime and violence .....               | 4.2   | 85       |
| 1.15 Organized crime .....                                    | 5.4   | 45       |
| 1.16 Reliability of police services .....                     | 4.3   | 62       |
| 1.17 Ethical behavior of firms .....                          | 4.4   | 37       |
| 1.18 Strength of auditing and reporting standards .....       | 4.9   | 56       |
| 1.19 Efficacy of corporate boards .....                       | 4.9   | 56       |
| 1.20 Protection of minority shareholders' interests .....     | 4.4   | 39       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.9   | 92       |
| <b>2nd pillar: Infrastructure</b>                             |       |          |
| 2.01 Quality of overall infrastructure .....                  | 3.8   | 83       |
| 2.02 Quality of roads .....                                   | 4.0   | 71       |
| 2.03 Quality of railroad infrastructure .....                 | 3.0   | 54       |
| 2.04 Quality of port infrastructure .....                     | 2.7   | 118      |
| 2.05 Quality of air transport infrastructure .....            | 3.6   | 103      |
| 2.06 Available airline seat km/week, millions* .....          | 6.8   | 133      |
| 2.07 Quality of electricity supply .....                      | 2.7   | 119      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 167.3 | 8        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 8.3   | 89       |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |          |
| 3.01 Government budget balance, % GDP* .....                  | 0.4   | 17       |
| 3.02 Gross national savings, % GDP* .....                     | 48.0  | 4        |
| 3.03 Inflation, annual % change* .....                        | 3.9   | 81       |
| 3.04 General government debt, % GDP* .....                    | 14.5  | 11       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 60.6  | 47       |
| <b>4th pillar: Health and primary education</b>               |       |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 29.9  | 27       |
| 4.02 Business impact of malaria .....                         | 4.8   | 39       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 414.0 | 133      |
| 4.04 Business impact of tuberculosis .....                    | 3.7   | 135      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 21.9  | 138      |
| 4.06 Business impact of HIV/AIDS .....                        | 3.2   | 136      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 36.3  | 107      |
| 4.08 Life expectancy, years* .....                            | 47.4  | 139      |
| 4.09 Quality of primary education .....                       | 3.7   | 85       |
| 4.10 Primary education enrollment, net %* .....               | 90.3  | 99       |
| <b>5th pillar: Higher education and training</b>              |       |          |
| 5.01 Secondary education enrollment, gross %* .....           | 81.7  | 90       |
| 5.02 Tertiary education enrollment, gross %* .....            | 17.9  | 96       |
| 5.03 Quality of the education system .....                    | 3.6   | 77       |
| 5.04 Quality of math and science education .....              | 3.5   | 95       |
| 5.05 Quality of management schools .....                      | 3.5   | 112      |
| 5.06 Internet access in schools .....                         | 3.3   | 116      |
| 5.07 Availability of specialized training services .....      | 3.7   | 98       |
| 5.08 Extent of staff training .....                           | 4.1   | 51       |
| <b>6th pillar: Goods market efficiency</b>                    |       |          |
| 6.01 Intensity of local competition .....                     | 5.0   | 72       |
| 6.02 Extent of market dominance .....                         | 3.2   | 111      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.8   | 71       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.6   | 20       |
| 6.05 Total tax rate, % profits* .....                         | 25.3  | 24       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 10    | 116      |
| 6.07 No. days to start a business* .....                 | 60.0  | 131      |
| 6.08 Agricultural policy costs .....                     | 4.0   | 49       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.3   | 69       |
| 6.10 Trade tariffs, % duty* .....                        | 6.3   | 79       |
| 6.11 Prevalence of foreign ownership .....               | 5.2   | 29       |
| 6.12 Business impact of rules on FDI .....               | 4.6   | 66       |
| 6.13 Burden of customs procedures .....                  | 4.2   | 58       |
| 6.14 Imports as a percentage of GDP* .....               | 52.0  | 56       |
| 6.15 Degree of customer orientation .....                | 3.6   | 130      |
| 6.16 Buyer sophistication .....                          | 3.1   | 97       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.3   | 79       |
| 7.02 Flexibility of wage determination .....             | 5.1   | 65       |
| 7.03 Hiring and firing practices .....                   | 3.7   | 82       |
| 7.04 Redundancy costs, weeks of salary* .....            | 21.7  | 99       |
| 7.05 Effect of taxation on incentives to work .....      | 4.5   | 20       |
| 7.06 Pay and productivity .....                          | 3.7   | 91       |
| 7.07 Reliance on professional management .....           | 4.7   | 36       |
| 7.08 Country capacity to retain talent .....             | 3.5   | 67       |
| 7.09 Country capacity to attract talent .....            | 3.9   | 39       |
| 7.10 Women in labor force, ratio to men* .....           | 0.91  | 29       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.4   | 70       |
| 8.02 Affordability of financial services .....           | 4.2   | 65       |
| 8.03 Financing through local equity market .....         | 3.6   | 64       |
| 8.04 Ease of access to loans .....                       | 3.0   | 55       |
| 8.05 Venture capital availability .....                  | 2.6   | 80       |
| 8.06 Soundness of banks .....                            | 5.2   | 56       |
| 8.07 Regulation of securities exchanges .....            | 4.4   | 57       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 5     | 63       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.2   | 98       |
| 9.02 Firm-level technology absorption .....              | 4.3   | 92       |
| 9.03 FDI and technology transfer .....                   | 4.0   | 98       |
| 9.04 Individuals using Internet, %* .....                | 18.5  | 105      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 1.6   | 100      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 16.4  | 88       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 49.7  | 56       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.7   | 106      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.9   | 97       |
| 10.03 GDP (PPP\$ billions)* .....                        | 33.7  | 105      |
| 10.04 Exports as a percentage of GDP* .....              | 52.7  | 40       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 3.7   | 124      |
| 11.02 Local supplier quality .....                       | 3.5   | 123      |
| 11.03 State of cluster development .....                 | 3.3   | 102      |
| 11.04 Nature of competitive advantage .....              | 3.2   | 89       |
| 11.05 Value chain breadth .....                          | 3.3   | 113      |
| 11.06 Control of international distribution .....        | 3.0   | 131      |
| 11.07 Production process sophistication .....            | 3.3   | 105      |
| 11.08 Extent of marketing .....                          | 3.9   | 108      |
| 11.09 Willingness to delegate authority .....            | 3.4   | 99       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.6   | 102      |
| 12.02 Quality of scientific research institutions .....  | 3.3   | 99       |
| 12.03 Company spending on R&D .....                      | 2.8   | 112      |
| 12.04 University-industry collaboration in R&D .....     | 3.1   | 104      |
| 12.05 Gov't procurement of advanced tech products .....  | 3.5   | 54       |
| 12.06 Availability of scientists and engineers .....     | 3.4   | 109      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.3   | 86       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

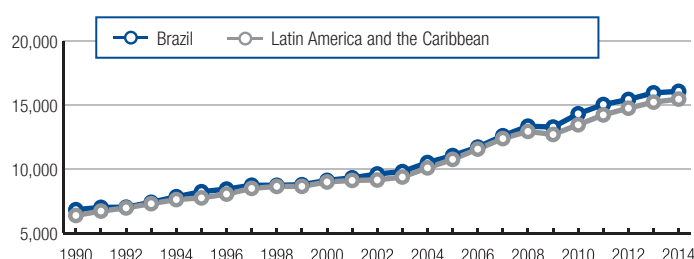


# Brazil

## Key indicators, 2014

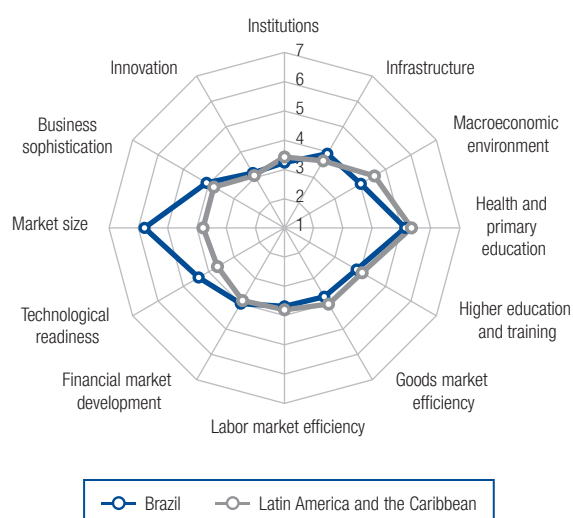
|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 202.8   |
| GDP (US\$ billions).....                   | 2,353.0 |
| GDP per capita (US\$).....                 | 11,604  |
| GDP (PPP) as share (%) of world total..... | 3.02    |

GDP (PPP) per capita (int'l \$), 1990–2014

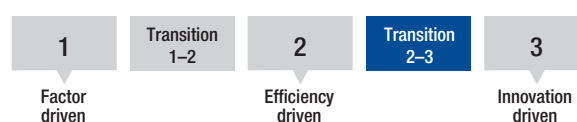


## Global Competitiveness Index

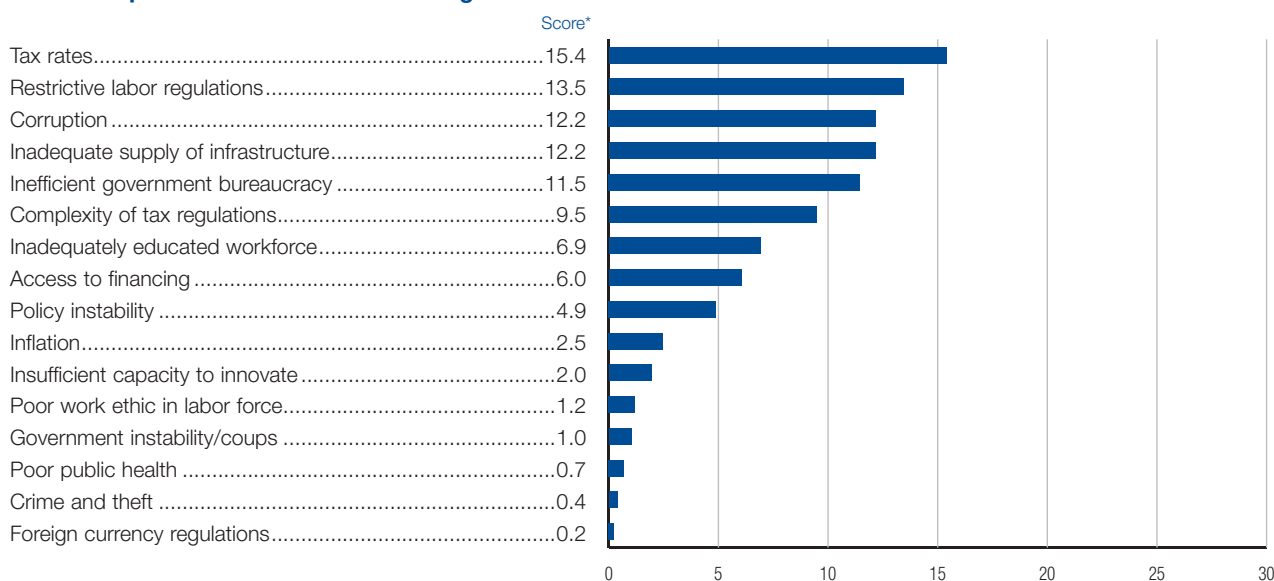
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>75</b>            | <b>4.1</b>     |
| GCI 2014–2015 (out of 144).....                            | 57                   | 4.3            |
| GCI 2013–2014 (out of 148).....                            | 56                   | 4.3            |
| GCI 2012–2013 (out of 144).....                            | 48                   | 4.4            |
| <b>Basic requirements (33.5%)</b> .....                    | <b>103</b>           | <b>4.1</b>     |
| 1st pillar: Institutions.....                              | 121                  | 3.2            |
| 2nd pillar: Infrastructure.....                            | 74                   | 3.9            |
| 3rd pillar: Macroeconomic environment.....                 | 117                  | 4.0            |
| 4th pillar: Health and primary education.....              | 103                  | 5.1            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>55</b>            | <b>4.2</b>     |
| 5th pillar: Higher education and training.....             | 93                   | 3.8            |
| 6th pillar: Goods market efficiency.....                   | 128                  | 3.7            |
| 7th pillar: Labor market efficiency.....                   | 122                  | 3.7            |
| 8th pillar: Financial market development.....              | 58                   | 4.0            |
| 9th pillar: Technological readiness.....                   | 54                   | 4.4            |
| 10th pillar: Market size.....                              | 7                    | 5.8            |
| <b>Innovation and sophistication factors (16.5%)</b> ..... | <b>64</b>            | <b>3.6</b>     |
| 11th pillar: Business sophistication.....                  | 56                   | 4.1            |
| 12th pillar: Innovation.....                               | 84                   | 3.2            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 3.9     | 95       |
| 1.02 Intellectual property protection .....                   | 3.7     | 83       |
| 1.03 Diversion of public funds .....                          | 1.8     | 139      |
| 1.04 Public trust in politicians .....                        | 1.4     | 138      |
| 1.05 Irregular payments and bribes .....                      | 3.1     | 112      |
| 1.06 Judicial independence .....                              | 3.4     | 92       |
| 1.07 Favoritism in decisions of government officials .....    | 2.0     | 135      |
| 1.08 Wastefulness of government spending .....                | 1.9     | 133      |
| 1.09 Burden of government regulation .....                    | 1.7     | 139      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.8     | 124      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.9     | 106      |
| 1.12 Transparency of government policymaking .....            | 3.1     | 129      |
| 1.13 Business costs of terrorism .....                        | 6.3     | 11       |
| 1.14 Business costs of crime and violence .....               | 2.9     | 128      |
| 1.15 Organized crime .....                                    | 3.8     | 121      |
| 1.16 Reliability of police services .....                     | 3.9     | 81       |
| 1.17 Ethical behavior of firms .....                          | 3.0     | 133      |
| 1.18 Strength of auditing and reporting standards .....       | 4.5     | 70       |
| 1.19 Efficacy of corporate boards .....                       | 4.6     | 79       |
| 1.20 Protection of minority shareholders' interests .....     | 3.9     | 78       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.3     | 32       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 2.9     | 123      |
| 2.02 Quality of roads .....                                   | 2.7     | 121      |
| 2.03 Quality of railroad infrastructure .....                 | 1.7     | 98       |
| 2.04 Quality of port infrastructure .....                     | 2.7     | 120      |
| 2.05 Quality of air transport infrastructure .....            | 3.8     | 95       |
| 2.06 Available airline seat km/week, millions* .....          | 3,877.8 | 10       |
| 2.07 Quality of electricity supply .....                      | 3.8     | 96       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 139.0   | 37       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 21.8    | 50       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | -6.2    | 126      |
| 3.02 Gross national savings, % GDP* .....                     | 16.2    | 95       |
| 3.03 Inflation, annual % change* .....                        | 6.3     | 113      |
| 3.04 General government debt, % GDP* .....                    | 65.2    | 104      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 64.5    | 44       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 156.0   | 35       |
| 4.02 Business impact of malaria .....                         | 6.3     | 5        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 46.0    | 64       |
| 4.04 Business impact of tuberculosis .....                    | 6.2     | 41       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.6     | 92       |
| 4.06 Business impact of HIV/AIDS .....                        | 5.7     | 63       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 12.3    | 64       |
| 4.08 Life expectancy, years* .....                            | 73.9    | 78       |
| 4.09 Quality of primary education .....                       | 2.4     | 132      |
| 4.10 Primary education enrollment, net %* .....               | 87.2    | 112      |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 99.4    | 35       |
| 5.02 Tertiary education enrollment, gross %* .....            | 25.5    | 84       |
| 5.03 Quality of the education system .....                    | 2.4     | 132      |
| 5.04 Quality of math and science education .....              | 2.5     | 134      |
| 5.05 Quality of management schools .....                      | 4.0     | 84       |
| 5.06 Internet access in schools .....                         | 3.6     | 97       |
| 5.07 Availability of specialized training services .....      | 3.7     | 101      |
| 5.08 Extent of staff training .....                           | 4.0     | 61       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.4     | 41       |
| 6.02 Extent of market dominance .....                         | 3.9     | 45       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.7     | 73       |
| 6.04 Effect of taxation on incentives to invest .....         | 2.0     | 138      |
| 6.05 Total tax rate, % profits* .....                         | 69.0    | 134      |

| INDICATOR                                                   | VALUE   | RANK/140 |
|-------------------------------------------------------------|---------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |          |
| 6.06 No. procedures to start a business* .....              | 12      | 128      |
| 6.07 No. days to start a business* .....                    | 83.6    | 135      |
| 6.08 Agricultural policy costs .....                        | 3.9     | 57       |
| 6.09 Prevalence of non-tariff barriers .....                | 3.9     | 117      |
| 6.10 Trade tariffs, % duty* .....                           | 11.6    | 120      |
| 6.11 Prevalence of foreign ownership .....                  | 4.2     | 91       |
| 6.12 Business impact of rules on FDI .....                  | 3.9     | 108      |
| 6.13 Burden of customs procedures .....                     | 2.9     | 133      |
| 6.14 Imports as a percentage of GDP* .....                  | 13.8    | 140      |
| 6.15 Degree of customer orientation .....                   | 4.3     | 90       |
| 6.16 Buyer sophistication .....                             | 3.4     | 67       |
| <b>7th pillar: Labor market efficiency</b>                  |         |          |
| 7.01 Cooperation in labor-employer relations .....          | 3.6     | 129      |
| 7.02 Flexibility of wage determination .....                | 4.0     | 123      |
| 7.03 Hiring and firing practices .....                      | 2.3     | 137      |
| 7.04 Redundancy costs, weeks of salary* .....               | 15.4    | 68       |
| 7.05 Effect of taxation on incentives to work .....         | 2.3     | 138      |
| 7.06 Pay and productivity .....                             | 3.5     | 109      |
| 7.07 Reliance on professional management .....              | 4.4     | 57       |
| 7.08 Country capacity to retain talent .....                | 3.7     | 52       |
| 7.09 Country capacity to attract talent .....               | 3.0     | 94       |
| 7.10 Women in labor force, ratio to men* .....              | 0.76    | 88       |
| <b>8th pillar: Financial market development</b>             |         |          |
| 8.01 Availability of financial services .....               | 5.2     | 32       |
| 8.02 Affordability of financial services .....              | 5.0     | 35       |
| 8.03 Financing through local equity market .....            | 3.4     | 75       |
| 8.04 Ease of access to loans .....                          | 2.7     | 85       |
| 8.05 Venture capital availability .....                     | 2.5     | 92       |
| 8.06 Soundness of banks .....                               | 5.8     | 27       |
| 8.07 Regulation of securities exchanges .....               | 4.9     | 36       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 2       | 106      |
| <b>9th pillar: Technological readiness</b>                  |         |          |
| 9.01 Availability of latest technologies .....              | 4.5     | 85       |
| 9.02 Firm-level technology absorption .....                 | 4.8     | 57       |
| 9.03 FDI and technology transfer .....                      | 4.6     | 58       |
| 9.04 Individuals using Internet, %* .....                   | 57.6    | 58       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 11.5    | 64       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 43.0    | 61       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 78.1    | 24       |
| <b>10th pillar: Market size</b>                             |         |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.8     | 6        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.6     | 27       |
| 10.03 GDP (PPP\$ billions)* .....                           | 3,263.8 | 7        |
| 10.04 Exports as a percentage of GDP* .....                 | 11.2    | 138      |
| <b>11th pillar: Business sophistication</b>                 |         |          |
| 11.01 Local supplier quantity .....                         | 4.7     | 43       |
| 11.02 Local supplier quality .....                          | 4.3     | 72       |
| 11.03 State of cluster development .....                    | 4.2     | 36       |
| 11.04 Nature of competitive advantage .....                 | 2.9     | 105      |
| 11.05 Value chain breadth .....                             | 3.8     | 67       |
| 11.06 Control of international distribution .....           | 3.8     | 69       |
| 11.07 Production process sophistication .....               | 4.0     | 58       |
| 11.08 Extent of marketing .....                             | 4.7     | 38       |
| 11.09 Willingness to delegate authority .....               | 4.1     | 39       |
| <b>12th pillar: Innovation</b>                              |         |          |
| 12.01 Capacity for innovation .....                         | 3.8     | 80       |
| 12.02 Quality of scientific research institutions .....     | 3.6     | 80       |
| 12.03 Company spending on R&D .....                         | 3.3     | 60       |
| 12.04 University-industry collaboration in R&D .....        | 3.8     | 54       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.1     | 94       |
| 12.06 Availability of scientists and engineers .....        | 3.3     | 115      |
| 12.07 PCT patents, applications/million pop.* .....         | 3.5     | 51       |

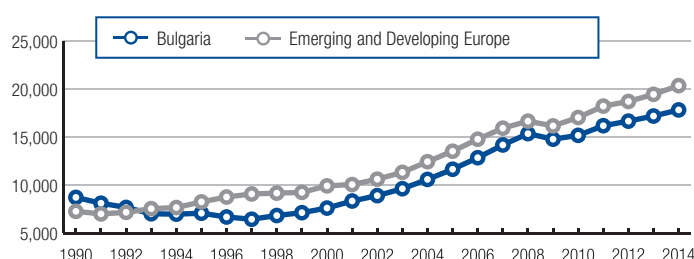
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Bulgaria

## Key indicators, 2014

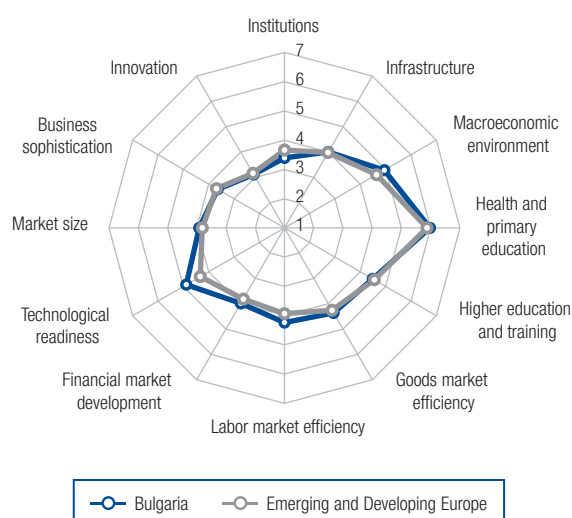
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 7.2   |
| GDP (US\$ billions).....                   | 55.8  |
| GDP per capita (US\$).....                 | 7,753 |
| GDP (PPP) as share (%) of world total..... | 0.12  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

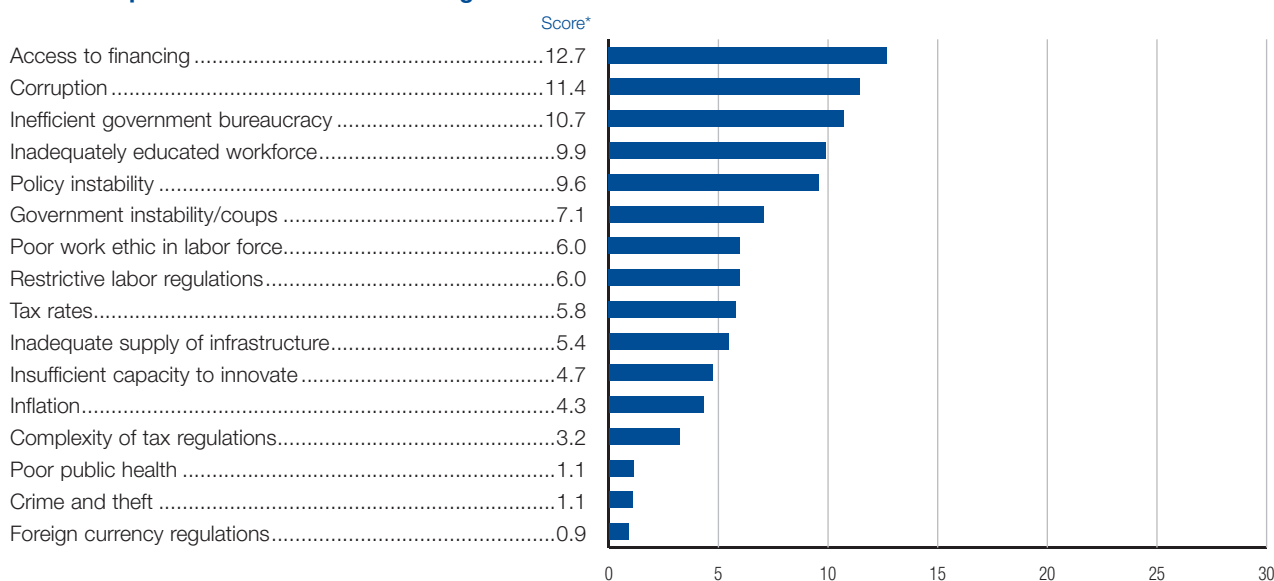
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>54</b>            | <b>4.3</b>     |
| GCI 2014–2015 (out of 144).....                            | 54                   | 4.4            |
| GCI 2013–2014 (out of 148).....                            | 57                   | 4.3            |
| GCI 2012–2013 (out of 144).....                            | 62                   | 4.3            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>68</b>            | <b>4.6</b>     |
| 1st pillar: Institutions.....                              | 107                  | 3.4            |
| 2nd pillar: Infrastructure.....                            | 72                   | 4.0            |
| 3rd pillar: Macroeconomic environment.....                 | 53                   | 4.9            |
| 4th pillar: Health and primary education.....              | 53                   | 6.0            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>50</b>            | <b>4.3</b>     |
| 5th pillar: Higher education and training.....             | 64                   | 4.5            |
| 6th pillar: Goods market efficiency.....                   | 61                   | 4.4            |
| 7th pillar: Labor market efficiency.....                   | 68                   | 4.2            |
| 8th pillar: Financial market development.....              | 59                   | 4.0            |
| 9th pillar: Technological readiness.....                   | 38                   | 4.9            |
| 10th pillar: Market size.....                              | 65                   | 3.9            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>94</b>            | <b>3.4</b>     |
| 11th pillar: Business sophistication.....                  | 98                   | 3.6            |
| 12th pillar: Innovation.....                               | 94                   | 3.1            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Bulgaria

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 3.6    | 113      |
| 1.02 Intellectual property protection .....                   | 3.1    | 117      |
| 1.03 Diversion of public funds .....                          | 2.7    | 104      |
| 1.04 Public trust in politicians .....                        | 2.2    | 110      |
| 1.05 Irregular payments and bribes .....                      | 3.8    | 76       |
| 1.06 Judicial independence .....                              | 2.7    | 116      |
| 1.07 Favoritism in decisions of government officials .....    | 2.3    | 122      |
| 1.08 Wastefulness of government spending .....                | 2.6    | 97       |
| 1.09 Burden of government regulation .....                    | 3.2    | 94       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.9    | 116      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.8    | 114      |
| 1.12 Transparency of government policymaking .....            | 3.4    | 120      |
| 1.13 Business costs of terrorism .....                        | 4.8    | 94       |
| 1.14 Business costs of crime and violence .....               | 4.2    | 86       |
| 1.15 Organized crime .....                                    | 3.9    | 118      |
| 1.16 Reliability of police services .....                     | 3.3    | 111      |
| 1.17 Ethical behavior of firms .....                          | 3.6    | 94       |
| 1.18 Strength of auditing and reporting standards .....       | 4.6    | 69       |
| 1.19 Efficacy of corporate boards .....                       | 4.5    | 86       |
| 1.20 Protection of minority shareholders' interests .....     | 3.7    | 103      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.8    | 14       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 3.7    | 89       |
| 2.02 Quality of roads .....                                   | 3.3    | 99       |
| 2.03 Quality of railroad infrastructure .....                 | 3.1    | 49       |
| 2.04 Quality of port infrastructure .....                     | 3.9    | 77       |
| 2.05 Quality of air transport infrastructure .....            | 4.1    | 84       |
| 2.06 Available airline seat km/week, millions* .....          | 95.6   | 82       |
| 2.07 Quality of electricity supply .....                      | 4.3    | 84       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 137.7  | 38       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 25.3   | 42       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | −3.7   | 86       |
| 3.02 Gross national savings, % GDP* .....                     | 21.6   | 62       |
| 3.03 Inflation, annual % change* .....                        | −1.6   | 98       |
| 3.04 General government debt, % GDP* .....                    | 26.9   | 27       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 54.9   | 62       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 29.0   | 55       |
| 4.04 Business impact of tuberculosis .....                    | 6.0    | 54       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.0    | 45       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 10.1   | 57       |
| 4.08 Life expectancy, years* .....                            | 74.5   | 65       |
| 4.09 Quality of primary education .....                       | 4.3    | 54       |
| 4.10 Primary education enrollment, net %* .....               | 95.0   | 61       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 93.1   | 63       |
| 5.02 Tertiary education enrollment, gross %* .....            | 62.7   | 34       |
| 5.03 Quality of the education system .....                    | 3.3    | 93       |
| 5.04 Quality of math and science education .....              | 4.2    | 62       |
| 5.05 Quality of management schools .....                      | 3.6    | 111      |
| 5.06 Internet access in schools .....                         | 4.7    | 50       |
| 5.07 Availability of specialized training services .....      | 3.4    | 118      |
| 5.08 Extent of staff training .....                           | 3.4    | 118      |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 4.6    | 104      |
| 6.02 Extent of market dominance .....                         | 3.4    | 91       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.6    | 91       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8    | 56       |
| 6.05 Total tax rate, % profits* .....                         | 27.0   | 29       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 4     | 22       |
| 6.07 No. days to start a business* .....                    | 18.0  | 91       |
| 6.08 Agricultural policy costs .....                        | 2.9   | 127      |
| 6.09 Prevalence of non-tariff barriers .....                | 4.1   | 98       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 4.0   | 102      |
| 6.12 Business impact of rules on FDI .....                  | 3.8   | 115      |
| 6.13 Burden of customs procedures .....                     | 3.8   | 78       |
| 6.14 Imports as a percentage of GDP* .....                  | 73.4  | 30       |
| 6.15 Degree of customer orientation .....                   | 4.7   | 61       |
| 6.16 Buyer sophistication .....                             | 3.2   | 86       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.0   | 106      |
| 7.02 Flexibility of wage determination .....                | 5.0   | 72       |
| 7.03 Hiring and firing practices .....                      | 3.6   | 86       |
| 7.04 Redundancy costs, weeks of salary* .....               | 8.6   | 20       |
| 7.05 Effect of taxation on incentives to work .....         | 3.6   | 89       |
| 7.06 Pay and productivity .....                             | 3.9   | 77       |
| 7.07 Reliance on professional management .....              | 3.5   | 118      |
| 7.08 Country capacity to retain talent .....                | 2.1   | 133      |
| 7.09 Country capacity to attract talent .....               | 2.2   | 132      |
| 7.10 Women in labor force, ratio to men* .....              | 0.89  | 34       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.2   | 83       |
| 8.02 Affordability of financial services .....              | 4.0   | 84       |
| 8.03 Financing through local equity market .....            | 3.1   | 92       |
| 8.04 Ease of access to loans .....                          | 3.0   | 54       |
| 8.05 Venture capital availability .....                     | 2.8   | 62       |
| 8.06 Soundness of banks .....                               | 4.5   | 92       |
| 8.07 Regulation of securities exchanges .....               | 3.7   | 103      |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 9     | 11       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 4.6   | 73       |
| 9.02 Firm-level technology absorption .....                 | 4.4   | 85       |
| 9.03 FDI and technology transfer .....                      | 4.4   | 70       |
| 9.04 Individuals using Internet, %* .....                   | 55.5  | 61       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 20.7  | 44       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 138.3 | 21       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 66.4  | 35       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 3.6   | 72       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.8   | 61       |
| 10.03 GDP (PPP\$ billions)* .....                           | 128.6 | 70       |
| 10.04 Exports as a percentage of GDP* .....                 | 70.4  | 22       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.2   | 97       |
| 11.02 Local supplier quality .....                          | 4.4   | 55       |
| 11.03 State of cluster development .....                    | 3.2   | 109      |
| 11.04 Nature of competitive advantage .....                 | 2.9   | 108      |
| 11.05 Value chain breadth .....                             | 3.6   | 85       |
| 11.06 Control of international distribution .....           | 3.9   | 57       |
| 11.07 Production process sophistication .....               | 3.6   | 82       |
| 11.08 Extent of marketing .....                             | 3.8   | 117      |
| 11.09 Willingness to delegate authority .....               | 3.2   | 120      |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 3.8   | 79       |
| 12.02 Quality of scientific research institutions .....     | 3.7   | 72       |
| 12.03 Company spending on R&D .....                         | 3.1   | 78       |
| 12.04 University-industry collaboration in R&D .....        | 3.0   | 112      |
| 12.05 Gov't procurement of advanced tech products .....     | 3.1   | 86       |
| 12.06 Availability of scientists and engineers .....        | 3.7   | 90       |
| 12.07 PCT patents, applications/million pop.* .....         | 6.9   | 45       |

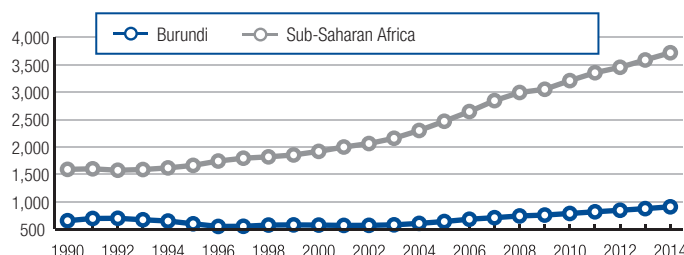
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Burundi

## Key indicators, 2014

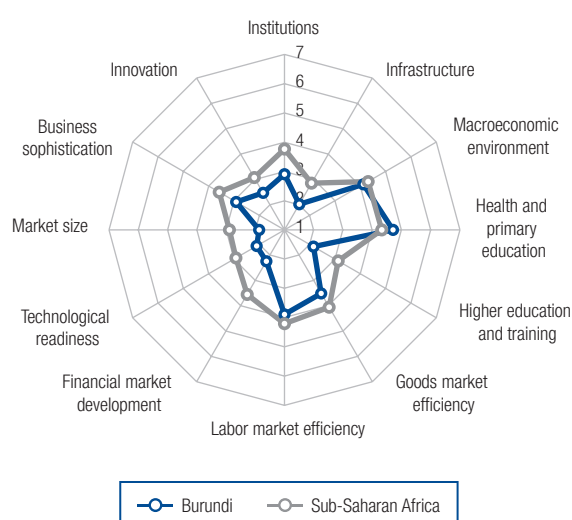
|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 9.2  |
| GDP (US\$ billions).....                   | 3.1  |
| GDP per capita (US\$).....                 | 336  |
| GDP (PPP) as share (%) of world total..... | 0.01 |

GDP (PPP) per capita (int'l \$), 1990–2014

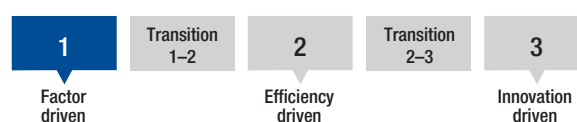


## Global Competitiveness Index

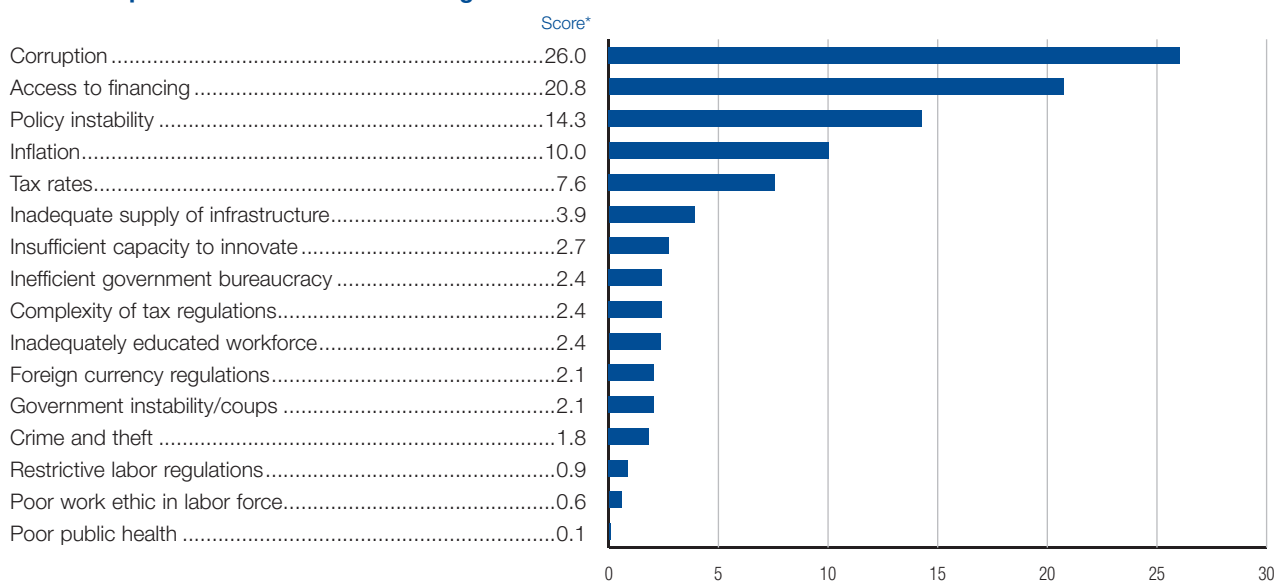
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>136</b> .....     | <b>3.1</b>     |
| GCI 2014–2015 (out of 144).....                           | 139.....             | 3.1            |
| GCI 2013–2014 (out of 148).....                           | 146.....             | 2.9            |
| GCI 2012–2013 (out of 144).....                           | 144.....             | 2.8            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>129</b> .....     | <b>3.4</b>     |
| 1st pillar: Institutions.....                             | 134.....             | 2.9            |
| 2nd pillar: Infrastructure.....                           | 136.....             | 2.0            |
| 3rd pillar: Macroeconomic environment.....                | 110.....             | 4.1            |
| 4th pillar: Health and primary education.....             | 110.....             | 4.7            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>140</b> .....     | <b>2.6</b>     |
| 5th pillar: Higher education and training.....            | 139.....             | 2.1            |
| 6th pillar: Goods market efficiency.....                  | 133.....             | 3.5            |
| 7th pillar: Labor market efficiency.....                  | 102.....             | 3.9            |
| 8th pillar: Financial market development.....             | 140.....             | 2.2            |
| 9th pillar: Technological readiness.....                  | 139.....             | 2.1            |
| 10th pillar: Market size.....                             | 135.....             | 1.9            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>136</b> .....     | <b>2.7</b>     |
| 11th pillar: Business sophistication.....                 | 136.....             | 2.9            |
| 12th pillar: Innovation.....                              | 133.....             | 2.5            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Burundi

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 2.8     | 135      |
| 1.02 Intellectual property protection .....                   | 2.6     | 136      |
| 1.03 Diversion of public funds .....                          | 2.2     | 130      |
| 1.04 Public trust in politicians .....                        | 2.3     | 103      |
| 1.05 Irregular payments and bribes .....                      | 2.9     | 124      |
| 1.06 Judicial independence .....                              | 1.6     | 139      |
| 1.07 Favoritism in decisions of government officials .....    | 2.4     | 113      |
| 1.08 Wastefulness of government spending .....                | 2.3     | 121      |
| 1.09 Burden of government regulation .....                    | 3.1     | 96       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.9     | 117      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.9     | 110      |
| 1.12 Transparency of government policymaking .....            | 3.2     | 128      |
| 1.13 Business costs of terrorism .....                        | 4.6     | 103      |
| 1.14 Business costs of crime and violence .....               | 3.5     | 114      |
| 1.15 Organized crime .....                                    | 3.8     | 120      |
| 1.16 Reliability of police services .....                     | 2.2     | 139      |
| 1.17 Ethical behavior of firms .....                          | 3.1     | 129      |
| 1.18 Strength of auditing and reporting standards .....       | 3.6     | 128      |
| 1.19 Efficacy of corporate boards .....                       | 4.3     | 102      |
| 1.20 Protection of minority shareholders' interests .....     | 3.1     | 129      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.2     | 85       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 2.8     | 126      |
| 2.02 Quality of roads .....                                   | 3.2     | 100      |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 2.8     | 117      |
| 2.05 Quality of air transport infrastructure .....            | 2.6     | 131      |
| 2.06 Available airline seat km/week, millions* .....          | 2.1     | 138      |
| 2.07 Quality of electricity supply .....                      | 2.1     | 128      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 30.5    | 140      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.2     | 137      |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.4    | 76       |
| 3.02 Gross national savings, % GDP* .....                     | 2.4     | 134      |
| 3.03 Inflation, annual % change* .....                        | 4.4     | 92       |
| 3.04 General government debt, % GDP* .....                    | 30.5    | 35       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 17.5    | 133      |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 8,528.3 | 55       |
| 4.02 Business impact of malaria .....                         | 3.3     | 67       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 128.0   | 99       |
| 4.04 Business impact of tuberculosis .....                    | 3.9     | 128      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.0     | 107      |
| 4.06 Business impact of HIV/AIDS .....                        | 3.9     | 124      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 54.8    | 125      |
| 4.08 Life expectancy, years* .....                            | 54.1    | 132      |
| 4.09 Quality of primary education .....                       | 2.5     | 130      |
| 4.10 Primary education enrollment, net %* .....               | 94.8    | 67       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 33.1    | 133      |
| 5.02 Tertiary education enrollment, gross %* .....            | 3.2     | 132      |
| 5.03 Quality of the education system .....                    | 2.6     | 127      |
| 5.04 Quality of math and science education .....              | 3.5     | 98       |
| 5.05 Quality of management schools .....                      | 2.6     | 138      |
| 5.06 Internet access in schools .....                         | 1.7     | 139      |
| 5.07 Availability of specialized training services .....      | 2.8     | 137      |
| 5.08 Extent of staff training .....                           | 2.9     | 138      |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 3.9     | 136      |
| 6.02 Extent of market dominance .....                         | 3.4     | 95       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.1     | 124      |
| 6.04 Effect of taxation on incentives to invest .....         | 2.6     | 133      |
| 6.05 Total tax rate, % profits* .....                         | 45.7    | 100      |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 3     | 9        |
| 6.07 No. days to start a business* .....                 | 5.0   | 18       |
| 6.08 Agricultural policy costs .....                     | 2.8   | 133      |
| 6.09 Prevalence of non-tariff barriers .....             | 3.5   | 133      |
| 6.10 Trade tariffs, % duty* .....                        | 9.5   | 101      |
| 6.11 Prevalence of foreign ownership .....               | 2.8   | 135      |
| 6.12 Business impact of rules on FDI .....               | 3.3   | 131      |
| 6.13 Burden of customs procedures .....                  | 2.9   | 134      |
| 6.14 Imports as a percentage of GDP* .....               | 37.9  | 91       |
| 6.15 Degree of customer orientation .....                | 3.3   | 138      |
| 6.16 Buyer sophistication .....                          | 2.2   | 136      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 3.4   | 135      |
| 7.02 Flexibility of wage determination .....             | 5.1   | 58       |
| 7.03 Hiring and firing practices .....                   | 3.3   | 113      |
| 7.04 Redundancy costs, weeks of salary* .....            | 15.9  | 71       |
| 7.05 Effect of taxation on incentives to work .....      | 2.7   | 131      |
| 7.06 Pay and productivity .....                          | 2.6   | 139      |
| 7.07 Reliance on professional management .....           | 2.8   | 137      |
| 7.08 Country capacity to retain talent .....             | 2.0   | 135      |
| 7.09 Country capacity to attract talent .....            | 1.9   | 136      |
| 7.10 Women in labor force, ratio to men* .....           | 1.02  | 4        |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 2.8   | 139      |
| 8.02 Affordability of financial services .....           | 2.7   | 140      |
| 8.03 Financing through local equity market .....         | 1.8   | 138      |
| 8.04 Ease of access to loans .....                       | 1.8   | 130      |
| 8.05 Venture capital availability .....                  | 1.9   | 131      |
| 8.06 Soundness of banks .....                            | 2.9   | 136      |
| 8.07 Regulation of securities exchanges .....            | 1.9   | 140      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 2     | 106      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 3.1   | 137      |
| 9.02 Firm-level technology absorption .....              | 3.2   | 139      |
| 9.03 FDI and technology transfer .....                   | 3.3   | 134      |
| 9.04 Individuals using Internet, %* .....                | 1.4   | 140      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.0   | 136      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 6.9   | 109      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 0.5   | 135      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 1.9   | 132      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 1.8   | 140      |
| 10.03 GDP (PPP\$ billions)* .....                        | 8.4   | 133      |
| 10.04 Exports as a percentage of GDP* .....              | 4.6   | 140      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 3.6   | 135      |
| 11.02 Local supplier quality .....                       | 3.3   | 133      |
| 11.03 State of cluster development .....                 | 2.7   | 135      |
| 11.04 Nature of competitive advantage .....              | 2.7   | 122      |
| 11.05 Value chain breadth .....                          | 2.9   | 133      |
| 11.06 Control of international distribution .....        | 3.1   | 123      |
| 11.07 Production process sophistication .....            | 2.4   | 137      |
| 11.08 Extent of marketing .....                          | 2.6   | 139      |
| 11.09 Willingness to delegate authority .....            | 2.8   | 135      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 2.8   | 138      |
| 12.02 Quality of scientific research institutions .....  | 2.4   | 134      |
| 12.03 Company spending on R&D .....                      | 2.2   | 136      |
| 12.04 University-industry collaboration in R&D .....     | 2.8   | 121      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.7   | 127      |
| 12.06 Availability of scientists and engineers .....     | 3.3   | 114      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119      |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

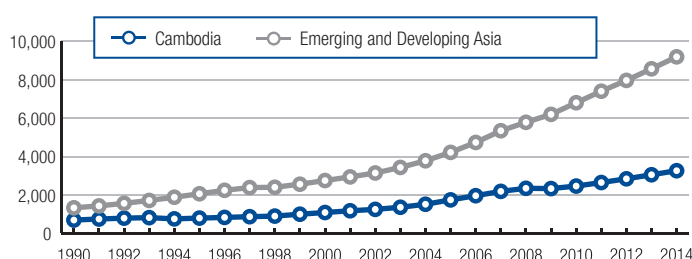


# Cambodia

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 15.3  |
| GDP (US\$ billions).....                   | 16.6  |
| GDP per capita (US\$).....                 | 1,081 |
| GDP (PPP) as share (%) of world total..... | 0.05  |

GDP (PPP) per capita (int'l \$), 1990–2014



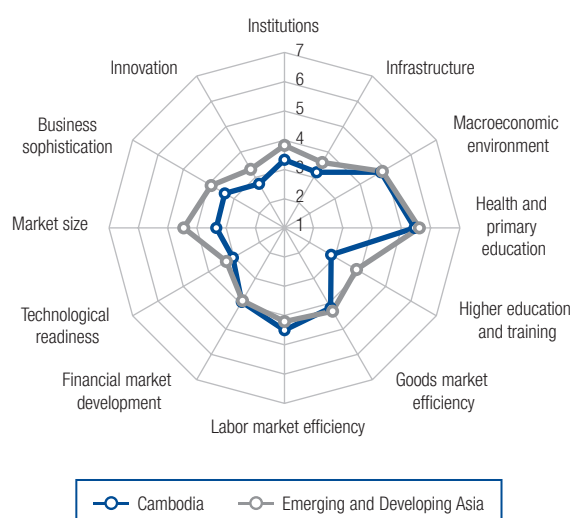
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>90</b>            | <b>3.9</b>     |
| GCI 2014–2015 (out of 144)..... | 95                   | 3.9            |
| GCI 2013–2014 (out of 148)..... | 88                   | 4.0            |
| GCI 2012–2013 (out of 144)..... | 85                   | 4.0            |

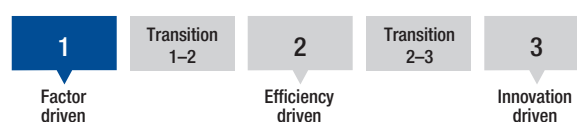
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (60.0%)</b> .....       | <b>93</b> | <b>4.2</b> |
| 1st pillar: Institutions.....                 | 111       | 3.3        |
| 2nd pillar: Infrastructure.....               | 101       | 3.2        |
| 3rd pillar: Macroeconomic environment.....    | 64        | 4.8        |
| 4th pillar: Health and primary education..... | 87        | 5.4        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (35.0%)</b> .....      | <b>101</b> | <b>3.6</b> |
| 5th pillar: Higher education and training..... | 123        | 2.8        |
| 6th pillar: Goods market efficiency.....       | 93         | 4.2        |
| 7th pillar: Labor market efficiency.....       | 38         | 4.5        |
| 8th pillar: Financial market development.....  | 66         | 3.9        |
| 9th pillar: Technological readiness.....       | 105        | 3.0        |
| 10th pillar: Market size.....                  | 90         | 3.3        |

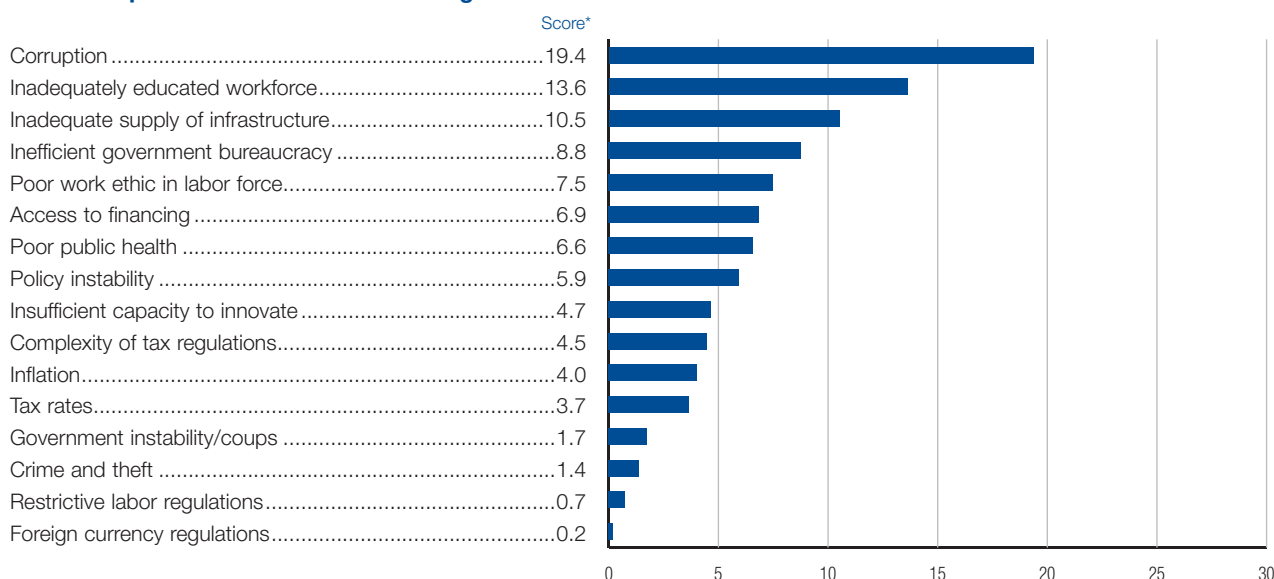
|                                                           |            |            |
|-----------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>121</b> | <b>3.0</b> |
| 11th pillar: Business sophistication.....                 | 122        | 3.4        |
| 12th pillar: Innovation.....                              | 122        | 2.7        |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Cambodia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 3.6     | 114      |
| 1.02 Intellectual property protection .....                   | 2.8     | 132      |
| 1.03 Diversion of public funds .....                          | 3.0     | 89       |
| 1.04 Public trust in politicians .....                        | 2.8     | 78       |
| 1.05 Irregular payments and bribes .....                      | 2.9     | 117      |
| 1.06 Judicial independence .....                              | 2.5     | 128      |
| 1.07 Favoritism in decisions of government officials .....    | 2.8     | 93       |
| 1.08 Wastefulness of government spending .....                | 2.5     | 109      |
| 1.09 Burden of government regulation .....                    | 3.4     | 69       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.8     | 120      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.6     | 124      |
| 1.12 Transparency of government policymaking .....            | 3.2     | 127      |
| 1.13 Business costs of terrorism .....                        | 4.6     | 107      |
| 1.14 Business costs of crime and violence .....               | 4.1     | 93       |
| 1.15 Organized crime .....                                    | 4.4     | 93       |
| 1.16 Reliability of police services .....                     | 2.9     | 122      |
| 1.17 Ethical behavior of firms .....                          | 3.8     | 78       |
| 1.18 Strength of auditing and reporting standards .....       | 3.5     | 132      |
| 1.19 Efficacy of corporate boards .....                       | 4.1     | 118      |
| 1.20 Protection of minority shareholders' interests .....     | 3.5     | 113      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.3     | 81       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 3.4     | 102      |
| 2.02 Quality of roads .....                                   | 3.3     | 94       |
| 2.03 Quality of railroad infrastructure .....                 | 1.6     | 100      |
| 2.04 Quality of port infrastructure .....                     | 3.7     | 83       |
| 2.05 Quality of air transport infrastructure .....            | 3.7     | 100      |
| 2.06 Available airline seat km/week, millions* .....          | 93.6    | 84       |
| 2.07 Quality of electricity supply .....                      | 3.1     | 108      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 155.1   | 19       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 2.8     | 111      |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –0.8    | 31       |
| 3.02 Gross national savings, % GDP* .....                     | 11.2    | 122      |
| 3.03 Inflation, annual % change* .....                        | 3.9     | 79       |
| 3.04 General government debt, % GDP* .....                    | 29.5    | 31       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 30.6    | 100      |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 1,076.4 | 42       |
| 4.02 Business impact of malaria .....                         | 4.5     | 45       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 400.0   | 131      |
| 4.04 Business impact of tuberculosis .....                    | 4.2     | 119      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.7     | 98       |
| 4.06 Business impact of HIV/AIDS .....                        | 4.4     | 110      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 32.5    | 103      |
| 4.08 Life expectancy, years* .....                            | 71.7    | 86       |
| 4.09 Quality of primary education .....                       | 2.9     | 114      |
| 4.10 Primary education enrollment, net %* .....               | 98.4    | 17       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 45.0    | 122      |
| 5.02 Tertiary education enrollment, gross %* .....            | 15.8    | 101      |
| 5.03 Quality of the education system .....                    | 3.2     | 100      |
| 5.04 Quality of math and science education .....              | 3.2     | 112      |
| 5.05 Quality of management schools .....                      | 3.2     | 124      |
| 5.06 Internet access in schools .....                         | 3.5     | 106      |
| 5.07 Availability of specialized training services .....      | 3.5     | 117      |
| 5.08 Extent of staff training .....                           | 3.7     | 95       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 4.7     | 97       |
| 6.02 Extent of market dominance .....                         | 3.4     | 93       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.9     | 58       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.7     | 65       |
| 6.05 Total tax rate, % profits* .....                         | 21.0    | 15       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 11    | 123      |
| 6.07 No. days to start a business* .....                 | 101.0 | 139      |
| 6.08 Agricultural policy costs .....                     | 3.7   | 71       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.2   | 83       |
| 6.10 Trade tariffs, % duty* .....                        | 9.2   | 97       |
| 6.11 Prevalence of foreign ownership .....               | 4.7   | 59       |
| 6.12 Business impact of rules on FDI .....               | 4.6   | 58       |
| 6.13 Burden of customs procedures .....                  | 3.1   | 128      |
| 6.14 Imports as a percentage of GDP* .....               | 93.6  | 9        |
| 6.15 Degree of customer orientation .....                | 4.5   | 75       |
| 6.16 Buyer sophistication .....                          | 3.4   | 71       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.3   | 76       |
| 7.02 Flexibility of wage determination .....             | 4.4   | 107      |
| 7.03 Hiring and firing practices .....                   | 4.5   | 22       |
| 7.04 Redundancy costs, weeks of salary* .....            | 19.3  | 87       |
| 7.05 Effect of taxation on incentives to work .....      | 4.0   | 53       |
| 7.06 Pay and productivity .....                          | 4.2   | 57       |
| 7.07 Reliance on professional management .....           | 3.7   | 99       |
| 7.08 Country capacity to retain talent .....             | 3.5   | 65       |
| 7.09 Country capacity to attract talent .....            | 3.5   | 63       |
| 7.10 Women in labor force, ratio to men* .....           | 0.93  | 19       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.1   | 90       |
| 8.02 Affordability of financial services .....           | 3.9   | 91       |
| 8.03 Financing through local equity market .....         | 2.3   | 131      |
| 8.04 Ease of access to loans .....                       | 2.7   | 80       |
| 8.05 Venture capital availability .....                  | 2.7   | 74       |
| 8.06 Soundness of banks .....                            | 4.4   | 97       |
| 8.07 Regulation of securities exchanges .....            | 3.2   | 120      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 11    | 4        |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.2   | 101      |
| 9.02 Firm-level technology absorption .....              | 4.3   | 97       |
| 9.03 FDI and technology transfer .....                   | 4.6   | 59       |
| 9.04 Individuals using Internet, %* .....                | 9.0   | 127      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.2   | 118      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 9.4   | 100      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 14.0  | 105      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.0   | 92       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.4   | 73       |
| 10.03 GDP (PPP\$ billions)* .....                        | 50.0  | 94       |
| 10.04 Exports as a percentage of GDP* .....              | 89.0  | 12       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 3.6   | 131      |
| 11.02 Local supplier quality .....                       | 3.4   | 128      |
| 11.03 State of cluster development .....                 | 3.7   | 65       |
| 11.04 Nature of competitive advantage .....              | 2.6   | 126      |
| 11.05 Value chain breadth .....                          | 3.3   | 116      |
| 11.06 Control of international distribution .....        | 2.9   | 135      |
| 11.07 Production process sophistication .....            | 3.0   | 125      |
| 11.08 Extent of marketing .....                          | 4.0   | 92       |
| 11.09 Willingness to delegate authority .....            | 3.4   | 104      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.5   | 113      |
| 12.02 Quality of scientific research institutions .....  | 2.8   | 122      |
| 12.03 Company spending on R&D .....                      | 3.0   | 91       |
| 12.04 University-industry collaboration in R&D .....     | 3.0   | 114      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.8   | 115      |
| 12.06 Availability of scientists and engineers .....     | 3.1   | 127      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 114      |

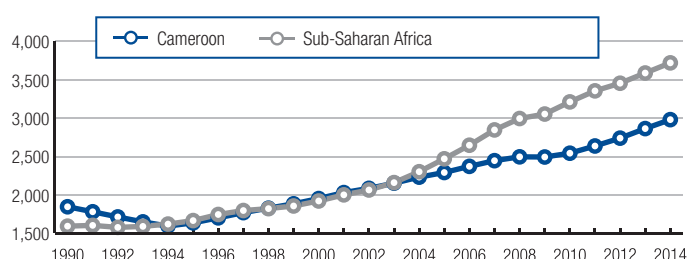
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Cameroon

## Key indicators, 2014

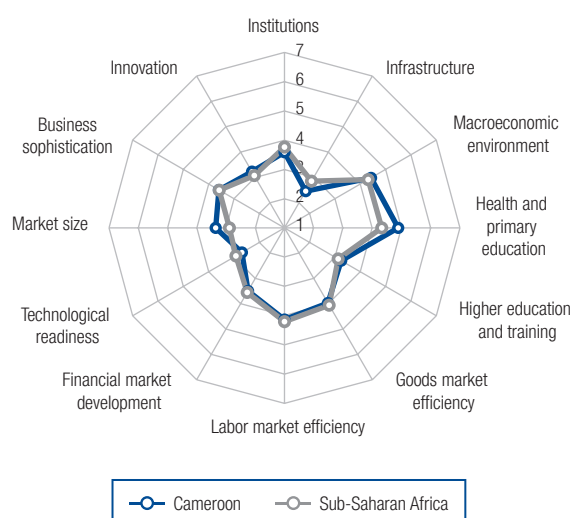
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 22.5  |
| GDP (US\$ billions).....                   | 31.7  |
| GDP per capita (US\$).....                 | 1,405 |
| GDP (PPP) as share (%) of world total..... | 0.06  |

GDP (PPP) per capita (int'l \$), 1990–2014

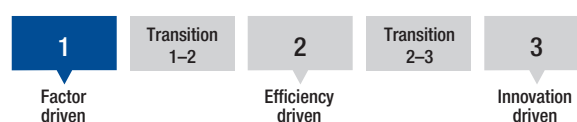


## Global Competitiveness Index

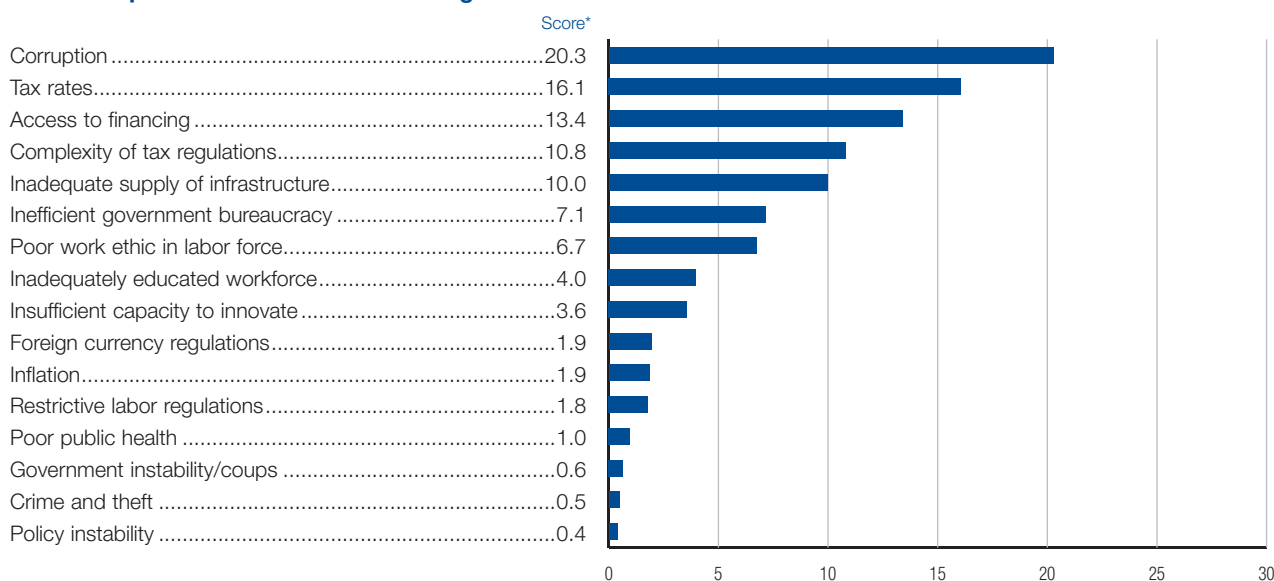
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>114</b>           | <b>3.7</b>     |
| GCI 2014–2015 (out of 144).....                           | 116                  | 3.7            |
| GCI 2013–2014 (out of 148).....                           | 115                  | 3.7            |
| GCI 2012–2013 (out of 144).....                           | 112                  | 3.7            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>113</b>           | <b>3.8</b>     |
| 1st pillar: Institutions.....                             | 93                   | 3.6            |
| 2nd pillar: Infrastructure.....                           | 125                  | 2.4            |
| 3rd pillar: Macroeconomic environment.....                | 90                   | 4.4            |
| 4th pillar: Health and primary education.....             | 107                  | 4.9            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>113</b>           | <b>3.5</b>     |
| 5th pillar: Higher education and training.....            | 114                  | 3.2            |
| 6th pillar: Goods market efficiency.....                  | 113                  | 4.0            |
| 7th pillar: Labor market efficiency.....                  | 79                   | 4.1            |
| 8th pillar: Financial market development.....             | 98                   | 3.5            |
| 9th pillar: Technological readiness.....                  | 122                  | 2.7            |
| 10th pillar: Market size.....                             | 87                   | 3.4            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>93</b>            | <b>3.4</b>     |
| 11th pillar: Business sophistication.....                 | 103                  | 3.6            |
| 12th pillar: Innovation.....                              | 79                   | 3.2            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Cameroon

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 3.9      | 94       |
| 1.02 Intellectual property protection .....                   | 3.9      | 69       |
| 1.03 Diversion of public funds .....                          | 2.5      | 116      |
| 1.04 Public trust in politicians .....                        | 2.9      | 74       |
| 1.05 Irregular payments and bribes .....                      | 3.1      | 111      |
| 1.06 Judicial independence .....                              | 3.1      | 103      |
| 1.07 Favoritism in decisions of government officials .....    | 2.9      | 82       |
| 1.08 Wastefulness of government spending .....                | 2.8      | 88       |
| 1.09 Burden of government regulation .....                    | 3.3      | 78       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.6      | 73       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.4      | 73       |
| 1.12 Transparency of government policymaking .....            | 4.0      | 73       |
| 1.13 Business costs of terrorism .....                        | 4.4      | 115      |
| 1.14 Business costs of crime and violence .....               | 4.4      | 79       |
| 1.15 Organized crime .....                                    | 4.6      | 81       |
| 1.16 Reliability of police services .....                     | 4.3      | 61       |
| 1.17 Ethical behavior of firms .....                          | 3.5      | 108      |
| 1.18 Strength of auditing and reporting standards .....       | 4.8      | 122      |
| 1.19 Efficacy of corporate boards .....                       | 3.7      | 70       |
| 1.20 Protection of minority shareholders' interests .....     | 3.8      | 87       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.7      | 100      |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 3.1      | 117      |
| 2.02 Quality of roads .....                                   | 2.8      | 116      |
| 2.03 Quality of railroad infrastructure .....                 | 2.7      | 64       |
| 2.04 Quality of port infrastructure .....                     | 3.3      | 101      |
| 2.05 Quality of air transport infrastructure .....            | 3.0      | 122      |
| 2.06 Available airline seat km/week, millions* .....          | 52.3     | 96       |
| 2.07 Quality of electricity supply .....                      | 2.4      | 126      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 75.7     | 120      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 4.6      | 105      |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | –5.1     | 110      |
| 3.02 Gross national savings, % GDP* .....                     | 17.9     | 88       |
| 3.03 Inflation, annual % change* .....                        | 1.9      | 1        |
| 3.04 General government debt, % GDP* .....                    | 23.9     | 20       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 31.7     | 97       |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 17,051.0 | 56       |
| 4.02 Business impact of malaria .....                         | 3.8      | 58       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 235.0    | 123      |
| 4.04 Business impact of tuberculosis .....                    | 4.1      | 123      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 4.3      | 128      |
| 4.06 Business impact of HIV/AIDS .....                        | 4.0      | 121      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 60.8     | 130      |
| 4.08 Life expectancy, years* .....                            | 55.0     | 130      |
| 4.09 Quality of primary education .....                       | 4.0      | 70       |
| 4.10 Primary education enrollment, net %* .....               | 94.9     | 63       |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 50.4     | 119      |
| 5.02 Tertiary education enrollment, gross %* .....            | 11.9     | 110      |
| 5.03 Quality of the education system .....                    | 3.6      | 72       |
| 5.04 Quality of math and science education .....              | 4.1      | 66       |
| 5.05 Quality of management schools .....                      | 4.3      | 57       |
| 5.06 Internet access in schools .....                         | 3.4      | 114      |
| 5.07 Availability of specialized training services .....      | 4.0      | 80       |
| 5.08 Extent of staff training .....                           | 4.0      | 70       |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 4.6      | 106      |
| 6.02 Extent of market dominance .....                         | 3.7      | 66       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.6      | 89       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.2      | 100      |
| 6.05 Total tax rate, % profits* .....                         | 48.8     | 107      |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 5     | 38       |
| 6.07 No. days to start a business* .....                 | 15.0  | 83       |
| 6.08 Agricultural policy costs .....                     | 3.5   | 92       |
| 6.09 Prevalence of non-tariff barriers .....             | 3.6   | 127      |
| 6.10 Trade tariffs, % duty* .....                        | 14.1  | 133      |
| 6.11 Prevalence of foreign ownership .....               | 4.5   | 72       |
| 6.12 Business impact of rules on FDI .....               | 4.3   | 86       |
| 6.13 Burden of customs procedures .....                  | 3.4   | 108      |
| 6.14 Imports as a percentage of GDP* .....               | 31.3  | 109      |
| 6.15 Degree of customer orientation .....                | 4.3   | 95       |
| 6.16 Buyer sophistication .....                          | 2.8   | 119      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.1   | 99       |
| 7.02 Flexibility of wage determination .....             | 4.8   | 81       |
| 7.03 Hiring and firing practices .....                   | 4.1   | 51       |
| 7.04 Redundancy costs, weeks of salary* .....            | 19.9  | 90       |
| 7.05 Effect of taxation on incentives to work .....      | 4.1   | 42       |
| 7.06 Pay and productivity .....                          | 3.6   | 99       |
| 7.07 Reliance on professional management .....           | 3.5   | 121      |
| 7.08 Country capacity to retain talent .....             | 2.8   | 110      |
| 7.09 Country capacity to attract talent .....            | 2.8   | 102      |
| 7.10 Women in labor force, ratio to men* .....           | 0.85  | 57       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.8   | 105      |
| 8.02 Affordability of financial services .....           | 3.7   | 110      |
| 8.03 Financing through local equity market .....         | 3.1   | 90       |
| 8.04 Ease of access to loans .....                       | 2.5   | 93       |
| 8.05 Venture capital availability .....                  | 2.3   | 108      |
| 8.06 Soundness of banks .....                            | 4.3   | 102      |
| 8.07 Regulation of securities exchanges .....            | 3.4   | 118      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 6     | 44       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 3.8   | 123      |
| 9.02 Firm-level technology absorption .....              | 4.4   | 84       |
| 9.03 FDI and technology transfer .....                   | 4.0   | 104      |
| 9.04 Individuals using Internet, %* .....                | 11.0  | 121      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.1   | 131      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 1.8   | 135      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 0.0   | 138      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.2   | 84       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.8   | 103      |
| 10.03 GDP (PPP\$ billions)* .....                        | 67.2  | 86       |
| 10.04 Exports as a percentage of GDP* .....              | 21.6  | 121      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.3   | 85       |
| 11.02 Local supplier quality .....                       | 3.9   | 95       |
| 11.03 State of cluster development .....                 | 3.3   | 99       |
| 11.04 Nature of competitive advantage .....              | 3.0   | 102      |
| 11.05 Value chain breadth .....                          | 3.6   | 83       |
| 11.06 Control of international distribution .....        | 3.3   | 110      |
| 11.07 Production process sophistication .....            | 3.2   | 113      |
| 11.08 Extent of marketing .....                          | 4.3   | 70       |
| 11.09 Willingness to delegate authority .....            | 3.4   | 108      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.3   | 46       |
| 12.02 Quality of scientific research institutions .....  | 3.4   | 90       |
| 12.03 Company spending on R&D .....                      | 3.2   | 68       |
| 12.04 University-industry collaboration in R&D .....     | 3.4   | 82       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.3   | 75       |
| 12.06 Availability of scientists and engineers .....     | 3.6   | 95       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 118      |

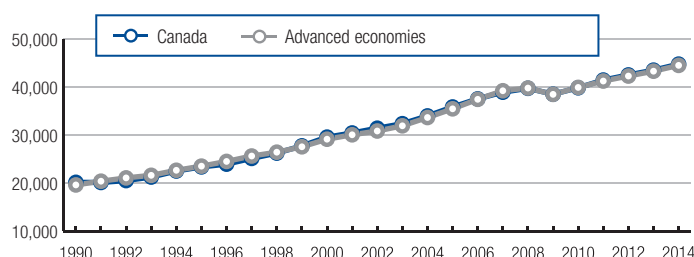
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Canada

## Key indicators, 2014

|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 35.5    |
| GDP (US\$ billions).....                   | 1,788.7 |
| GDP per capita (US\$).....                 | 50,398  |
| GDP (PPP) as share (%) of world total..... | 1.48    |

GDP (PPP) per capita (int'l \$), 1990–2014



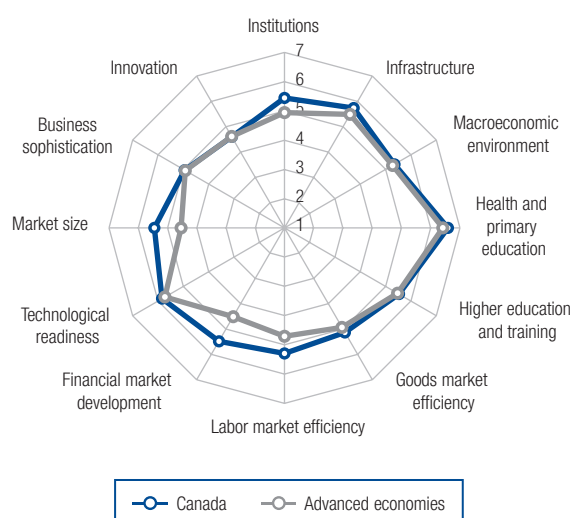
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>13</b>            | <b>5.3</b>     |
| GCI 2014–2015 (out of 144)..... | 15                   | 5.2            |
| GCI 2013–2014 (out of 148)..... | 14                   | 5.2            |
| GCI 2012–2013 (out of 144)..... | 14                   | 5.3            |

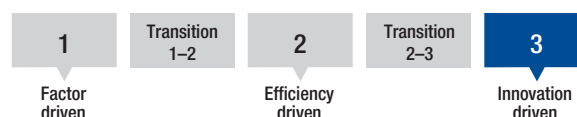
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>16</b> | <b>5.8</b> |
| 1st pillar: Institutions.....                 | 16        | 5.4        |
| 2nd pillar: Infrastructure.....               | 14        | 5.7        |
| 3rd pillar: Macroeconomic environment.....    | 39        | 5.3        |
| 4th pillar: Health and primary education..... | 7         | 6.6        |

|                                                |          |            |
|------------------------------------------------|----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>6</b> | <b>5.4</b> |
| 5th pillar: Higher education and training..... | 19       | 5.5        |
| 6th pillar: Goods market efficiency.....       | 15       | 5.1        |
| 7th pillar: Labor market efficiency.....       | 7        | 5.3        |
| 8th pillar: Financial market development.....  | 4        | 5.5        |
| 9th pillar: Technological readiness.....       | 18       | 5.8        |
| 10th pillar: Market size.....                  | 14       | 5.4        |

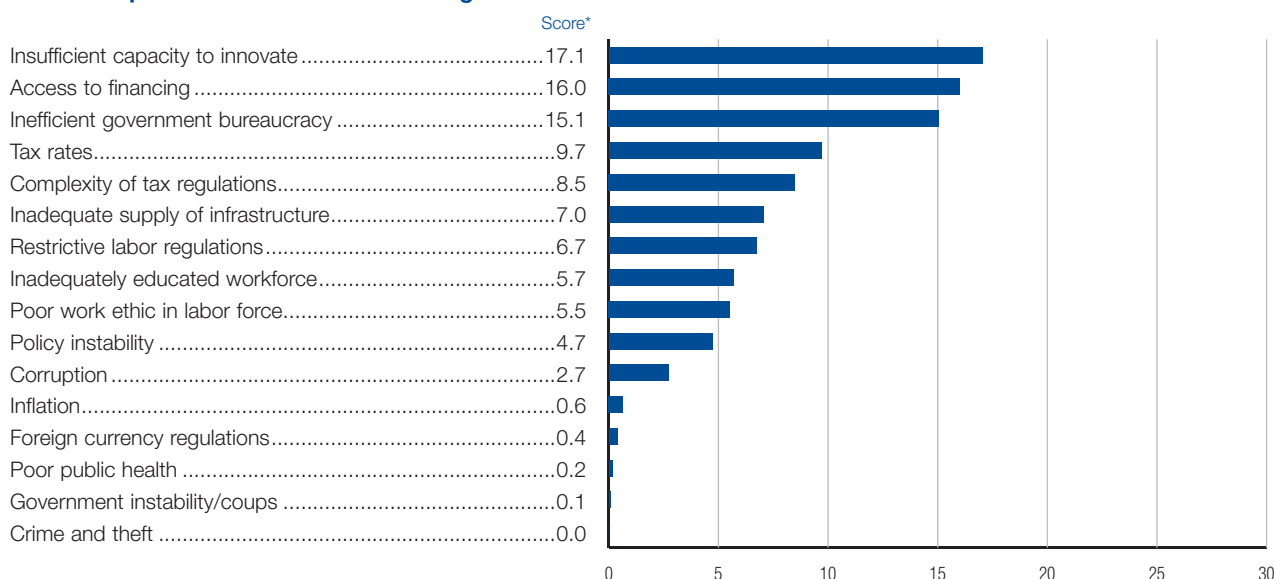
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>24</b> | <b>4.8</b> |
| 11th pillar: Business sophistication.....                  | 22        | 4.9        |
| 12th pillar: Innovation.....                               | 22        | 4.6        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE         | RANK/140  |
|---------------------------------------------------------------|---------------|-----------|
| <b>1st pillar: Institutions</b>                               |               |           |
| 1.01 Property rights .....                                    | 6.0 .....     | <b>11</b> |
| 1.02 Intellectual property protection .....                   | 5.8 .....     | <b>12</b> |
| 1.03 Diversion of public funds .....                          | 5.3 .....     | 19        |
| 1.04 Public trust in politicians .....                        | 4.7 .....     | 17        |
| 1.05 Irregular payments and bribes .....                      | 5.9 .....     | 19        |
| 1.06 Judicial independence .....                              | 6.2 .....     | <b>11</b> |
| 1.07 Favoritism in decisions of government officials .....    | 4.3 .....     | 21        |
| 1.08 Wastefulness of government spending .....                | 4.1 .....     | 23        |
| 1.09 Burden of government regulation .....                    | 3.8 .....     | 37        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.2 .....     | 17        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.0 .....     | 14        |
| 1.12 Transparency of government policymaking .....            | 5.3 .....     | 18        |
| 1.13 Business costs of terrorism .....                        | 5.4 .....     | 64        |
| 1.14 Business costs of crime and violence .....               | 5.4 .....     | 29        |
| 1.15 Organized crime .....                                    | 5.4 .....     | 48        |
| 1.16 Reliability of police services .....                     | 6.1 .....     | <b>11</b> |
| 1.17 Ethical behavior of firms .....                          | 5.6 .....     | 14        |
| 1.18 Strength of auditing and reporting standards .....       | 6.3 .....     | <b>4</b>  |
| 1.19 Efficacy of corporate boards .....                       | 5.9 .....     | <b>8</b>  |
| 1.20 Protection of minority shareholders' interests .....     | 5.4 .....     | <b>8</b>  |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 7.3 .....     | <b>6</b>  |
| <b>2nd pillar: Infrastructure</b>                             |               |           |
| 2.01 Quality of overall infrastructure .....                  | 5.4 .....     | 23        |
| 2.02 Quality of roads .....                                   | 5.2 .....     | 26        |
| 2.03 Quality of railroad infrastructure .....                 | 4.7 .....     | 19        |
| 2.04 Quality of port infrastructure .....                     | 5.5 .....     | 21        |
| 2.05 Quality of air transport infrastructure .....            | 5.8 .....     | 16        |
| 2.06 Available airline seat km/week, millions* .....          | 3,542.6 ..... | 13        |
| 2.07 Quality of electricity supply .....                      | 6.5 .....     | 13        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 83.0 .....    | 111       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 46.6 .....    | 13        |
| <b>3rd pillar: Macroeconomic environment</b>                  |               |           |
| 3.01 Government budget balance, % GDP* .....                  | –1.8 .....    | 44        |
| 3.02 Gross national savings, % GDP* .....                     | 21.9 .....    | 60        |
| 3.03 Inflation, annual % change* .....                        | 1.9 .....     | <b>1</b>  |
| 3.04 General government debt, % GDP* .....                    | 86.5 .....    | 120       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 93.7 .....    | <b>6</b>  |
| <b>4th pillar: Health and primary education</b>               |               |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L. ....     | n/a       |
| 4.02 Business impact of malaria .....                         | N/Apl. ....   | n/a       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 5.0 .....     | <b>4</b>  |
| 4.04 Business impact of tuberculosis .....                    | 6.6 .....     | 20        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.3 .....     | 63        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.3 .....     | 27        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 4.6 .....     | 33        |
| 4.08 Life expectancy, years* .....                            | 81.4 .....    | 16        |
| 4.09 Quality of primary education .....                       | 5.6 .....     | <b>10</b> |
| 4.10 Primary education enrollment, net %* .....               | 99.1 .....    | <b>8</b>  |
| <b>5th pillar: Higher education and training</b>              |               |           |
| 5.01 Secondary education enrollment, gross %* .....           | 103.4 .....   | 22        |
| 5.02 Tertiary education enrollment, gross %* .....            | 58.9 .....    | 42        |
| 5.03 Quality of the education system .....                    | 5.1 .....     | 14        |
| 5.04 Quality of math and science education .....              | 5.1 .....     | 18        |
| 5.05 Quality of management schools .....                      | 5.8 .....     | <b>5</b>  |
| 5.06 Internet access in schools .....                         | 6.0 .....     | 13        |
| 5.07 Availability of specialized training services .....      | 5.5 .....     | 16        |
| 5.08 Extent of staff training .....                           | 4.7 .....     | 25        |
| <b>6th pillar: Goods market efficiency</b>                    |               |           |
| 6.01 Intensity of local competition .....                     | 5.6 .....     | 24        |
| 6.02 Extent of market dominance .....                         | 4.4 .....     | 25        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.9 .....     | 21        |
| 6.04 Effect of taxation on incentives to invest .....         | 4.1 .....     | 29        |
| 6.05 Total tax rate, % profits* .....                         | 21.0 .....    | 15        |

| INDICATOR                                                   | VALUE         | RANK/140  |
|-------------------------------------------------------------|---------------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |               |           |
| 6.06 No. procedures to start a business* .....              | 1 .....       | <b>1</b>  |
| 6.07 No. days to start a business* .....                    | 5.0 .....     | 18        |
| 6.08 Agricultural policy costs .....                        | 4.3 .....     | 30        |
| 6.09 Prevalence of non-tariff barriers .....                | 4.3 .....     | 72        |
| 6.10 Trade tariffs, % duty* .....                           | 2.6 .....     | 40        |
| 6.11 Prevalence of foreign ownership .....                  | 5.6 .....     | <b>12</b> |
| 6.12 Business impact of rules on FDI .....                  | 4.7 .....     | 52        |
| 6.13 Burden of customs procedures .....                     | 5.0 .....     | 26        |
| 6.14 Imports as a percentage of GDP* .....                  | 32.5 .....    | 103       |
| 6.15 Degree of customer orientation .....                   | 5.5 .....     | 16        |
| 6.16 Buyer sophistication .....                             | 4.3 .....     | 18        |
| <b>7th pillar: Labor market efficiency</b>                  |               |           |
| 7.01 Cooperation in labor-employer relations .....          | 5.1 .....     | 25        |
| 7.02 Flexibility of wage determination .....                | 5.4 .....     | 33        |
| 7.03 Hiring and firing practices .....                      | 4.5 .....     | 21        |
| 7.04 Redundancy costs, weeks of salary* .....               | 10.0 .....    | 33        |
| 7.05 Effect of taxation on incentives to work .....         | 4.4 .....     | 25        |
| 7.06 Pay and productivity .....                             | 4.8 .....     | 15        |
| 7.07 Reliance on professional management .....              | 5.9 .....     | 13        |
| 7.08 Country capacity to retain talent .....                | 4.9 .....     | 14        |
| 7.09 Country capacity to attract talent .....               | 5.3 .....     | <b>10</b> |
| 7.10 Women in labor force, ratio to men* .....              | 0.91 .....    | 25        |
| <b>8th pillar: Financial market development</b>             |               |           |
| 8.01 Availability of financial services .....               | 6.1 .....     | <b>5</b>  |
| 8.02 Affordability of financial services .....              | 5.8 .....     | <b>8</b>  |
| 8.03 Financing through local equity market .....            | 5.1 .....     | <b>11</b> |
| 8.04 Ease of access to loans .....                          | 3.8 .....     | 18        |
| 8.05 Venture capital availability .....                     | 3.7 .....     | 20        |
| 8.06 Soundness of banks .....                               | 6.7 .....     | <b>1</b>  |
| 8.07 Regulation of securities exchanges .....               | 5.9 .....     | <b>6</b>  |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 9 .....       | <b>11</b> |
| <b>9th pillar: Technological readiness</b>                  |               |           |
| 9.01 Availability of latest technologies .....              | 6.2 .....     | <b>11</b> |
| 9.02 Firm-level technology absorption .....                 | 5.4 .....     | 29        |
| 9.03 FDI and technology transfer .....                      | 4.9 .....     | 27        |
| 9.04 Individuals using Internet, %* .....                   | 87.1 .....    | 14        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 34.4 .....    | <b>12</b> |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 129.2 .....   | 22        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 59.8 .....    | 43        |
| <b>10th pillar: Market size</b>                             |               |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.3 .....     | 15        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.8 .....     | 23        |
| 10.03 GDP (PPP\$ billions)* .....                           | 1,591.6 ..... | 15        |
| 10.04 Exports as a percentage of GDP* .....                 | 31.3 .....    | 91        |
| <b>11th pillar: Business sophistication</b>                 |               |           |
| 11.01 Local supplier quantity .....                         | 5.1 .....     | 20        |
| 11.02 Local supplier quality .....                          | 5.4 .....     | 15        |
| 11.03 State of cluster development .....                    | 4.8 .....     | 20        |
| 11.04 Nature of competitive advantage .....                 | 4.1 .....     | 36        |
| 11.05 Value chain breadth .....                             | 4.2 .....     | 38        |
| 11.06 Control of international distribution .....           | 4.6 .....     | 22        |
| 11.07 Production process sophistication .....               | 5.5 .....     | 18        |
| 11.08 Extent of marketing .....                             | 5.3 .....     | 19        |
| 11.09 Willingness to delegate authority .....               | 5.1 .....     | <b>11</b> |
| <b>12th pillar: Innovation</b>                              |               |           |
| 12.01 Capacity for innovation .....                         | 4.9 .....     | 23        |
| 12.02 Quality of scientific research institutions .....     | 5.4 .....     | 18        |
| 12.03 Company spending on R&D .....                         | 4.1 .....     | 26        |
| 12.04 University-industry collaboration in R&D .....        | 4.9 .....     | 19        |
| 12.05 Gov't procurement of advanced tech products .....     | 3.5 .....     | 55        |
| 12.06 Availability of scientists and engineers .....        | 5.2 .....     | <b>10</b> |
| 12.07 PCT patents, applications/million pop.* .....         | 86.7 .....    | 19        |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

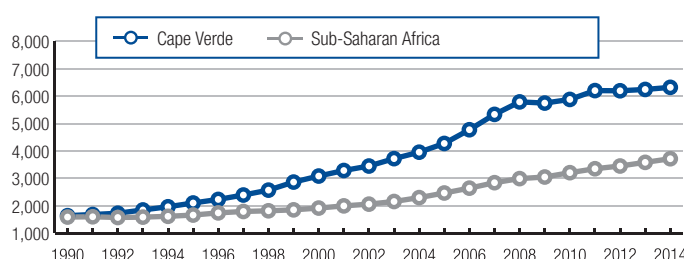


# Cape Verde

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 0.5   |
| GDP (US\$ billions).....                   | 1.9   |
| GDP per capita (US\$).....                 | 3,663 |
| GDP (PPP) as share (%) of world total..... | 0.00  |

GDP (PPP) per capita (int'l \$), 1990–2014



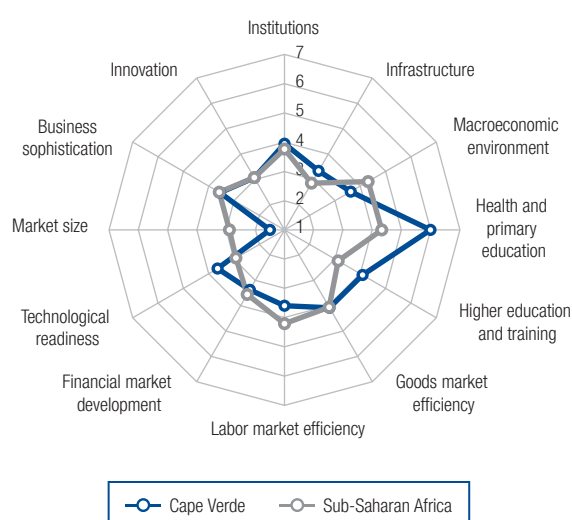
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>112</b>           | <b>3.7</b>     |
| GCI 2014–2015 (out of 144)..... | 114                  | 3.7            |
| GCI 2013–2014 (out of 148)..... | 122                  | 3.5            |
| GCI 2012–2013 (out of 144)..... | 122                  | 3.5            |

|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (40.0%)</b> .....       | <b>92</b> | <b>4.2</b> |
| 1st pillar: Institutions.....                 | 66        | 3.9        |
| 2nd pillar: Infrastructure.....               | 94        | 3.3        |
| 3rd pillar: Macroeconomic environment.....    | 124       | 3.6        |
| 4th pillar: Health and primary education..... | 51        | 6.0        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>122</b> | <b>3.4</b> |
| 5th pillar: Higher education and training..... | 81         | 4.1        |
| 6th pillar: Goods market efficiency.....       | 99         | 4.1        |
| 7th pillar: Labor market efficiency.....       | 125        | 3.6        |
| 8th pillar: Financial market development.....  | 111        | 3.4        |
| 9th pillar: Technological readiness.....       | 77         | 3.6        |
| 10th pillar: Market size.....                  | 138        | 1.5        |

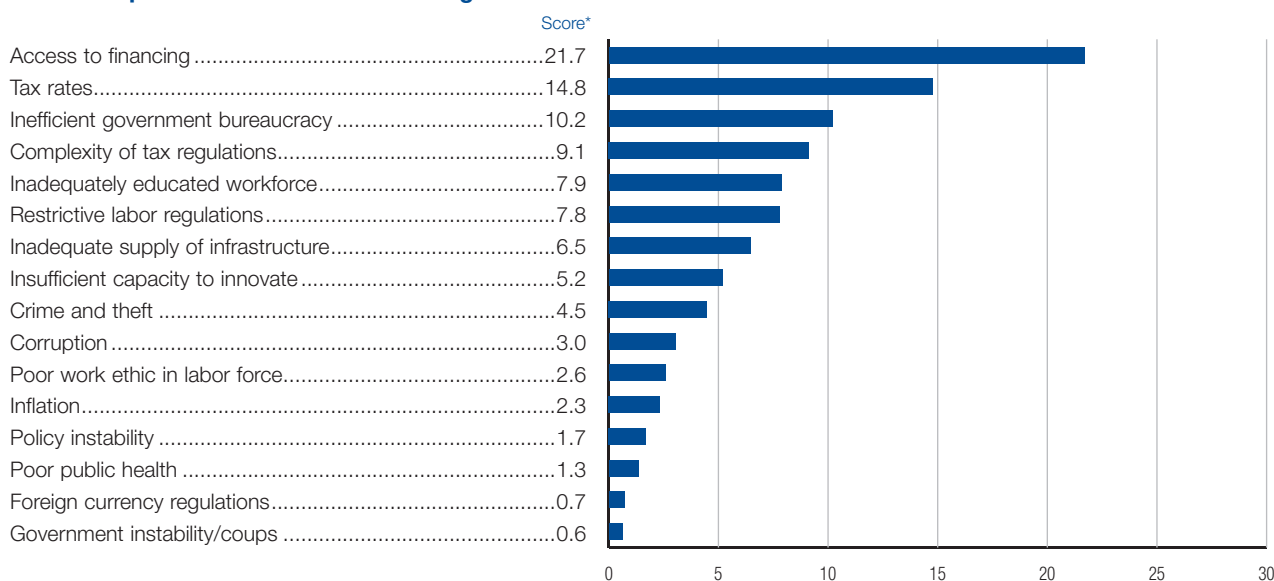
|                                                            |            |            |
|------------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>104</b> | <b>3.3</b> |
| 11th pillar: Business sophistication.....                  | 106        | 3.5        |
| 12th pillar: Innovation.....                               | 100        | 3.1        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Cape Verde

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE        | RANK/140 |
|---------------------------------------------------------------|--------------|----------|
| <b>1st pillar: Institutions</b>                               |              |          |
| 1.01 Property rights .....                                    | 4.0 .....    | 84       |
| 1.02 Intellectual property protection .....                   | 3.4 .....    | 97       |
| 1.03 Diversion of public funds .....                          | 4.0 .....    | 44       |
| 1.04 Public trust in politicians .....                        | 3.4 .....    | 48       |
| 1.05 Irregular payments and bribes .....                      | 4.2 .....    | 54       |
| 1.06 Judicial independence .....                              | 4.3 .....    | 48       |
| 1.07 Favoritism in decisions of government officials .....    | 3.5 .....    | 47       |
| 1.08 Wastefulness of government spending .....                | 3.6 .....    | 44       |
| 1.09 Burden of government regulation .....                    | 3.6 .....    | 53       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.3 .....    | 93       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.4 .....    | 78       |
| 1.12 Transparency of government policymaking .....            | 4.1 .....    | 67       |
| 1.13 Business costs of terrorism .....                        | 5.3 .....    | 74       |
| 1.14 Business costs of crime and violence .....               | 4.0 .....    | 100      |
| 1.15 Organized crime .....                                    | 4.5 .....    | 88       |
| 1.16 Reliability of police services .....                     | 4.4 .....    | 54       |
| 1.17 Ethical behavior of firms .....                          | 4.1 .....    | 57       |
| 1.18 Strength of auditing and reporting standards .....       | 4.0 .....    | 104      |
| 1.19 Efficacy of corporate boards .....                       | 4.3 .....    | 103      |
| 1.20 Protection of minority shareholders' interests .....     | 3.8 .....    | 89       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 3.5 .....    | 131      |
| <b>2nd pillar: Infrastructure</b>                             |              |          |
| 2.01 Quality of overall infrastructure .....                  | 3.6 .....    | 92       |
| 2.02 Quality of roads .....                                   | 4.0 .....    | 68       |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. .... | n/a      |
| 2.04 Quality of port infrastructure .....                     | 3.7 .....    | 84       |
| 2.05 Quality of air transport infrastructure .....            | 3.6 .....    | 104      |
| 2.06 Available airline seat km/week, millions* .....          | 44.4 .....   | 100      |
| 2.07 Quality of electricity supply .....                      | 3.2 .....    | 105      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 121.8 .....  | 55       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 11.6 .....   | 82       |
| <b>3rd pillar: Macroeconomic environment</b>                  |              |          |
| 3.01 Government budget balance, % GDP* .....                  | –8.3 .....   | 133      |
| 3.02 Gross national savings, % GDP* .....                     | 28.8 .....   | 29       |
| 3.03 Inflation, annual % change* .....                        | –0.2 .....   | 76       |
| 3.04 General government debt, % GDP* .....                    | 112.2 .....  | 134      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 31.6 .....   | 99       |
| <b>4th pillar: Health and primary education</b>               |              |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 22.2 .....   | 22       |
| 4.02 Business impact of malaria .....                         | 5.5 .....    | 20       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 143.0 .....  | 103      |
| 4.04 Business impact of tuberculosis .....                    | 5.3 .....    | 80       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.5 .....    | 86       |
| 4.06 Business impact of HIV/AIDS .....                        | 5.4 .....    | 74       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 21.9 .....   | 91       |
| 4.08 Life expectancy, years* .....                            | 74.9 .....   | 59       |
| 4.09 Quality of primary education .....                       | 4.2 .....    | 59       |
| 4.10 Primary education enrollment, net %* .....               | 98.1 .....   | 25       |
| <b>5th pillar: Higher education and training</b>              |              |          |
| 5.01 Secondary education enrollment, gross %* .....           | 92.7 .....   | 66       |
| 5.02 Tertiary education enrollment, gross %* .....            | 22.8 .....   | 88       |
| 5.03 Quality of the education system .....                    | 4.0 .....    | 55       |
| 5.04 Quality of math and science education .....              | 4.0 .....    | 77       |
| 5.05 Quality of management schools .....                      | 4.0 .....    | 76       |
| 5.06 Internet access in schools .....                         | 4.1 .....    | 74       |
| 5.07 Availability of specialized training services .....      | 3.9 .....    | 86       |
| 5.08 Extent of staff training .....                           | 3.6 .....    | 100      |
| <b>6th pillar: Goods market efficiency</b>                    |              |          |
| 6.01 Intensity of local competition .....                     | 4.4 .....    | 114      |
| 6.02 Extent of market dominance .....                         | 3.9 .....    | 50       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.7 .....    | 76       |
| 6.04 Effect of taxation on incentives to invest .....         | 2.9 .....    | 123      |
| 6.05 Total tax rate, % profits* .....                         | 36.5 .....   | 66       |

| INDICATOR                                                | VALUE      | RANK/140 |
|----------------------------------------------------------|------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |            |          |
| 6.06 No. procedures to start a business* .....           | 7 .....    | 76       |
| 6.07 No. days to start a business* .....                 | 10.0 ..... | 53       |
| 6.08 Agricultural policy costs .....                     | 4.1 .....  | 39       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.2 .....  | 85       |
| 6.10 Trade tariffs, % duty* .....                        | 9.4 .....  | 98       |
| 6.11 Prevalence of foreign ownership .....               | 4.5 .....  | 69       |
| 6.12 Business impact of rules on FDI .....               | 4.4 .....  | 79       |
| 6.13 Burden of customs procedures .....                  | 3.5 .....  | 100      |
| 6.14 Imports as a percentage of GDP* .....               | 60.0 ..... | 43       |
| 6.15 Degree of customer orientation .....                | 3.7 .....  | 128      |
| 6.16 Buyer sophistication .....                          | 3.1 .....  | 99       |
| <b>7th pillar: Labor market efficiency</b>               |            |          |
| 7.01 Cooperation in labor-employer relations .....       | 3.9 .....  | 111      |
| 7.02 Flexibility of wage determination .....             | 4.8 .....  | 83       |
| 7.03 Hiring and firing practices .....                   | 3.5 .....  | 102      |
| 7.04 Redundancy costs, weeks of salary* .....            | 29.5 ..... | 123      |
| 7.05 Effect of taxation on incentives to work .....      | 3.4 .....  | 103      |
| 7.06 Pay and productivity .....                          | 3.4 .....  | 110      |
| 7.07 Reliance on professional management .....           | 3.5 .....  | 114      |
| 7.08 Country capacity to retain talent .....             | 3.6 .....  | 60       |
| 7.09 Country capacity to attract talent .....            | 3.4 .....  | 67       |
| 7.10 Women in labor force, ratio to men* .....           | 0.64 ..... | 107      |
| <b>8th pillar: Financial market development</b>          |            |          |
| 8.01 Availability of financial services .....            | 3.7 .....  | 120      |
| 8.02 Affordability of financial services .....           | 3.8 .....  | 99       |
| 8.03 Financing through local equity market .....         | 3.3 .....  | 80       |
| 8.04 Ease of access to loans .....                       | 2.5 .....  | 100      |
| 8.05 Venture capital availability .....                  | 2.7 .....  | 75       |
| 8.06 Soundness of banks .....                            | 4.6 .....  | 85       |
| 8.07 Regulation of securities exchanges .....            | 4.0 .....  | 80       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 2 .....    | 106      |
| <b>9th pillar: Technological readiness</b>               |            |          |
| 9.01 Availability of latest technologies .....           | 4.6 .....  | 75       |
| 9.02 Firm-level technology absorption .....              | 4.6 .....  | 67       |
| 9.03 FDI and technology transfer .....                   | 4.6 .....  | 60       |
| 9.04 Individuals using Internet, %* .....                | 40.3 ..... | 87       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 3.8 .....  | 90       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 12.3 ..... | 95       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 51.3 ..... | 54       |
| <b>10th pillar: Market size</b>                          |            |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 1.2 .....  | 138      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 2.4 .....  | 139      |
| 10.03 GDP (PPP\$ billions)* .....                        | 3.3 .....  | 138      |
| 10.04 Exports as a percentage of GDP* .....              | 37.2 ..... | 74       |
| <b>11th pillar: Business sophistication</b>              |            |          |
| 11.01 Local supplier quantity .....                      | 3.7 .....  | 125      |
| 11.02 Local supplier quality .....                       | 3.7 .....  | 116      |
| 11.03 State of cluster development .....                 | 3.5 .....  | 89       |
| 11.04 Nature of competitive advantage .....              | 3.4 .....  | 71       |
| 11.05 Value chain breadth .....                          | 3.7 .....  | 74       |
| 11.06 Control of international distribution .....        | 3.3 .....  | 108      |
| 11.07 Production process sophistication .....            | 3.4 .....  | 97       |
| 11.08 Extent of marketing .....                          | 3.8 .....  | 109      |
| 11.09 Willingness to delegate authority .....            | 3.3 .....  | 110      |
| <b>12th pillar: Innovation</b>                           |            |          |
| 12.01 Capacity for innovation .....                      | 3.6 .....  | 99       |
| 12.02 Quality of scientific research institutions .....  | 3.3 .....  | 94       |
| 12.03 Company spending on R&D .....                      | 2.9 .....  | 95       |
| 12.04 University-industry collaboration in R&D .....     | 3.2 .....  | 97       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.6 .....  | 45       |
| 12.06 Availability of scientists and engineers .....     | 3.5 .....  | 103      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0 .....  | 119      |

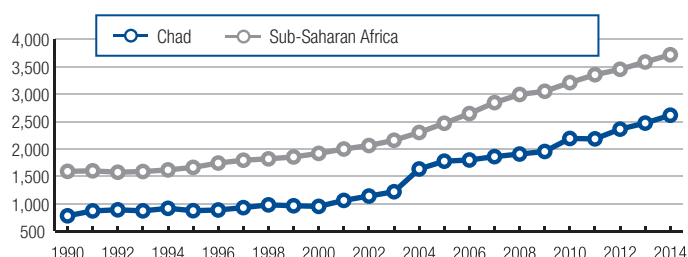
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Chad

## Key indicators, 2014

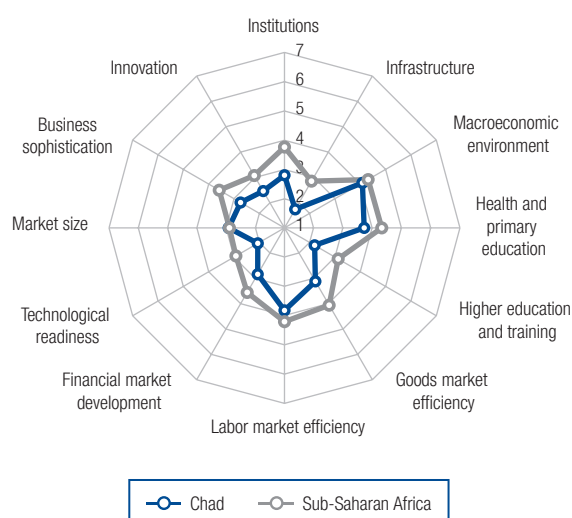
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 11.3  |
| GDP (US\$ billions).....                   | 13.9  |
| GDP per capita (US\$).....                 | 1,236 |
| GDP (PPP) as share (%) of world total..... | 0.03  |

GDP (PPP) per capita (int'l \$), 1990–2014

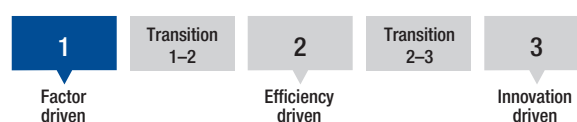


## Global Competitiveness Index

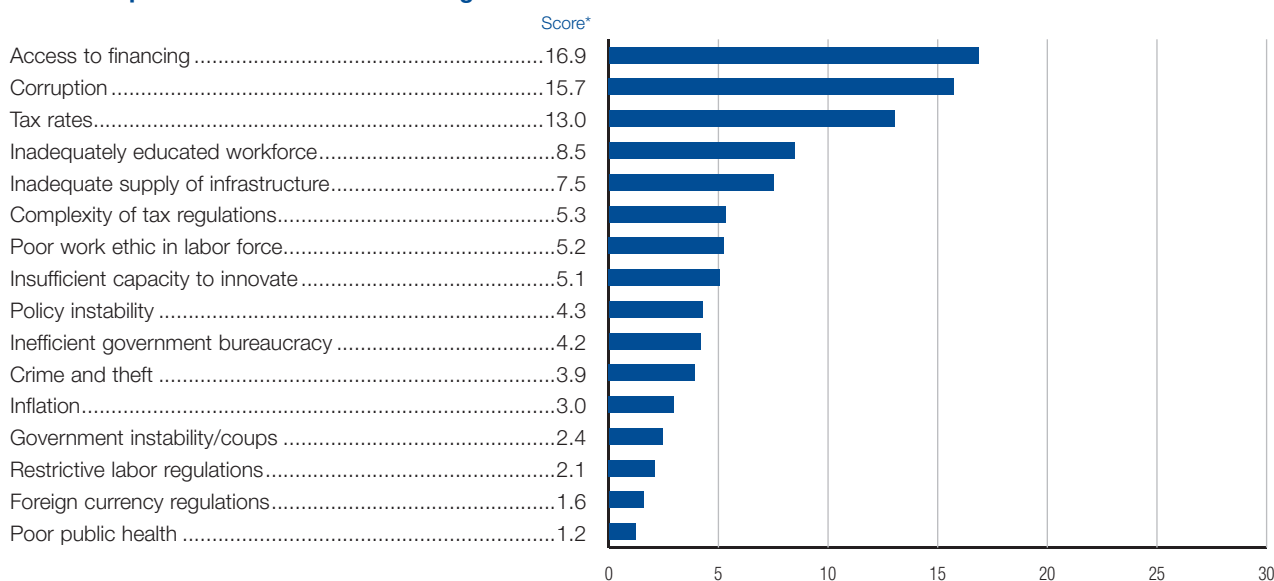
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>139</b>           | <b>3.0</b>     |
| GCI 2014–2015 (out of 144).....                           | 143                  | 2.8            |
| GCI 2013–2014 (out of 148).....                           | 148                  | 2.9            |
| GCI 2012–2013 (out of 144).....                           | 139                  | 3.1            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>139</b>           | <b>3.1</b>     |
| 1st pillar: Institutions.....                             | 137                  | 2.8            |
| 2nd pillar: Infrastructure.....                           | 140                  | 1.7            |
| 3rd pillar: Macroeconomic environment.....                | 113                  | 4.1            |
| 4th pillar: Health and primary education.....             | 132                  | 3.7            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>138</b>           | <b>2.8</b>     |
| 5th pillar: Higher education and training.....            | 138                  | 2.2            |
| 6th pillar: Goods market efficiency.....                  | 139                  | 3.1            |
| 7th pillar: Labor market efficiency.....                  | 106                  | 3.8            |
| 8th pillar: Financial market development.....             | 130                  | 2.8            |
| 9th pillar: Technological readiness.....                  | 140                  | 2.1            |
| 10th pillar: Market size.....                             | 111                  | 2.9            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>137</b>           | <b>2.6</b>     |
| 11th pillar: Business sophistication.....                 | 139                  | 2.7            |
| 12th pillar: Innovation.....                              | 135                  | 2.5            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Chad

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 2.9      | 133      |
| 1.02 Intellectual property protection .....                   | 2.8      | 133      |
| 1.03 Diversion of public funds .....                          | 1.8      | 137      |
| 1.04 Public trust in politicians .....                        | 2.5      | 97       |
| 1.05 Irregular payments and bribes .....                      | 2.4      | 136      |
| 1.06 Judicial independence .....                              | 2.4      | 131      |
| 1.07 Favoritism in decisions of government officials .....    | 2.2      | 124      |
| 1.08 Wastefulness of government spending .....                | 2.6      | 104      |
| 1.09 Burden of government regulation .....                    | 3.0      | 104      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.9      | 119      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.6      | 125      |
| 1.12 Transparency of government policymaking .....            | 2.9      | 134      |
| 1.13 Business costs of terrorism .....                        | 3.0      | 134      |
| 1.14 Business costs of crime and violence .....               | 3.2      | 123      |
| 1.15 Organized crime .....                                    | 3.4      | 126      |
| 1.16 Reliability of police services .....                     | 2.6      | 132      |
| 1.17 Ethical behavior of firms .....                          | 3.0      | 132      |
| 1.18 Strength of auditing and reporting standards .....       | 3.2      | 136      |
| 1.19 Efficacy of corporate boards .....                       | 3.8      | 137      |
| 1.20 Protection of minority shareholders' interests .....     | 3.2      | 128      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.3      | 116      |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 2.4      | 134      |
| 2.02 Quality of roads .....                                   | 3.0      | 112      |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl.  | n/a      |
| 2.04 Quality of port infrastructure .....                     | 1.4      | 140      |
| 2.05 Quality of air transport infrastructure .....            | 2.7      | 130      |
| 2.06 Available airline seat km/week, millions* .....          | 10.6     | 130      |
| 2.07 Quality of electricity supply .....                      | 1.7      | 135      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 39.8     | 136      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.2      | 138      |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | –4.2     | 96       |
| 3.02 Gross national savings, % GDP* .....                     | –6.1     | 137      |
| 3.03 Inflation, annual % change* .....                        | 1.7      | 1        |
| 3.04 General government debt, % GDP* .....                    | 25.0     | 22       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 16.1     | 136      |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 26,509.9 | 64       |
| 4.02 Business impact of malaria .....                         | 2.8      | 74       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 151.0    | 105      |
| 4.04 Business impact of tuberculosis .....                    | 3.4      | 138      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 2.5      | 123      |
| 4.06 Business impact of HIV/AIDS .....                        | 3.4      | 135      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 88.5     | 139      |
| 4.08 Life expectancy, years* .....                            | 51.2     | 134      |
| 4.09 Quality of primary education .....                       | 2.6      | 126      |
| 4.10 Primary education enrollment, net %* .....               | 85.9     | 116      |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 22.8     | 140      |
| 5.02 Tertiary education enrollment, gross %* .....            | 2.3      | 134      |
| 5.03 Quality of the education system .....                    | 2.7      | 124      |
| 5.04 Quality of math and science education .....              | 3.0      | 120      |
| 5.05 Quality of management schools .....                      | 3.1      | 127      |
| 5.06 Internet access in schools .....                         | 1.6      | 140      |
| 5.07 Availability of specialized training services .....      | 2.9      | 135      |
| 5.08 Extent of staff training .....                           | 3.0      | 134      |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 3.7      | 139      |
| 6.02 Extent of market dominance .....                         | 2.3      | 140      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 2.7      | 137      |
| 6.04 Effect of taxation on incentives to invest .....         | 2.6      | 132      |
| 6.05 Total tax rate, % profits* .....                         | 63.5     | 127      |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 9     | 104      |
| 6.07 No. days to start a business* .....                 | 60.0  | 131      |
| 6.08 Agricultural policy costs .....                     | 3.4   | 101      |
| 6.09 Prevalence of non-tariff barriers .....             | 3.4   | 135      |
| 6.10 Trade tariffs, % duty* .....                        | 13.8  | 129      |
| 6.11 Prevalence of foreign ownership .....               | 3.2   | 133      |
| 6.12 Business impact of rules on FDI .....               | 3.2   | 132      |
| 6.13 Burden of customs procedures .....                  | 2.4   | 137      |
| 6.14 Imports as a percentage of GDP* .....               | 50.8  | 58       |
| 6.15 Degree of customer orientation .....                | 3.2   | 139      |
| 6.16 Buyer sophistication .....                          | 2.2   | 137      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 3.7   | 119      |
| 7.02 Flexibility of wage determination .....             | 4.9   | 77       |
| 7.03 Hiring and firing practices .....                   | 3.5   | 96       |
| 7.04 Redundancy costs, weeks of salary* .....            | 13.0  | 54       |
| 7.05 Effect of taxation on incentives to work .....      | 3.5   | 102      |
| 7.06 Pay and productivity .....                          | 2.7   | 137      |
| 7.07 Reliance on professional management .....           | 2.3   | 139      |
| 7.08 Country capacity to retain talent .....             | 2.6   | 120      |
| 7.09 Country capacity to attract talent .....            | 3.0   | 91       |
| 7.10 Women in labor force, ratio to men* .....           | 0.82  | 68       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 2.6   | 140      |
| 8.02 Affordability of financial services .....           | 2.9   | 138      |
| 8.03 Financing through local equity market .....         | 2.2   | 134      |
| 8.04 Ease of access to loans .....                       | 2.1   | 122      |
| 8.05 Venture capital availability .....                  | 2.0   | 127      |
| 8.06 Soundness of banks .....                            | 3.4   | 129      |
| 8.07 Regulation of securities exchanges .....            | 2.5   | 136      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 6     | 44       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 2.9   | 139      |
| 9.02 Firm-level technology absorption .....              | 3.3   | 138      |
| 9.03 FDI and technology transfer .....                   | 3.1   | 137      |
| 9.04 Individuals using Internet, %* .....                | 2.5   | 136      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.1   | 130      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 0.7   | 138      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 0.0   | 138      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.7   | 105      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.5   | 113      |
| 10.03 GDP (PPP\$ billions)* .....                        | 29.5  | 109      |
| 10.04 Exports as a percentage of GDP* .....              | 31.5  | 90       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 3.8   | 122      |
| 11.02 Local supplier quality .....                       | 3.1   | 137      |
| 11.03 State of cluster development .....                 | 2.7   | 133      |
| 11.04 Nature of competitive advantage .....              | 2.5   | 131      |
| 11.05 Value chain breadth .....                          | 2.8   | 139      |
| 11.06 Control of international distribution .....        | 2.3   | 140      |
| 11.07 Production process sophistication .....            | 2.1   | 140      |
| 11.08 Extent of marketing .....                          | 2.9   | 137      |
| 11.09 Willingness to delegate authority .....            | 2.4   | 138      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.2   | 129      |
| 12.02 Quality of scientific research institutions .....  | 2.6   | 127      |
| 12.03 Company spending on R&D .....                      | 2.4   | 128      |
| 12.04 University-industry collaboration in R&D .....     | 2.2   | 138      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.6   | 129      |
| 12.06 Availability of scientists and engineers .....     | 2.9   | 134      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119      |

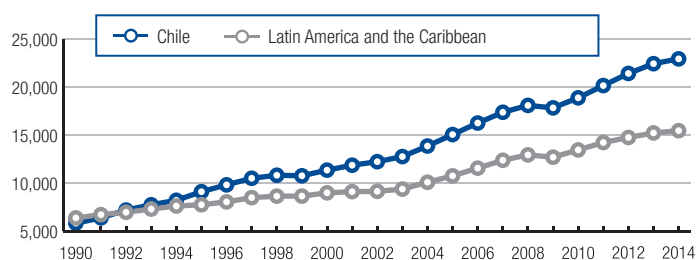
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Chile

## Key indicators, 2014

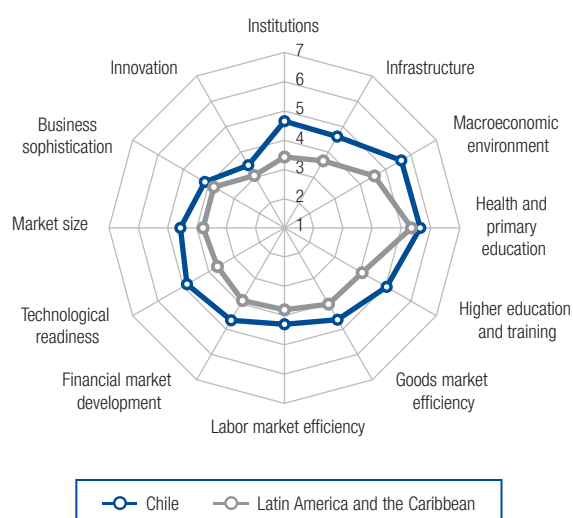
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 17.8   |
| GDP (US\$ billions).....                   | 258.0  |
| GDP per capita (US\$).....                 | 14,477 |
| GDP (PPP) as share (%) of world total..... | 0.38   |

GDP (PPP) per capita (int'l \$), 1990–2014

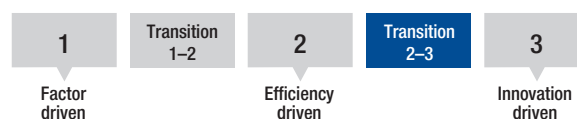


## Global Competitiveness Index

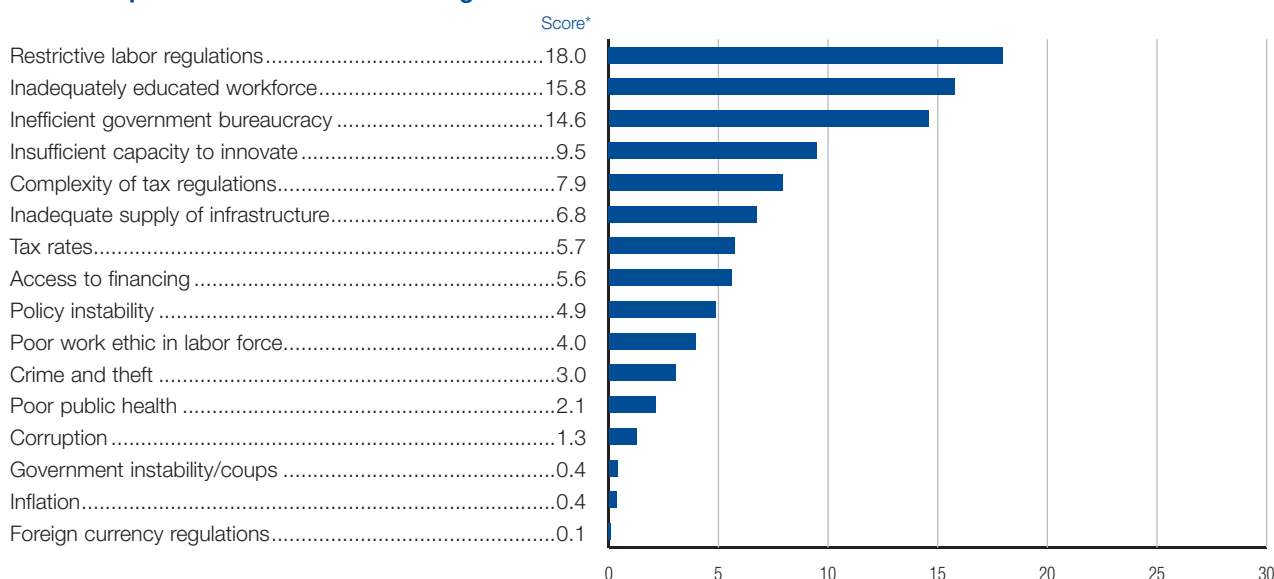
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>35</b>            | <b>4.6</b>     |
| GCI 2014–2015 (out of 144).....                            | 33                   | 4.6            |
| GCI 2013–2014 (out of 148).....                            | 34                   | 4.6            |
| GCI 2012–2013 (out of 144).....                            | 33                   | 4.6            |
| <b>Basic requirements (26.3%)</b> .....                    | <b>36</b>            | <b>5.1</b>     |
| 1st pillar: Institutions.....                              | 32                   | 4.6            |
| 2nd pillar: Infrastructure.....                            | 45                   | 4.6            |
| 3rd pillar: Macroeconomic environment.....                 | 29                   | 5.6            |
| 4th pillar: Health and primary education.....              | 74                   | 5.6            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>31</b>            | <b>4.7</b>     |
| 5th pillar: Higher education and training.....             | 33                   | 5.0            |
| 6th pillar: Goods market efficiency.....                   | 40                   | 4.6            |
| 7th pillar: Labor market efficiency.....                   | 63                   | 4.3            |
| 8th pillar: Financial market development.....              | 21                   | 4.6            |
| 9th pillar: Technological readiness.....                   | 39                   | 4.8            |
| 10th pillar: Market size.....                              | 44                   | 4.6            |
| <b>Innovation and sophistication factors (23.7%)</b> ..... | <b>50</b>            | <b>3.8</b>     |
| 11th pillar: Business sophistication.....                  | 53                   | 4.1            |
| 12th pillar: Innovation.....                               | 50                   | 3.5            |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 5.1    | 35       |
| 1.02 Intellectual property protection .....                   | 4.2    | 49       |
| 1.03 Diversion of public funds .....                          | 4.6    | 31       |
| 1.04 Public trust in politicians .....                        | 3.3    | 53       |
| 1.05 Irregular payments and bribes .....                      | 5.5    | 28       |
| 1.06 Judicial independence .....                              | 5.0    | 31       |
| 1.07 Favoritism in decisions of government officials .....    | 3.6    | 42       |
| 1.08 Wastefulness of government spending .....                | 4.2    | 21       |
| 1.09 Burden of government regulation .....                    | 3.7    | 45       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.0    | 47       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.0    | 42       |
| 1.12 Transparency of government policymaking .....            | 4.9    | 26       |
| 1.13 Business costs of terrorism .....                        | 5.6    | 52       |
| 1.14 Business costs of crime and violence .....               | 4.6    | 71       |
| 1.15 Organized crime .....                                    | 5.6    | 42       |
| 1.16 Reliability of police services .....                     | 6.3    | 4        |
| 1.17 Ethical behavior of firms .....                          | 4.5    | 32       |
| 1.18 Strength of auditing and reporting standards .....       | 5.2    | 36       |
| 1.19 Efficacy of corporate boards .....                       | 5.2    | 40       |
| 1.20 Protection of minority shareholders' interests .....     | 4.4    | 42       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8    | 55       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.6    | 48       |
| 2.02 Quality of roads .....                                   | 4.9    | 35       |
| 2.03 Quality of railroad infrastructure .....                 | 2.4    | 79       |
| 2.04 Quality of port infrastructure .....                     | 4.9    | 35       |
| 2.05 Quality of air transport infrastructure .....            | 5.2    | 36       |
| 2.06 Available airline seat km/week, millions* .....          | 619.0  | 38       |
| 2.07 Quality of electricity supply .....                      | 5.5    | 46       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 133.3  | 40       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 19.2   | 57       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –1.4   | 38       |
| 3.02 Gross national savings, % GDP* .....                     | 20.3   | 70       |
| 3.03 Inflation, annual % change* .....                        | 4.4    | 90       |
| 3.04 General government debt, % GDP* .....                    | 13.9   | 10       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 78.5   | 22       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 16.0   | 35       |
| 4.04 Business impact of tuberculosis .....                    | 6.6    | 19       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.3    | 63       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.0    | 47       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 7.1    | 46       |
| 4.08 Life expectancy, years* .....                            | 79.8   | 32       |
| 4.09 Quality of primary education .....                       | 3.0    | 108      |
| 4.10 Primary education enrollment, net %* .....               | 92.0   | 84       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 89.0   | 72       |
| 5.02 Tertiary education enrollment, gross %* .....            | 74.4   | 19       |
| 5.03 Quality of the education system .....                    | 3.4    | 86       |
| 5.04 Quality of math and science education .....              | 3.3    | 107      |
| 5.05 Quality of management schools .....                      | 5.3    | 21       |
| 5.06 Internet access in schools .....                         | 4.8    | 49       |
| 5.07 Availability of specialized training services .....      | 4.7    | 36       |
| 5.08 Extent of staff training .....                           | 4.1    | 52       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.6    | 22       |
| 6.02 Extent of market dominance .....                         | 2.9    | 129      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.4    | 29       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.7    | 64       |
| 6.05 Total tax rate, % profits* .....                         | 27.9   | 30       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 7     | 76       |
| 6.07 No. days to start a business* .....                    | 5.5   | 24       |
| 6.08 Agricultural policy costs .....                        | 4.6   | 19       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.9   | 14       |
| 6.10 Trade tariffs, % duty* .....                           | 4.6   | 65       |
| 6.11 Prevalence of foreign ownership .....                  | 5.4   | 16       |
| 6.12 Business impact of rules on FDI .....                  | 5.2   | 24       |
| 6.13 Burden of customs procedures .....                     | 4.9   | 29       |
| 6.14 Imports as a percentage of GDP* .....                  | 33.6  | 97       |
| 6.15 Degree of customer orientation .....                   | 4.4   | 82       |
| 6.16 Buyer sophistication .....                             | 4.0   | 28       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.5   | 55       |
| 7.02 Flexibility of wage determination .....                | 5.8   | 12       |
| 7.03 Hiring and firing practices .....                      | 3.3   | 110      |
| 7.04 Redundancy costs, weeks of salary* .....               | 27.4  | 117      |
| 7.05 Effect of taxation on incentives to work .....         | 4.6   | 19       |
| 7.06 Pay and productivity .....                             | 4.2   | 54       |
| 7.07 Reliance on professional management .....              | 4.6   | 42       |
| 7.08 Country capacity to retain talent .....                | 4.8   | 16       |
| 7.09 Country capacity to attract talent .....               | 4.2   | 22       |
| 7.10 Women in labor force, ratio to men* .....              | 0.69  | 98       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 5.5   | 21       |
| 8.02 Affordability of financial services .....              | 4.9   | 41       |
| 8.03 Financing through local equity market .....            | 4.5   | 24       |
| 8.04 Ease of access to loans .....                          | 3.7   | 20       |
| 8.05 Venture capital availability .....                     | 3.3   | 32       |
| 8.06 Soundness of banks .....                               | 6.3   | 9        |
| 8.07 Regulation of securities exchanges .....               | 5.4   | 19       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 4     | 80       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 5.6   | 33       |
| 9.02 Firm-level technology absorption .....                 | 5.2   | 38       |
| 9.03 FDI and technology transfer .....                      | 5.2   | 14       |
| 9.04 Individuals using Internet, %* .....                   | 72.4  | 36       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 14.1  | 56       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 73.1  | 39       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 50.5  | 55       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.4   | 41       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.1   | 49       |
| 10.03 GDP (PPP\$ billions)* .....                           | 409.3 | 42       |
| 10.04 Exports as a percentage of GDP* .....                 | 33.7  | 85       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.4   | 80       |
| 11.02 Local supplier quality .....                          | 4.7   | 43       |
| 11.03 State of cluster development .....                    | 3.7   | 72       |
| 11.04 Nature of competitive advantage .....                 | 3.3   | 82       |
| 11.05 Value chain breadth .....                             | 3.9   | 58       |
| 11.06 Control of international distribution .....           | 4.1   | 39       |
| 11.07 Production process sophistication .....               | 4.4   | 40       |
| 11.08 Extent of marketing .....                             | 4.8   | 30       |
| 11.09 Willingness to delegate authority .....               | 3.7   | 71       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 3.8   | 85       |
| 12.02 Quality of scientific research institutions .....     | 4.1   | 48       |
| 12.03 Company spending on R&D .....                         | 3.0   | 92       |
| 12.04 University-industry collaboration in R&D .....        | 4.2   | 39       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.1   | 89       |
| 12.06 Availability of scientists and engineers .....        | 4.6   | 32       |
| 12.07 PCT patents, applications/million pop.* .....         | 7.1   | 43       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

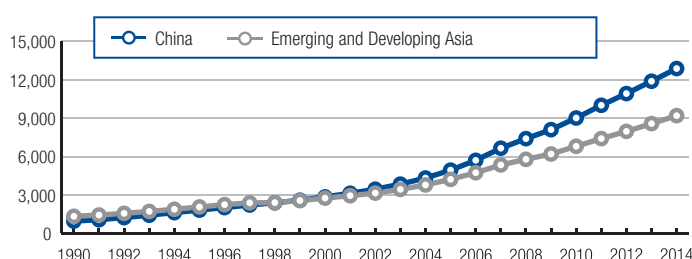


# China

## Key indicators, 2014

|                                            |          |
|--------------------------------------------|----------|
| Population (millions).....                 | 1,367.8  |
| GDP (US\$ billions).....                   | 10,380.4 |
| GDP per capita (US\$).....                 | 7,589    |
| GDP (PPP) as share (%) of world total..... | 16.32    |

GDP (PPP) per capita (int'l \$), 1990–2014



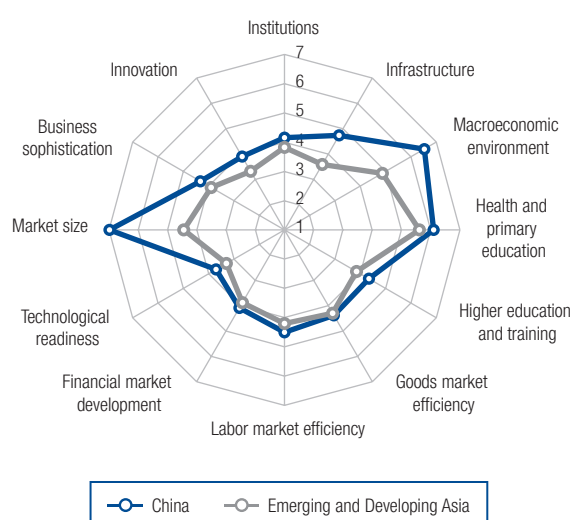
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>28</b>            | <b>4.9</b>     |
| GCI 2014–2015 (out of 144)..... | 28                   | 4.9            |
| GCI 2013–2014 (out of 148)..... | 29                   | 4.8            |
| GCI 2012–2013 (out of 144)..... | 29                   | 4.8            |

|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (40.0%)</b> .....       | <b>28</b> | <b>5.4</b> |
| 1st pillar: Institutions.....                 | 51        | 4.1        |
| 2nd pillar: Infrastructure.....               | 39        | 4.7        |
| 3rd pillar: Macroeconomic environment.....    | 8         | 6.5        |
| 4th pillar: Health and primary education..... | 44        | 6.1        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>32</b> | <b>4.7</b> |
| 5th pillar: Higher education and training..... | 68        | 4.3        |
| 6th pillar: Goods market efficiency.....       | 58        | 4.4        |
| 7th pillar: Labor market efficiency.....       | 37        | 4.5        |
| 8th pillar: Financial market development.....  | 54        | 4.1        |
| 9th pillar: Technological readiness.....       | 74        | 3.7        |
| 10th pillar: Market size.....                  | 1         | 7.0        |

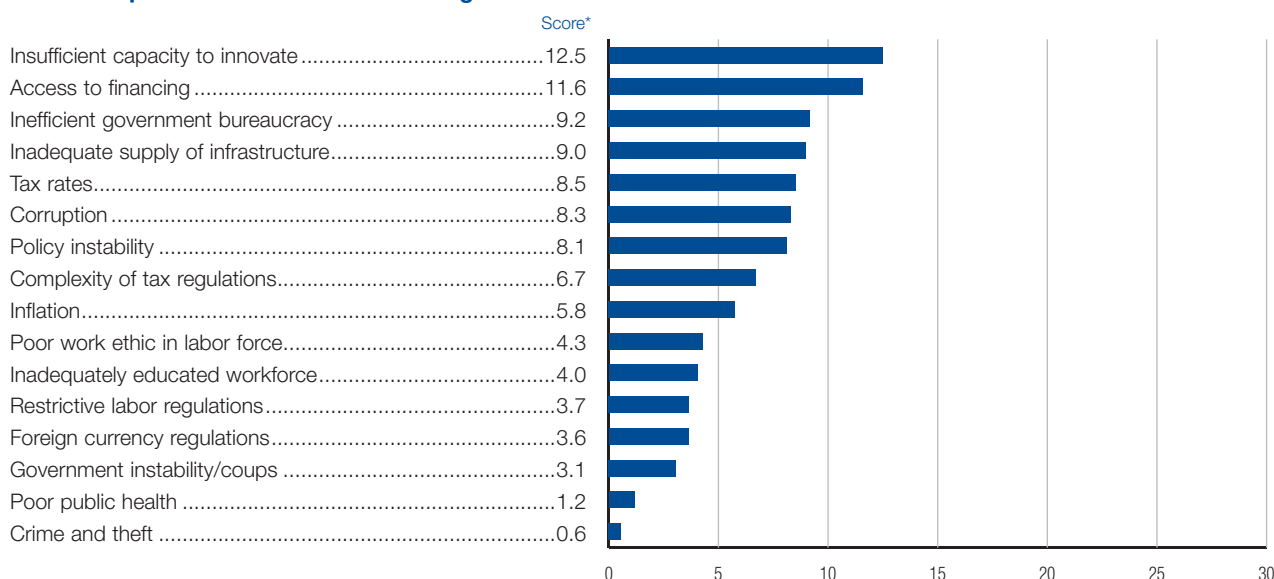
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>34</b> | <b>4.1</b> |
| 11th pillar: Business sophistication.....                  | 38        | 4.3        |
| 12th pillar: Innovation.....                               | 31        | 3.9        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## China

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 4.4      | 51       |
| 1.02 Intellectual property protection .....                   | 4.0      | 63       |
| 1.03 Diversion of public funds .....                          | 3.8      | 50       |
| 1.04 Public trust in politicians .....                        | 4.0      | 28       |
| 1.05 Irregular payments and bribes .....                      | 4.0      | 67       |
| 1.06 Judicial independence .....                              | 3.9      | 67       |
| 1.07 Favoritism in decisions of government officials .....    | 4.0      | 29       |
| 1.08 Wastefulness of government spending .....                | 4.1      | 24       |
| 1.09 Burden of government regulation .....                    | 4.0      | 26       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.0      | 50       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.5      | 66       |
| 1.12 Transparency of government policymaking .....            | 4.5      | 36       |
| 1.13 Business costs of terrorism .....                        | 5.0      | 86       |
| 1.14 Business costs of crime and violence .....               | 4.9      | 60       |
| 1.15 Organized crime .....                                    | 4.8      | 76       |
| 1.16 Reliability of police services .....                     | 4.3      | 60       |
| 1.17 Ethical behavior of firms .....                          | 4.0      | 61       |
| 1.18 Strength of auditing and reporting standards .....       | 4.4      | 80       |
| 1.19 Efficacy of corporate boards .....                       | 4.3      | 105      |
| 1.20 Protection of minority shareholders' interests .....     | 4.1      | 71       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.5      | 110      |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 4.5      | 51       |
| 2.02 Quality of roads .....                                   | 4.7      | 42       |
| 2.03 Quality of railroad infrastructure .....                 | 5.0      | 16       |
| 2.04 Quality of port infrastructure .....                     | 4.5      | 50       |
| 2.05 Quality of air transport infrastructure .....            | 4.8      | 51       |
| 2.06 Available airline seat km/week, millions* .....          | 15,491.1 | 2        |
| 2.07 Quality of electricity supply .....                      | 5.3      | 53       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 92.3     | 107      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 17.9     | 63       |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | –1.1     | 34       |
| 3.02 Gross national savings, % GDP* .....                     | 48.9     | 3        |
| 3.03 Inflation, annual % change* .....                        | 2.0      | 1        |
| 3.04 General government debt, % GDP* .....                    | 41.1     | 66       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 77.0     | 26       |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.5      | 15       |
| 4.02 Business impact of malaria .....                         | 5.0      | 32       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 70.0     | 81       |
| 4.04 Business impact of tuberculosis .....                    | 4.9      | 93       |
| 4.05 HIV prevalence, % adult pop.* .....                      | <0.1     | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.0      | 86       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 10.9     | 59       |
| 4.08 Life expectancy, years* .....                            | 75.4     | 53       |
| 4.09 Quality of primary education .....                       | 4.2      | 55       |
| 4.10 Primary education enrollment, net %* .....               | 98.3     | 20       |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 89.0     | 74       |
| 5.02 Tertiary education enrollment, gross %* .....            | 26.7     | 83       |
| 5.03 Quality of the education system .....                    | 3.9      | 56       |
| 5.04 Quality of math and science education .....              | 4.4      | 49       |
| 5.05 Quality of management schools .....                      | 3.9      | 85       |
| 5.06 Internet access in schools .....                         | 4.8      | 47       |
| 5.07 Availability of specialized training services .....      | 4.2      | 63       |
| 5.08 Extent of staff training .....                           | 4.2      | 50       |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 5.4      | 36       |
| 6.02 Extent of market dominance .....                         | 4.2      | 28       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.2      | 36       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8      | 50       |
| 6.05 Total tax rate, % profits* .....                         | 64.6     | 128      |

| INDICATOR                                                   | VALUE    | RANK/140 |
|-------------------------------------------------------------|----------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |          |          |
| 6.06 No. procedures to start a business* .....              | 11       | 123      |
| 6.07 No. days to start a business* .....                    | 31.4     | 117      |
| 6.08 Agricultural policy costs .....                        | 4.6      | 16       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.2      | 78       |
| 6.10 Trade tariffs, % duty* .....                           | 11.0     | 117      |
| 6.11 Prevalence of foreign ownership .....                  | 4.4      | 74       |
| 6.12 Business impact of rules on FDI .....                  | 4.6      | 61       |
| 6.13 Burden of customs procedures .....                     | 4.2      | 56       |
| 6.14 Imports as a percentage of GDP* .....                  | 22.6     | 131      |
| 6.15 Degree of customer orientation .....                   | 4.6      | 68       |
| 6.16 Buyer sophistication .....                             | 4.2      | 21       |
| <b>7th pillar: Labor market efficiency</b>                  |          |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.4      | 62       |
| 7.02 Flexibility of wage determination .....                | 5.0      | 73       |
| 7.03 Hiring and firing practices .....                      | 4.6      | 17       |
| 7.04 Redundancy costs, weeks of salary* .....               | 27.4     | 117      |
| 7.05 Effect of taxation on incentives to work .....         | 3.9      | 58       |
| 7.06 Pay and productivity .....                             | 4.6      | 20       |
| 7.07 Reliance on professional management .....              | 4.4      | 55       |
| 7.08 Country capacity to retain talent .....                | 4.2      | 30       |
| 7.09 Country capacity to attract talent .....               | 4.2      | 27       |
| 7.10 Women in labor force, ratio to men* .....              | 0.84     | 60       |
| <b>8th pillar: Financial market development</b>             |          |          |
| 8.01 Availability of financial services .....               | 4.5      | 61       |
| 8.02 Affordability of financial services .....              | 4.4      | 48       |
| 8.03 Financing through local equity market .....            | 4.0      | 44       |
| 8.04 Ease of access to loans .....                          | 3.7      | 21       |
| 8.05 Venture capital availability .....                     | 3.8      | 16       |
| 8.06 Soundness of banks .....                               | 4.7      | 78       |
| 8.07 Regulation of securities exchanges .....               | 4.5      | 52       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 4        | 80       |
| <b>9th pillar: Technological readiness</b>                  |          |          |
| 9.01 Availability of latest technologies .....              | 4.3      | 95       |
| 9.02 Firm-level technology absorption .....                 | 4.7      | 66       |
| 9.03 FDI and technology transfer .....                      | 4.4      | 69       |
| 9.04 Individuals using Internet, %* .....                   | 49.3     | 70       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 13.6     | 57       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 5.0      | 119      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 41.8     | 71       |
| <b>10th pillar: Market size</b>                             |          |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 7.0      | 2        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 7.0      | 1        |
| 10.03 GDP (PPP\$ billions)* .....                           | 17,617.3 | 1        |
| 10.04 Exports as a percentage of GDP* .....                 | 24.8     | 110      |
| <b>11th pillar: Business sophistication</b>                 |          |          |
| 11.01 Local supplier quantity .....                         | 5.2      | 15       |
| 11.02 Local supplier quality .....                          | 4.3      | 63       |
| 11.03 State of cluster development .....                    | 4.5      | 24       |
| 11.04 Nature of competitive advantage .....                 | 3.8      | 48       |
| 11.05 Value chain breadth .....                             | 4.2      | 43       |
| 11.06 Control of international distribution .....           | 4.3      | 29       |
| 11.07 Production process sophistication .....               | 4.1      | 49       |
| 11.08 Extent of marketing .....                             | 4.4      | 64       |
| 11.09 Willingness to delegate authority .....               | 3.9      | 48       |
| <b>12th pillar: Innovation</b>                              |          |          |
| 12.01 Capacity for innovation .....                         | 4.2      | 49       |
| 12.02 Quality of scientific research institutions .....     | 4.2      | 42       |
| 12.03 Company spending on R&D .....                         | 4.2      | 23       |
| 12.04 University-industry collaboration in R&D .....        | 4.4      | 32       |
| 12.05 Gov't procurement of advanced tech products .....     | 4.3      | 9        |
| 12.06 Availability of scientists and engineers .....        | 4.5      | 36       |
| 12.07 PCT patents, applications/million pop.* .....         | 13.4     | 32       |

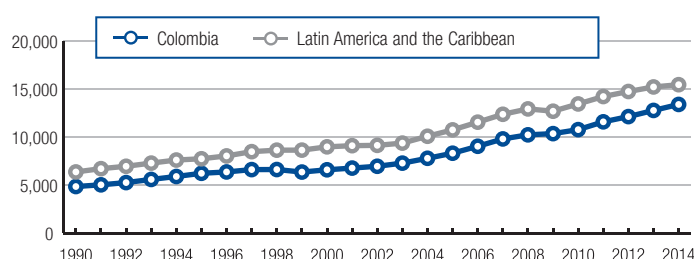
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Colombia

## Key indicators, 2014

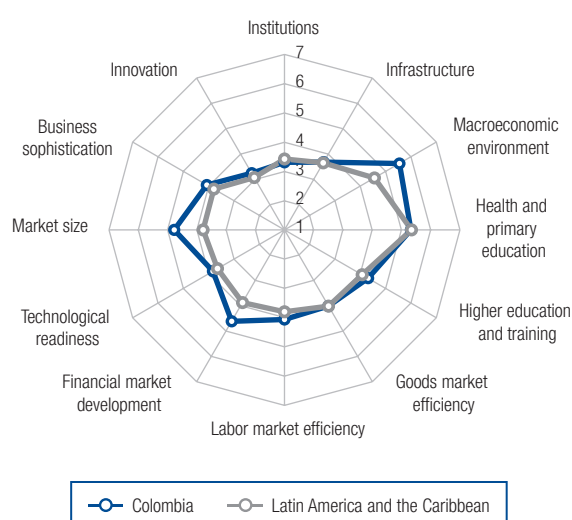
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 47.7  |
| GDP (US\$ billions).....                   | 384.9 |
| GDP per capita (US\$).....                 | 8,076 |
| GDP (PPP) as share (%) of world total..... | 0.59  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

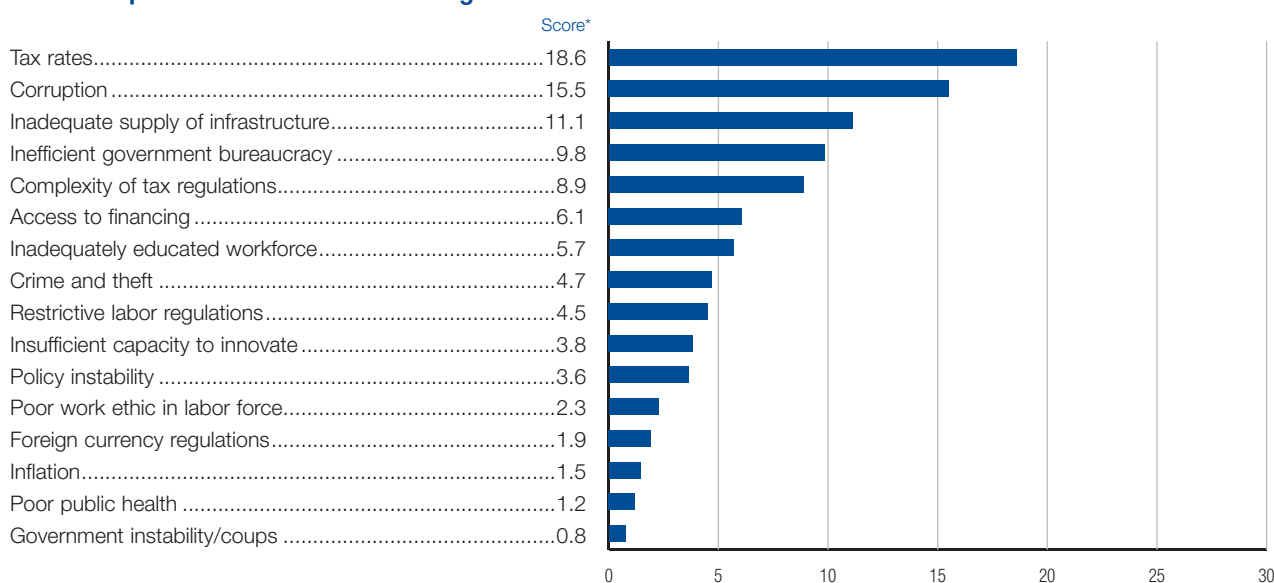
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>61</b>            | <b>4.3</b>     |
| GCI 2014–2015 (out of 144).....                            | 66                   | 4.2            |
| GCI 2013–2014 (out of 148).....                            | 69                   | 4.2            |
| GCI 2012–2013 (out of 144).....                            | 69                   | 4.2            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>77</b>            | <b>4.5</b>     |
| 1st pillar: Institutions.....                              | 114                  | 3.3            |
| 2nd pillar: Infrastructure.....                            | 84                   | 3.7            |
| 3rd pillar: Macroeconomic environment.....                 | 32                   | 5.5            |
| 4th pillar: Health and primary education.....              | 97                   | 5.3            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>54</b>            | <b>4.3</b>     |
| 5th pillar: Higher education and training.....             | 70                   | 4.3            |
| 6th pillar: Goods market efficiency.....                   | 108                  | 4.0            |
| 7th pillar: Labor market efficiency.....                   | 86                   | 4.1            |
| 8th pillar: Financial market development.....              | 25                   | 4.6            |
| 9th pillar: Technological readiness.....                   | 70                   | 3.8            |
| 10th pillar: Market size.....                              | 36                   | 4.8            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>61</b>            | <b>3.7</b>     |
| 11th pillar: Business sophistication.....                  | 59                   | 4.1            |
| 12th pillar: Innovation.....                               | 76                   | 3.2            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Colombia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE       | RANK/140 |
|---------------------------------------------------------------|-------------|----------|
| <b>1st pillar: Institutions</b>                               |             |          |
| 1.01 Property rights .....                                    | 4.1 .....   | 83       |
| 1.02 Intellectual property protection .....                   | 3.7 .....   | 79       |
| 1.03 Diversion of public funds .....                          | 2.2 .....   | 131      |
| 1.04 Public trust in politicians .....                        | 1.8 .....   | 131      |
| 1.05 Irregular payments and bribes .....                      | 3.4 .....   | 97       |
| 1.06 Judicial independence .....                              | 2.7 .....   | 114      |
| 1.07 Favoritism in decisions of government officials .....    | 2.4 .....   | 115      |
| 1.08 Wastefulness of government spending .....                | 2.6 .....   | 100      |
| 1.09 Burden of government regulation .....                    | 2.6 .....   | 126      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.1 .....   | 106      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.0 .....   | 100      |
| 1.12 Transparency of government policymaking .....            | 3.9 .....   | 86       |
| 1.13 Business costs of terrorism .....                        | 2.9 .....   | 136      |
| 1.14 Business costs of crime and violence .....               | 2.7 .....   | 132      |
| 1.15 Organized crime .....                                    | 2.8 .....   | 135      |
| 1.16 Reliability of police services .....                     | 4.0 .....   | 76       |
| 1.17 Ethical behavior of firms .....                          | 3.5 .....   | 109      |
| 1.18 Strength of auditing and reporting standards .....       | 4.6 .....   | 66       |
| 1.19 Efficacy of corporate boards .....                       | 5.3 .....   | 30       |
| 1.20 Protection of minority shareholders' interests .....     | 4.2 .....   | 62       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 7.2 .....   | 10       |
| <b>2nd pillar: Infrastructure</b>                             |             |          |
| 2.01 Quality of overall infrastructure .....                  | 3.2 .....   | 110      |
| 2.02 Quality of roads .....                                   | 2.7 .....   | 126      |
| 2.03 Quality of railroad infrastructure .....                 | 1.4 .....   | 106      |
| 2.04 Quality of port infrastructure .....                     | 3.6 .....   | 85       |
| 2.05 Quality of air transport infrastructure .....            | 4.2 .....   | 74       |
| 2.06 Available airline seat km/week, millions* .....          | 641.8 ..... | 37       |
| 2.07 Quality of electricity supply .....                      | 5.0 .....   | 59       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 113.1 ..... | 72       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 14.7 .....  | 72       |
| <b>3rd pillar: Macroeconomic environment</b>                  |             |          |
| 3.01 Government budget balance, % GDP* .....                  | –1.4 .....  | 37       |
| 3.02 Gross national savings, % GDP* .....                     | 19.4 .....  | 76       |
| 3.03 Inflation, annual % change* .....                        | 2.9 .....   | 1        |
| 3.04 General government debt, % GDP* .....                    | 38.0 .....  | 61       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 66.3 .....  | 42       |
| <b>4th pillar: Health and primary education</b>               |             |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 203.3 ..... | 38       |
| 4.02 Business impact of malaria .....                         | 5.3 .....   | 26       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 32.0 .....  | 58       |
| 4.04 Business impact of tuberculosis .....                    | 5.3 .....   | 81       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.5 .....   | 86       |
| 4.06 Business impact of HIV/AIDS .....                        | 4.9 .....   | 89       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 14.5 .....  | 77       |
| 4.08 Life expectancy, years* .....                            | 74.0 .....  | 76       |
| 4.09 Quality of primary education .....                       | 3.2 .....   | 105      |
| 4.10 Primary education enrollment, net %* .....               | 87.7 .....  | 109      |
| <b>5th pillar: Higher education and training</b>              |             |          |
| 5.01 Secondary education enrollment, gross %* .....           | 93.0 .....  | 64       |
| 5.02 Tertiary education enrollment, gross %* .....            | 48.3 .....  | 53       |
| 5.03 Quality of the education system .....                    | 3.1 .....   | 102      |
| 5.04 Quality of math and science education .....              | 3.1 .....   | 117      |
| 5.05 Quality of management schools .....                      | 4.0 .....   | 79       |
| 5.06 Internet access in schools .....                         | 4.1 .....   | 77       |
| 5.07 Availability of specialized training services .....      | 3.9 .....   | 85       |
| 5.08 Extent of staff training .....                           | 3.7 .....   | 93       |
| <b>6th pillar: Goods market efficiency</b>                    |             |          |
| 6.01 Intensity of local competition .....                     | 5.4 .....   | 35       |
| 6.02 Extent of market dominance .....                         | 3.3 .....   | 108      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.8 .....   | 63       |
| 6.04 Effect of taxation on incentives to invest .....         | 2.7 .....   | 131      |
| 6.05 Total tax rate, % profits* .....                         | 75.4 .....  | 137      |

| INDICATOR                                                   | VALUE       | RANK/140 |
|-------------------------------------------------------------|-------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |             |          |
| 6.06 No. procedures to start a business* .....              | 8 .....     | 93       |
| 6.07 No. days to start a business* .....                    | 11.0 .....  | 59       |
| 6.08 Agricultural policy costs .....                        | 2.8 .....   | 134      |
| 6.09 Prevalence of non-tariff barriers .....                | 4.0 .....   | 109      |
| 6.10 Trade tariffs, % duty* .....                           | 6.4 .....   | 83       |
| 6.11 Prevalence of foreign ownership .....                  | 4.5 .....   | 70       |
| 6.12 Business impact of rules on FDI .....                  | 4.5 .....   | 68       |
| 6.13 Burden of customs procedures .....                     | 3.5 .....   | 95       |
| 6.14 Imports as a percentage of GDP* .....                  | 20.1 .....  | 135      |
| 6.15 Degree of customer orientation .....                   | 5.1 .....   | 35       |
| 6.16 Buyer sophistication .....                             | 3.2 .....   | 85       |
| <b>7th pillar: Labor market efficiency</b>                  |             |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.6 .....   | 45       |
| 7.02 Flexibility of wage determination .....                | 5.3 .....   | 45       |
| 7.03 Hiring and firing practices .....                      | 3.6 .....   | 92       |
| 7.04 Redundancy costs, weeks of salary* .....               | 16.7 .....  | 75       |
| 7.05 Effect of taxation on incentives to work .....         | 3.2 .....   | 113      |
| 7.06 Pay and productivity .....                             | 3.7 .....   | 94       |
| 7.07 Reliance on professional management .....              | 4.3 .....   | 68       |
| 7.08 Country capacity to retain talent .....                | 3.3 .....   | 83       |
| 7.09 Country capacity to attract talent .....               | 3.2 .....   | 87       |
| 7.10 Women in labor force, ratio to men* .....              | 0.72 .....  | 93       |
| <b>8th pillar: Financial market development</b>             |             |          |
| 8.01 Availability of financial services .....               | 4.8 .....   | 51       |
| 8.02 Affordability of financial services .....              | 3.6 .....   | 114      |
| 8.03 Financing through local equity market .....            | 3.5 .....   | 73       |
| 8.04 Ease of access to loans .....                          | 2.8 .....   | 77       |
| 8.05 Venture capital availability .....                     | 2.7 .....   | 70       |
| 8.06 Soundness of banks .....                               | 5.8 .....   | 24       |
| 8.07 Regulation of securities exchanges .....               | 4.4 .....   | 58       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 12 .....    | 1        |
| <b>9th pillar: Technological readiness</b>                  |             |          |
| 9.01 Availability of latest technologies .....              | 4.5 .....   | 82       |
| 9.02 Firm-level technology absorption .....                 | 4.4 .....   | 89       |
| 9.03 FDI and technology transfer .....                      | 4.6 .....   | 57       |
| 9.04 Individuals using Internet, %* .....                   | 52.6 .....  | 66       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 10.3 .....  | 67       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 35.0 .....  | 67       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 45.1 .....  | 66       |
| <b>10th pillar: Market size</b>                             |             |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.7 .....   | 31       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.9 .....   | 54       |
| 10.03 GDP (PPP\$ billions)* .....                           | 640.1 ..... | 31       |
| 10.04 Exports as a percentage of GDP* .....                 | 16.0 .....  | 132      |
| <b>11th pillar: Business sophistication</b>                 |             |          |
| 11.01 Local supplier quantity .....                         | 4.9 .....   | 28       |
| 11.02 Local supplier quality .....                          | 4.7 .....   | 41       |
| 11.03 State of cluster development .....                    | 3.7 .....   | 66       |
| 11.04 Nature of competitive advantage .....                 | 3.4 .....   | 73       |
| 11.05 Value chain breadth .....                             | 4.0 .....   | 51       |
| 11.06 Control of international distribution .....           | 3.8 .....   | 70       |
| 11.07 Production process sophistication .....               | 3.7 .....   | 75       |
| 11.08 Extent of marketing .....                             | 4.3 .....   | 68       |
| 11.09 Willingness to delegate authority .....               | 3.9 .....   | 53       |
| <b>12th pillar: Innovation</b>                              |             |          |
| 12.01 Capacity for innovation .....                         | 3.7 .....   | 93       |
| 12.02 Quality of scientific research institutions .....     | 3.7 .....   | 74       |
| 12.03 Company spending on R&D .....                         | 2.9 .....   | 96       |
| 12.04 University-industry collaboration in R&D .....        | 3.9 .....   | 49       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.3 .....   | 68       |
| 12.06 Availability of scientists and engineers .....        | 3.8 .....   | 87       |
| 12.07 PCT patents, applications/million pop.* .....         | 1.4 .....   | 63       |

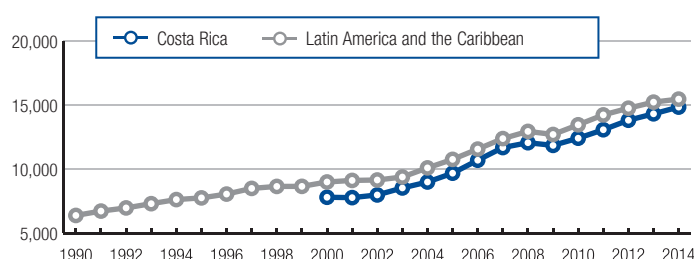
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Costa Rica

## Key indicators, 2014

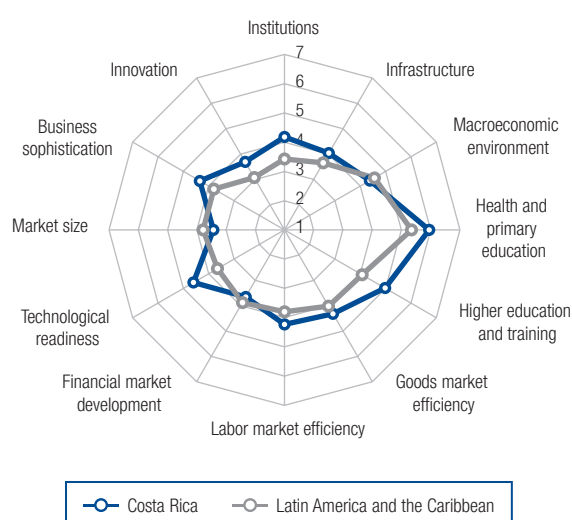
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 4.8    |
| GDP (US\$ billions).....                   | 48.1   |
| GDP per capita (US\$).....                 | 10,083 |
| GDP (PPP) as share (%) of world total..... | 0.07   |

GDP (PPP) per capita (int'l \$), 1990–2014

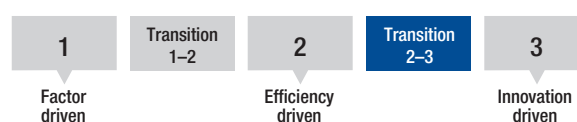


## Global Competitiveness Index

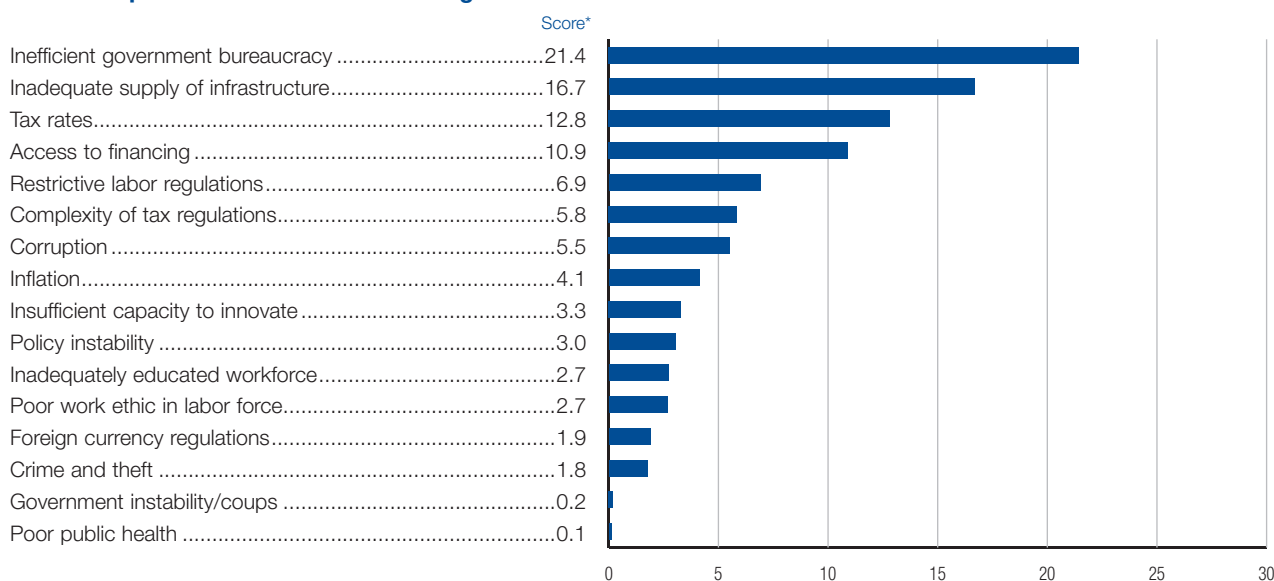
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>52</b>            | <b>4.3</b>     |
| GCI 2014–2015 (out of 144).....                            | 51                   | 4.4            |
| GCI 2013–2014 (out of 148).....                            | 54                   | 4.3            |
| GCI 2012–2013 (out of 144).....                            | 57                   | 4.3            |
| <b>Basic requirements (37.3%)</b> .....                    | <b>64</b>            | <b>4.6</b>     |
| 1st pillar: Institutions.....                              | 49                   | 4.2            |
| 2nd pillar: Infrastructure.....                            | 71                   | 4.0            |
| 3rd pillar: Macroeconomic environment.....                 | 94                   | 4.4            |
| 4th pillar: Health and primary education.....              | 55                   | 5.9            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>57</b>            | <b>4.2</b>     |
| 5th pillar: Higher education and training.....             | 35                   | 5.0            |
| 6th pillar: Goods market efficiency.....                   | 67                   | 4.3            |
| 7th pillar: Labor market efficiency.....                   | 70                   | 4.2            |
| 8th pillar: Financial market development.....              | 85                   | 3.6            |
| 9th pillar: Technological readiness.....                   | 49                   | 4.6            |
| 10th pillar: Market size.....                              | 83                   | 3.4            |
| <b>Innovation and sophistication factors (12.7%)</b> ..... | <b>38</b>            | <b>4.0</b>     |
| 11th pillar: Business sophistication.....                  | 37                   | 4.3            |
| 12th pillar: Innovation.....                               | 39                   | 3.7            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Costa Rica

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140 |
|---------------------------------------------------------------|-------|----------|
| <b>1st pillar: Institutions</b>                               |       |          |
| 1.01 Property rights .....                                    | 4.6   | 44       |
| 1.02 Intellectual property protection .....                   | 4.3   | 44       |
| 1.03 Diversion of public funds .....                          | 3.4   | 65       |
| 1.04 Public trust in politicians .....                        | 3.0   | 72       |
| 1.05 Irregular payments and bribes .....                      | 4.3   | 51       |
| 1.06 Judicial independence .....                              | 5.1   | 30       |
| 1.07 Favoritism in decisions of government officials .....    | 3.2   | 63       |
| 1.08 Wastefulness of government spending .....                | 2.4   | 118      |
| 1.09 Burden of government regulation .....                    | 2.9   | 118      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.5   | 79       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.3   | 32       |
| 1.12 Transparency of government policymaking .....            | 4.4   | 45       |
| 1.13 Business costs of terrorism .....                        | 6.1   | 24       |
| 1.14 Business costs of crime and violence .....               | 4.2   | 87       |
| 1.15 Organized crime .....                                    | 5.2   | 55       |
| 1.16 Reliability of police services .....                     | 5.0   | 38       |
| 1.17 Ethical behavior of firms .....                          | 4.2   | 50       |
| 1.18 Strength of auditing and reporting standards .....       | 5.0   | 50       |
| 1.19 Efficacy of corporate boards .....                       | 5.1   | 42       |
| 1.20 Protection of minority shareholders' interests .....     | 4.4   | 41       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 2.8   | 138      |
| <b>2nd pillar: Infrastructure</b>                             |       |          |
| 2.01 Quality of overall infrastructure .....                  | 3.3   | 103      |
| 2.02 Quality of roads .....                                   | 2.9   | 115      |
| 2.03 Quality of railroad infrastructure .....                 | 1.8   | 95       |
| 2.04 Quality of port infrastructure .....                     | 3.1   | 109      |
| 2.05 Quality of air transport infrastructure .....            | 4.6   | 60       |
| 2.06 Available airline seat km/week, millions* .....          | 126.7 | 76       |
| 2.07 Quality of electricity supply .....                      | 5.6   | 41       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 143.8 | 34       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 17.8  | 64       |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |          |
| 3.01 Government budget balance, % GDP* .....                  | –6.0  | 124      |
| 3.02 Gross national savings, % GDP* .....                     | 14.3  | 105      |
| 3.03 Inflation, annual % change* .....                        | 3.2   | 61       |
| 3.04 General government debt, % GDP* .....                    | 39.8  | 64       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 53.9  | 65       |
| <b>4th pillar: Health and primary education</b>               |       |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.2   | 9        |
| 4.02 Business impact of malaria .....                         | 6.5   | 4        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 11.0  | 28       |
| 4.04 Business impact of tuberculosis .....                    | 6.4   | 29       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2   | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.0   | 49       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 8.4   | 52       |
| 4.08 Life expectancy, years* .....                            | 79.9  | 31       |
| 4.09 Quality of primary education .....                       | 4.6   | 39       |
| 4.10 Primary education enrollment, net %* .....               | 90.0  | 101      |
| <b>5th pillar: Higher education and training</b>              |       |          |
| 5.01 Secondary education enrollment, gross %* .....           | 108.9 | 14       |
| 5.02 Tertiary education enrollment, gross %* .....            | 47.6  | 56       |
| 5.03 Quality of the education system .....                    | 4.5   | 28       |
| 5.04 Quality of math and science education .....              | 4.3   | 55       |
| 5.05 Quality of management schools .....                      | 5.1   | 27       |
| 5.06 Internet access in schools .....                         | 4.7   | 53       |
| 5.07 Availability of specialized training services .....      | 5.1   | 25       |
| 5.08 Extent of staff training .....                           | 4.5   | 31       |
| <b>6th pillar: Goods market efficiency</b>                    |       |          |
| 6.01 Intensity of local competition .....                     | 5.2   | 55       |
| 6.02 Extent of market dominance .....                         | 4.2   | 32       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.0   | 55       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.3   | 97       |
| 6.05 Total tax rate, % profits* .....                         | 58.0  | 121      |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 9     | 104      |
| 6.07 No. days to start a business* .....                    | 24.0  | 104      |
| 6.08 Agricultural policy costs .....                        | 3.3   | 111      |
| 6.09 Prevalence of non-tariff barriers .....                | 3.9   | 114      |
| 6.10 Trade tariffs, % duty* .....                           | 3.6   | 50       |
| 6.11 Prevalence of foreign ownership .....                  | 5.1   | 33       |
| 6.12 Business impact of rules on FDI .....                  | 4.9   | 44       |
| 6.13 Burden of customs procedures .....                     | 3.8   | 79       |
| 6.14 Imports as a percentage of GDP* .....                  | 40.1  | 86       |
| 6.15 Degree of customer orientation .....                   | 5.0   | 38       |
| 6.16 Buyer sophistication .....                             | 3.4   | 66       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.3   | 18       |
| 7.02 Flexibility of wage determination .....                | 4.7   | 92       |
| 7.03 Hiring and firing practices .....                      | 4.4   | 28       |
| 7.04 Redundancy costs, weeks of salary* .....               | 18.7  | 82       |
| 7.05 Effect of taxation on incentives to work .....         | 3.8   | 65       |
| 7.06 Pay and productivity .....                             | 4.3   | 43       |
| 7.07 Reliance on professional management .....              | 4.6   | 44       |
| 7.08 Country capacity to retain talent .....                | 4.4   | 26       |
| 7.09 Country capacity to attract talent .....               | 3.8   | 45       |
| 7.10 Women in labor force, ratio to men* .....              | 0.61  | 115      |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.4   | 68       |
| 8.02 Affordability of financial services .....              | 4.1   | 66       |
| 8.03 Financing through local equity market .....            | 2.7   | 114      |
| 8.04 Ease of access to loans .....                          | 2.2   | 117      |
| 8.05 Venture capital availability .....                     | 2.3   | 112      |
| 8.06 Soundness of banks .....                               | 5.7   | 32       |
| 8.07 Regulation of securities exchanges .....               | 4.8   | 42       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 2     | 106      |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 4.9   | 64       |
| 9.02 Firm-level technology absorption .....                 | 5.0   | 44       |
| 9.03 FDI and technology transfer .....                      | 5.3   | 13       |
| 9.04 Individuals using Internet, %* .....                   | 49.4  | 69       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 10.4  | 65       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 45.3  | 56       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 86.9  | 20       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 3.2   | 86       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.1   | 86       |
| 10.03 GDP (PPP\$ billions)* .....                           | 71.0  | 83       |
| 10.04 Exports as a percentage of GDP* .....                 | 37.6  | 73       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.4   | 83       |
| 11.02 Local supplier quality .....                          | 4.5   | 53       |
| 11.03 State of cluster development .....                    | 4.0   | 42       |
| 11.04 Nature of competitive advantage .....                 | 4.5   | 27       |
| 11.05 Value chain breadth .....                             | 4.4   | 28       |
| 11.06 Control of international distribution .....           | 3.7   | 75       |
| 11.07 Production process sophistication .....               | 4.6   | 34       |
| 11.08 Extent of marketing .....                             | 4.5   | 50       |
| 11.09 Willingness to delegate authority .....               | 4.4   | 28       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 4.4   | 40       |
| 12.02 Quality of scientific research institutions .....     | 4.6   | 36       |
| 12.03 Company spending on R&D .....                         | 3.5   | 47       |
| 12.04 University-industry collaboration in R&D .....        | 4.4   | 33       |
| 12.05 Gov't procurement of advanced tech products .....     | 2.9   | 103      |
| 12.06 Availability of scientists and engineers .....        | 4.7   | 30       |
| 12.07 PCT patents, applications/million pop.* .....         | 1.4   | 64       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

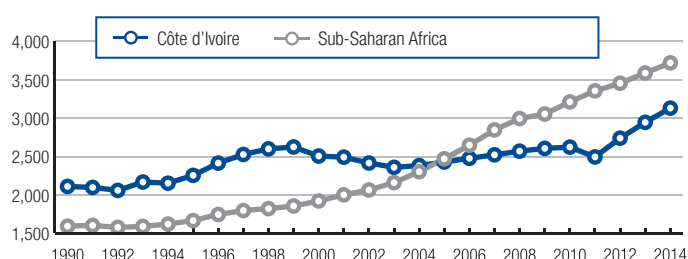


# Côte d'Ivoire

## Key indicators, 2014

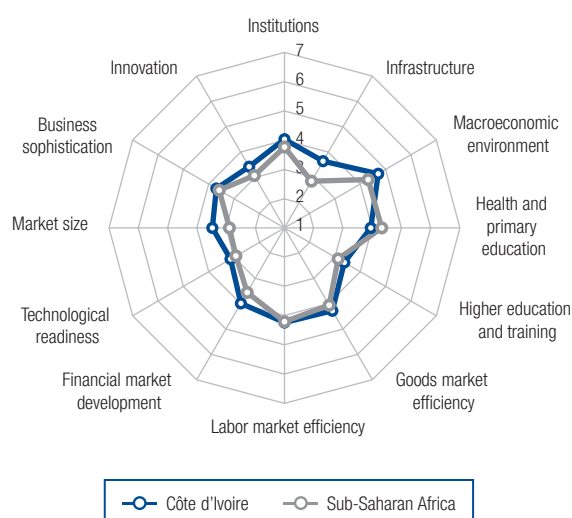
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 22.7  |
| GDP (US\$ billions).....                   | 34.0  |
| GDP per capita (US\$).....                 | 1,495 |
| GDP (PPP) as share (%) of world total..... | 0.07  |

GDP (PPP) per capita (int'l \$), 1990–2014

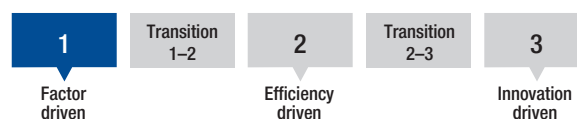


## Global Competitiveness Index

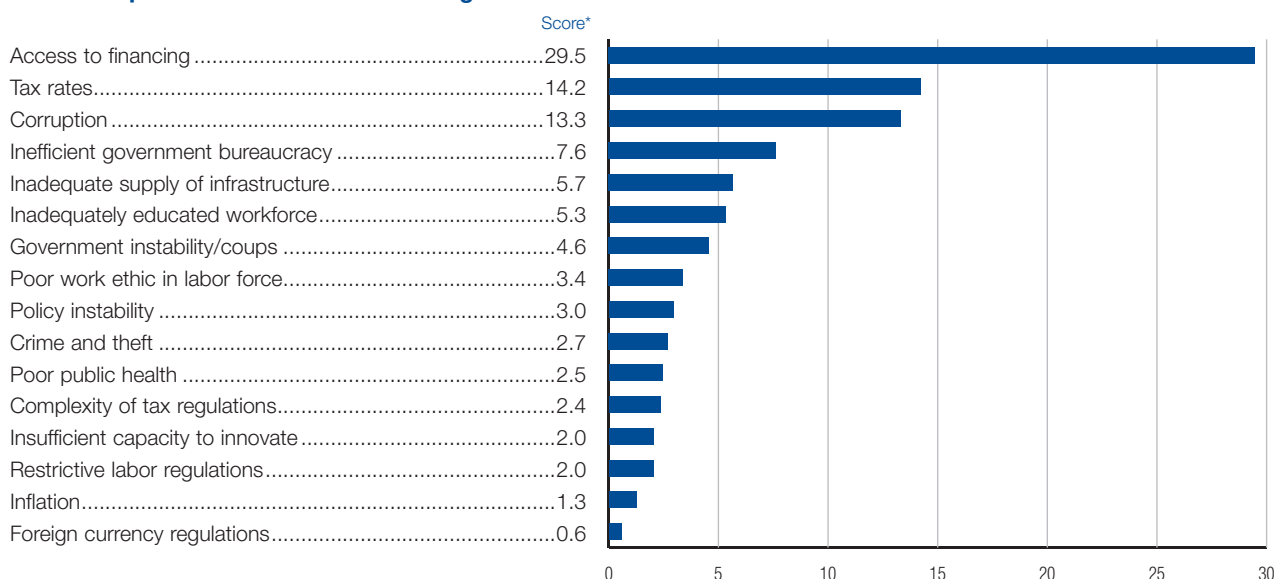
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>91</b>            | <b>3.9</b>     |
| GCI 2014–2015 (out of 144).....                           | 115                  | 3.7            |
| GCI 2013–2014 (out of 148).....                           | 126                  | 3.5            |
| GCI 2012–2013 (out of 144).....                           | 131                  | 3.4            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>102</b>           | <b>4.1</b>     |
| 1st pillar: Institutions.....                             | 62                   | 4.0            |
| 2nd pillar: Infrastructure.....                           | 85                   | 3.6            |
| 3rd pillar: Macroeconomic environment.....                | 74                   | 4.7            |
| 4th pillar: Health and primary education.....             | 129                  | 3.9            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>96</b>            | <b>3.7</b>     |
| 5th pillar: Higher education and training.....            | 108                  | 3.4            |
| 6th pillar: Goods market efficiency.....                  | 75                   | 4.3            |
| 7th pillar: Labor market efficiency.....                  | 69                   | 4.2            |
| 8th pillar: Financial market development.....             | 60                   | 4.0            |
| 9th pillar: Technological readiness.....                  | 102                  | 3.1            |
| 10th pillar: Market size.....                             | 81                   | 3.5            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>73</b>            | <b>3.6</b>     |
| 11th pillar: Business sophistication.....                 | 93                   | 3.7            |
| 12th pillar: Innovation.....                              | 53                   | 3.4            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Côte d'Ivoire

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140  |
|---------------------------------------------------------------|----------|-----------|
| <b>1st pillar: Institutions</b>                               |          |           |
| 1.01 Property rights .....                                    | 4.2      | 66        |
| 1.02 Intellectual property protection .....                   | 3.9      | 67        |
| 1.03 Diversion of public funds .....                          | 3.5      | 60        |
| 1.04 Public trust in politicians .....                        | 3.7      | <b>38</b> |
| 1.05 Irregular payments and bribes .....                      | 4.2      | 55        |
| 1.06 Judicial independence .....                              | 4.0      | 65        |
| 1.07 Favoritism in decisions of government officials .....    | 3.5      | <b>43</b> |
| 1.08 Wastefulness of government spending .....                | 3.7      | <b>39</b> |
| 1.09 Burden of government regulation .....                    | 4.2      | <b>14</b> |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.6      | <b>29</b> |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.1      | <b>38</b> |
| 1.12 Transparency of government policymaking .....            | 4.4      | <b>50</b> |
| 1.13 Business costs of terrorism .....                        | 5.4      | 69        |
| 1.14 Business costs of crime and violence .....               | 3.5      | 113       |
| 1.15 Organized crime .....                                    | 3.4      | 127       |
| 1.16 Reliability of police services .....                     | 3.8      | 90        |
| 1.17 Ethical behavior of firms .....                          | 4.0      | 59        |
| 1.18 Strength of auditing and reporting standards .....       | 4.3      | 84        |
| 1.19 Efficacy of corporate boards .....                       | 5.0      | <b>47</b> |
| 1.20 Protection of minority shareholders' interests .....     | 4.2      | 55        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.3      | 116       |
| <b>2nd pillar: Infrastructure</b>                             |          |           |
| 2.01 Quality of overall infrastructure .....                  | 4.5      | <b>50</b> |
| 2.02 Quality of roads .....                                   | 4.8      | <b>40</b> |
| 2.03 Quality of railroad infrastructure .....                 | 2.7      | 69        |
| 2.04 Quality of port infrastructure .....                     | 5.2      | <b>28</b> |
| 2.05 Quality of air transport infrastructure .....            | 5.3      | <b>34</b> |
| 2.06 Available airline seat km/week, millions* .....          | 48.8     | 98        |
| 2.07 Quality of electricity supply .....                      | 3.9      | 95        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 106.2    | 83        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 1.2      | 119       |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |           |
| 3.01 Government budget balance, % GDP* .....                  | –2.3     | 56        |
| 3.02 Gross national savings, % GDP* .....                     | 13.7     | 106       |
| 3.03 Inflation, annual % change* .....                        | 0.4      | <b>47</b> |
| 3.04 General government debt, % GDP* .....                    | 36.4     | 53        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 28.9     | 108       |
| <b>4th pillar: Health and primary education</b>               |          |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 20,665.6 | 61        |
| 4.02 Business impact of malaria .....                         | 4.6      | 41        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 170.0    | 112       |
| 4.04 Business impact of tuberculosis .....                    | 4.1      | 121       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 2.7      | 124       |
| 4.06 Business impact of HIV/AIDS .....                        | 4.5      | 108       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 71.3     | 135       |
| 4.08 Life expectancy, years* .....                            | 50.8     | 135       |
| 4.09 Quality of primary education .....                       | 3.9      | 75        |
| 4.10 Primary education enrollment, net %* .....               | 76.8     | 130       |
| <b>5th pillar: Higher education and training</b>              |          |           |
| 5.01 Secondary education enrollment, gross %* .....           | 39.1     | 127       |
| 5.02 Tertiary education enrollment, gross %* .....            | 9.1      | 118       |
| 5.03 Quality of the education system .....                    | 4.1      | <b>48</b> |
| 5.04 Quality of math and science education .....              | 5.2      | <b>17</b> |
| 5.05 Quality of management schools .....                      | 4.6      | <b>42</b> |
| 5.06 Internet access in schools .....                         | 4.0      | 80        |
| 5.07 Availability of specialized training services .....      | 4.7      | <b>35</b> |
| 5.08 Extent of staff training .....                           | 4.1      | 56        |
| <b>6th pillar: Goods market efficiency</b>                    |          |           |
| 6.01 Intensity of local competition .....                     | 4.6      | 105       |
| 6.02 Extent of market dominance .....                         | 3.6      | 72        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.0      | 56        |
| 6.04 Effect of taxation on incentives to invest .....         | 3.3      | 99        |
| 6.05 Total tax rate, % profits* .....                         | 51.9     | 116       |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 4     | <b>22</b> |
| 6.07 No. days to start a business* .....                 | 7.0   | <b>40</b> |
| 6.08 Agricultural policy costs .....                     | 4.4   | <b>24</b> |
| 6.09 Prevalence of non-tariff barriers .....             | 3.6   | 126       |
| 6.10 Trade tariffs, % duty* .....                        | 10.4  | 112       |
| 6.11 Prevalence of foreign ownership .....               | 4.9   | 51        |
| 6.12 Business impact of rules on FDI .....               | 4.4   | 74        |
| 6.13 Burden of customs procedures .....                  | 4.1   | 64        |
| 6.14 Imports as a percentage of GDP* .....               | 49.2  | 64        |
| 6.15 Degree of customer orientation .....                | 4.5   | 74        |
| 6.16 Buyer sophistication .....                          | 3.3   | 82        |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 4.5   | 54        |
| 7.02 Flexibility of wage determination .....             | 4.9   | 76        |
| 7.03 Hiring and firing practices .....                   | 4.3   | <b>39</b> |
| 7.04 Redundancy costs, weeks of salary* .....            | 13.1  | 56        |
| 7.05 Effect of taxation on incentives to work .....      | 4.4   | <b>26</b> |
| 7.06 Pay and productivity .....                          | 3.8   | 82        |
| 7.07 Reliance on professional management .....           | 4.3   | 65        |
| 7.08 Country capacity to retain talent .....             | 3.9   | <b>41</b> |
| 7.09 Country capacity to attract talent .....            | 3.9   | <b>36</b> |
| 7.10 Women in labor force, ratio to men* .....           | 0.65  | 105       |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 3.7   | 114       |
| 8.02 Affordability of financial services .....           | 3.9   | 92        |
| 8.03 Financing through local equity market .....         | 4.1   | <b>41</b> |
| 8.04 Ease of access to loans .....                       | 3.1   | <b>45</b> |
| 8.05 Venture capital availability .....                  | 3.0   | <b>44</b> |
| 8.06 Soundness of banks .....                            | 5.0   | 64        |
| 8.07 Regulation of securities exchanges .....            | 4.2   | 71        |
| 8.08 Legal rights index, 0–12 (best)* .....              | 6     | <b>44</b> |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 4.8   | 66        |
| 9.02 Firm-level technology absorption .....              | 4.6   | 71        |
| 9.03 FDI and technology transfer .....                   | 4.2   | 86        |
| 9.04 Individuals using Internet, %* .....                | 14.6  | 117       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.3   | 116       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 5.2   | 117       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 24.6  | 95        |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.2   | 83        |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.2   | 80        |
| 10.03 GDP (PPP\$ billions)* .....                        | 71.1  | 82        |
| 10.04 Exports as a percentage of GDP* .....              | 45.2  | 51        |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 4.3   | 88        |
| 11.02 Local supplier quality .....                       | 4.3   | 62        |
| 11.03 State of cluster development .....                 | 2.9   | 129       |
| 11.04 Nature of competitive advantage .....              | 3.1   | 94        |
| 11.05 Value chain breadth .....                          | 3.8   | 72        |
| 11.06 Control of international distribution .....        | 2.8   | 137       |
| 11.07 Production process sophistication .....            | 3.7   | 78        |
| 11.08 Extent of marketing .....                          | 4.5   | 56        |
| 11.09 Willingness to delegate authority .....            | 3.6   | 84        |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 4.3   | <b>44</b> |
| 12.02 Quality of scientific research institutions .....  | 4.0   | 55        |
| 12.03 Company spending on R&D .....                      | 3.5   | 51        |
| 12.04 University-industry collaboration in R&D .....     | 3.3   | 86        |
| 12.05 Gov't procurement of advanced tech products .....  | 3.7   | <b>44</b> |
| 12.06 Availability of scientists and engineers .....     | 3.9   | 76        |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119       |

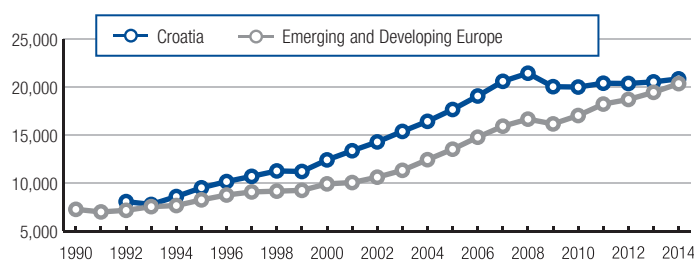
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Croatia

## Key indicators, 2014

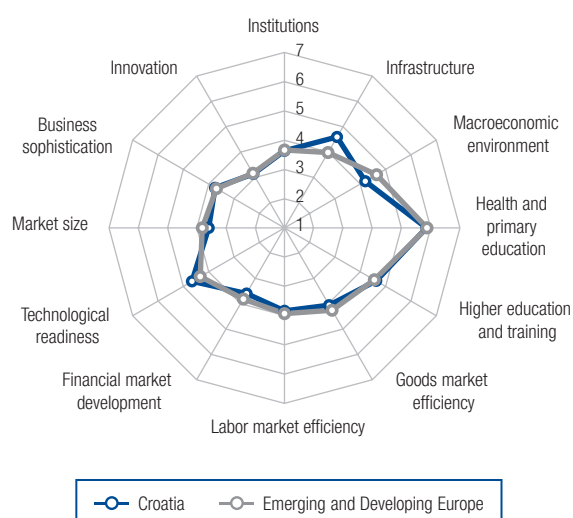
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 4.2    |
| GDP (US\$ billions).....                   | 57.2   |
| GDP per capita (US\$).....                 | 13,494 |
| GDP (PPP) as share (%) of world total..... | 0.08   |

GDP (PPP) per capita (int'l \$), 1990–2014

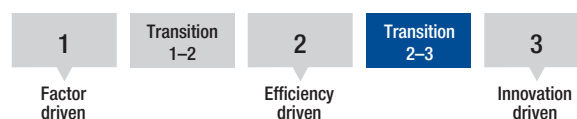


## Global Competitiveness Index

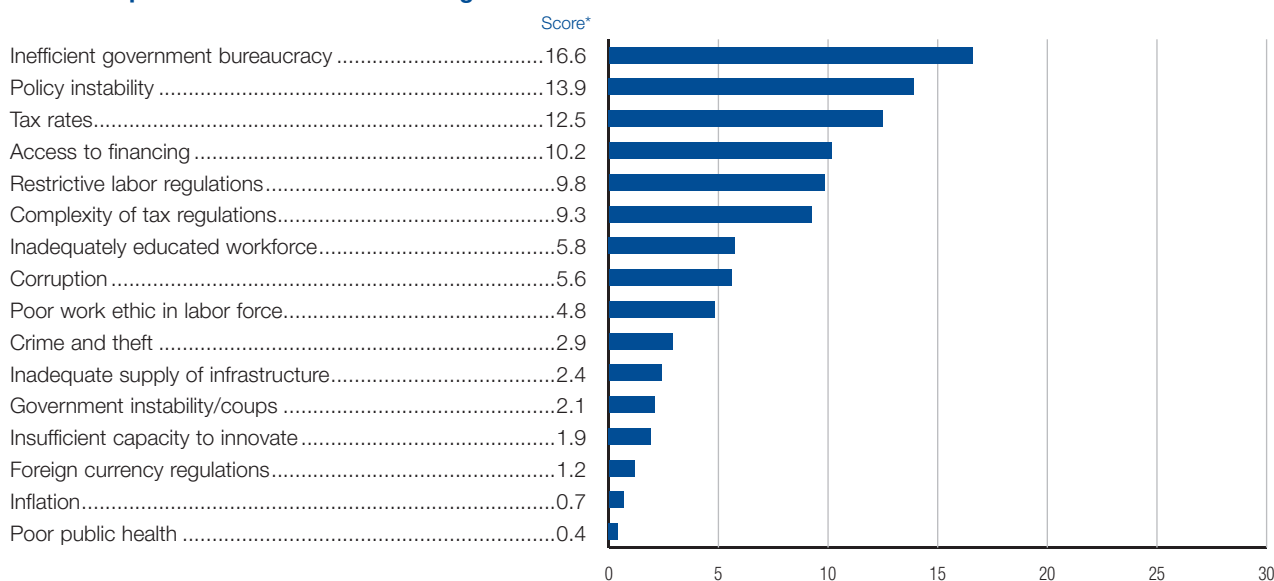
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>77</b>            | <b>4.1</b>     |
| GCI 2014–2015 (out of 144).....                            | 77                   | 4.1            |
| GCI 2013–2014 (out of 148).....                            | 75                   | 4.1            |
| GCI 2012–2013 (out of 144).....                            | 81                   | 4.0            |
| <b>Basic requirements (28.8%)</b> .....                    | <b>69</b>            | <b>4.6</b>     |
| 1st pillar: Institutions.....                              | 89                   | 3.6            |
| 2nd pillar: Infrastructure.....                            | 46                   | 4.6            |
| 3rd pillar: Macroeconomic environment.....                 | 107                  | 4.2            |
| 4th pillar: Health and primary education.....              | 63                   | 5.8            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>68</b>            | <b>4.1</b>     |
| 5th pillar: Higher education and training.....             | 51                   | 4.6            |
| 6th pillar: Goods market efficiency.....                   | 105                  | 4.0            |
| 7th pillar: Labor market efficiency.....                   | 105                  | 3.8            |
| 8th pillar: Financial market development.....              | 88                   | 3.6            |
| 9th pillar: Technological readiness.....                   | 43                   | 4.6            |
| 10th pillar: Market size.....                              | 79                   | 3.6            |
| <b>Innovation and sophistication factors (21.2%)</b> ..... | <b>90</b>            | <b>3.4</b>     |
| 11th pillar: Business sophistication.....                  | 84                   | 3.7            |
| 12th pillar: Innovation.....                               | 92                   | 3.1            |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Croatia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 3.8    | 102      |
| 1.02 Intellectual property protection .....                   | 3.6    | 87       |
| 1.03 Diversion of public funds .....                          | 3.1    | 84       |
| 1.04 Public trust in politicians .....                        | 2.0    | 122      |
| 1.05 Irregular payments and bribes .....                      | 4.0    | 66       |
| 1.06 Judicial independence .....                              | 3.2    | 99       |
| 1.07 Favoritism in decisions of government officials .....    | 2.7    | 100      |
| 1.08 Wastefulness of government spending .....                | 2.2    | 126      |
| 1.09 Burden of government regulation .....                    | 2.1    | 137      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.3    | 137      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.3    | 133      |
| 1.12 Transparency of government policymaking .....            | 3.5    | 113      |
| 1.13 Business costs of terrorism .....                        | 6.4    | 4        |
| 1.14 Business costs of crime and violence .....               | 5.4    | 30       |
| 1.15 Organized crime .....                                    | 5.3    | 51       |
| 1.16 Reliability of police services .....                     | 4.4    | 63       |
| 1.17 Ethical behavior of firms .....                          | 3.8    | 80       |
| 1.18 Strength of auditing and reporting standards .....       | 4.2    | 98       |
| 1.19 Efficacy of corporate boards .....                       | 4.4    | 95       |
| 1.20 Protection of minority shareholders' interests .....     | 3.5    | 111      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8    | 55       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.6    | 46       |
| 2.02 Quality of roads .....                                   | 5.6    | 19       |
| 2.03 Quality of railroad infrastructure .....                 | 2.7    | 68       |
| 2.04 Quality of port infrastructure .....                     | 4.5    | 49       |
| 2.05 Quality of air transport infrastructure .....            | 4.2    | 76       |
| 2.06 Available airline seat km/week, millions* .....          | 84.0   | 87       |
| 2.07 Quality of electricity supply .....                      | 5.6    | 40       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 104.4  | 88       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 36.7   | 28       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –5.0   | 108      |
| 3.02 Gross national savings, % GDP* .....                     | 18.5   | 83       |
| 3.03 Inflation, annual % change* .....                        | –0.2   | 74       |
| 3.04 General government debt, % GDP* .....                    | 80.9   | 117      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 53.2   | 66       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 13.0   | 31       |
| 4.04 Business impact of tuberculosis .....                    | 6.7    | 17       |
| 4.05 HIV prevalence, % adult pop.* .....                      | <0.1   | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.8    | 6        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.8    | 29       |
| 4.08 Life expectancy, years* .....                            | 77.1   | 41       |
| 4.09 Quality of primary education .....                       | 4.5    | 46       |
| 4.10 Primary education enrollment, net %* .....               | 89.3   | 104      |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 98.4   | 40       |
| 5.02 Tertiary education enrollment, gross %* .....            | 61.6   | 39       |
| 5.03 Quality of the education system .....                    | 3.1    | 103      |
| 5.04 Quality of math and science education .....              | 4.8    | 31       |
| 5.05 Quality of management schools .....                      | 4.0    | 80       |
| 5.06 Internet access in schools .....                         | 4.6    | 55       |
| 5.07 Availability of specialized training services .....      | 4.1    | 77       |
| 5.08 Extent of staff training .....                           | 3.3    | 123      |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 4.9    | 83       |
| 6.02 Extent of market dominance .....                         | 3.2    | 113      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.5    | 100      |
| 6.04 Effect of taxation on incentives to invest .....         | 2.4    | 137      |
| 6.05 Total tax rate, % profits* .....                         | 18.8   | 11       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 7     | 76       |
| 6.07 No. days to start a business* .....                    | 15.0  | 83       |
| 6.08 Agricultural policy costs .....                        | 2.5   | 138      |
| 6.09 Prevalence of non-tariff barriers .....                | 4.9   | 16       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 4.0   | 104      |
| 6.12 Business impact of rules on FDI .....                  | 3.1   | 134      |
| 6.13 Burden of customs procedures .....                     | 4.6   | 40       |
| 6.14 Imports as a percentage of GDP* .....                  | 46.7  | 71       |
| 6.15 Degree of customer orientation .....                   | 4.7   | 59       |
| 6.16 Buyer sophistication .....                             | 2.6   | 126      |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 3.6   | 130      |
| 7.02 Flexibility of wage determination .....                | 5.2   | 57       |
| 7.03 Hiring and firing practices .....                      | 2.8   | 129      |
| 7.04 Redundancy costs, weeks of salary* .....               | 15.1  | 66       |
| 7.05 Effect of taxation on incentives to work .....         | 2.4   | 136      |
| 7.06 Pay and productivity .....                             | 4.0   | 74       |
| 7.07 Reliance on professional management .....              | 3.6   | 104      |
| 7.08 Country capacity to retain talent .....                | 2.1   | 134      |
| 7.09 Country capacity to attract talent .....               | 1.9   | 135      |
| 7.10 Women in labor force, ratio to men* .....              | 0.84  | 59       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.3   | 76       |
| 8.02 Affordability of financial services .....              | 3.8   | 100      |
| 8.03 Financing through local equity market .....            | 2.9   | 105      |
| 8.04 Ease of access to loans .....                          | 2.4   | 105      |
| 8.05 Venture capital availability .....                     | 2.3   | 109      |
| 8.06 Soundness of banks .....                               | 4.8   | 67       |
| 8.07 Regulation of securities exchanges .....               | 3.8   | 92       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 5     | 63       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 5.0   | 57       |
| 9.02 Firm-level technology absorption .....                 | 4.6   | 70       |
| 9.03 FDI and technology transfer .....                      | 3.8   | 114      |
| 9.04 Individuals using Internet, %* .....                   | 68.6  | 43       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 23.0  | 38       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 58.0  | 46       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 68.5  | 31       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 3.3   | 80       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.4   | 76       |
| 10.03 GDP (PPP\$ billions)* .....                           | 88.5  | 76       |
| 10.04 Exports as a percentage of GDP* .....                 | 48.0  | 46       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.6   | 62       |
| 11.02 Local supplier quality .....                          | 4.5   | 48       |
| 11.03 State of cluster development .....                    | 3.0   | 118      |
| 11.04 Nature of competitive advantage .....                 | 3.6   | 60       |
| 11.05 Value chain breadth .....                             | 3.6   | 91       |
| 11.06 Control of international distribution .....           | 3.5   | 96       |
| 11.07 Production process sophistication .....               | 3.5   | 92       |
| 11.08 Extent of marketing .....                             | 3.9   | 99       |
| 11.09 Willingness to delegate authority .....               | 3.4   | 98       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 3.3   | 122      |
| 12.02 Quality of scientific research institutions .....     | 4.0   | 52       |
| 12.03 Company spending on R&D .....                         | 3.1   | 85       |
| 12.04 University-industry collaboration in R&D .....        | 3.4   | 81       |
| 12.05 Gov't procurement of advanced tech products .....     | 2.7   | 125      |
| 12.06 Availability of scientists and engineers .....        | 3.9   | 78       |
| 12.07 PCT patents, applications/million pop.* .....         | 10.3  | 37       |

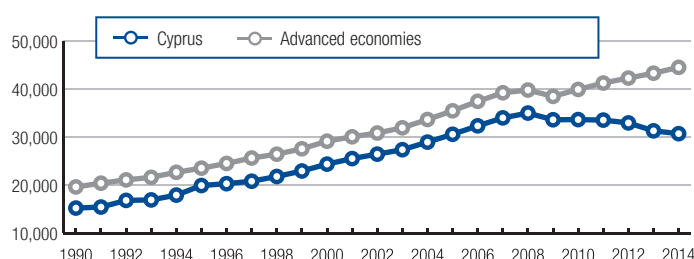
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Cyprus

## Key indicators, 2014

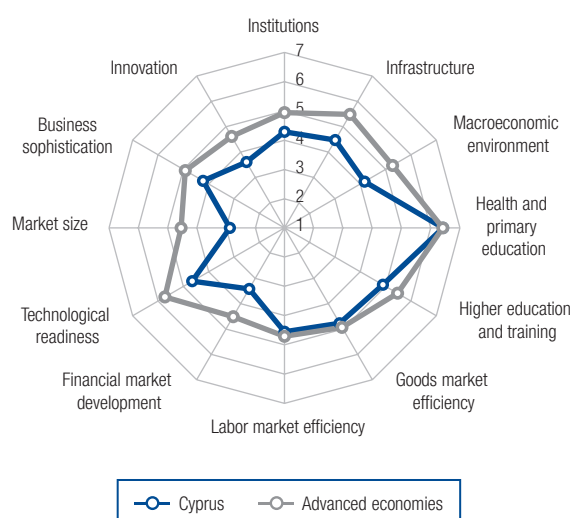
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 0.9    |
| GDP (US\$ billions).....                   | 23.3   |
| GDP per capita (US\$).....                 | 26,115 |
| GDP (PPP) as share (%) of world total..... | 0.03   |

GDP (PPP) per capita (int'l \$), 1990–2014

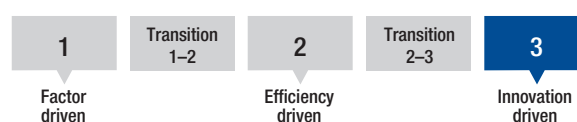


## Global Competitiveness Index

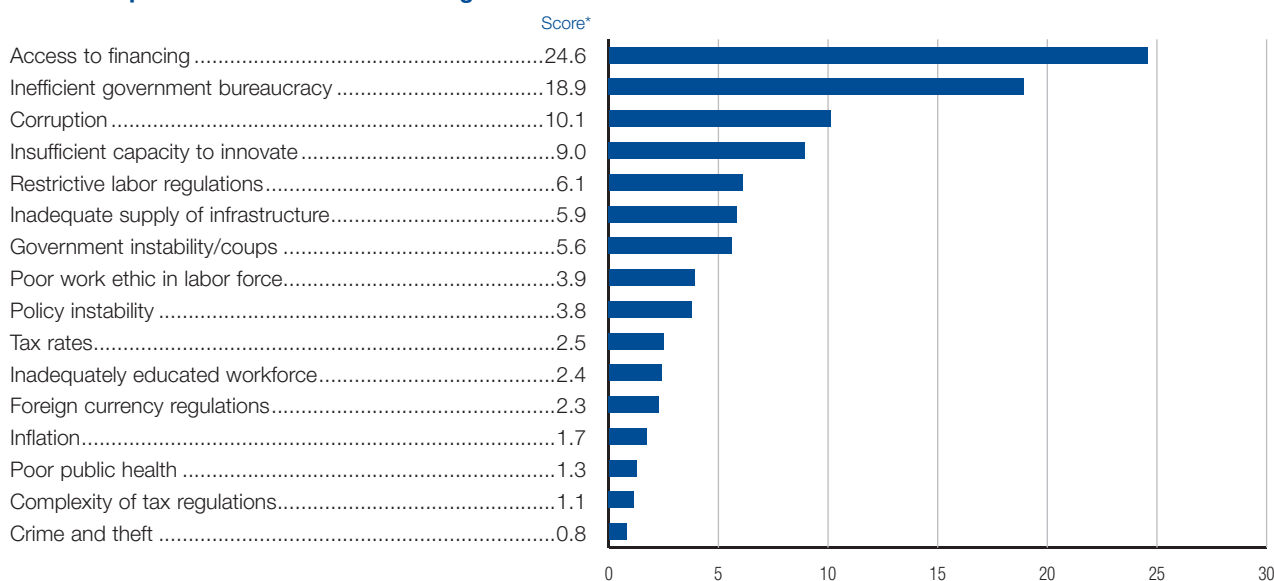
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>65</b>            | <b>4.2</b>     |
| GCI 2014–2015 (out of 144).....                            | 58                   | 4.3            |
| GCI 2013–2014 (out of 148).....                            | 58                   | 4.3            |
| GCI 2012–2013 (out of 144).....                            | 58                   | 4.3            |
| <b>Basic requirements (20.0%)</b> .....                    | <b>51</b>            | <b>4.8</b>     |
| 1st pillar: Institutions.....                              | 43                   | 4.3            |
| 2nd pillar: Infrastructure.....                            | 50                   | 4.5            |
| 3rd pillar: Macroeconomic environment.....                 | 109                  | 4.2            |
| 4th pillar: Health and primary education.....              | 17                   | 6.4            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>59</b>            | <b>4.2</b>     |
| 5th pillar: Higher education and training.....             | 41                   | 4.9            |
| 6th pillar: Goods market efficiency.....                   | 28                   | 4.8            |
| 7th pillar: Labor market efficiency.....                   | 34                   | 4.5            |
| 8th pillar: Financial market development.....              | 108                  | 3.4            |
| 9th pillar: Technological readiness.....                   | 45                   | 4.6            |
| 10th pillar: Market size.....                              | 112                  | 2.9            |
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>45</b>            | <b>3.9</b>     |
| 11th pillar: Business sophistication.....                  | 47                   | 4.2            |
| 12th pillar: Innovation.....                               | 44                   | 3.6            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Cyprus

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.5    | 50       |
| 1.02 Intellectual property protection .....                   | 4.4    | 43       |
| 1.03 Diversion of public funds .....                          | 4.0    | 45       |
| 1.04 Public trust in politicians .....                        | 2.6    | 88       |
| 1.05 Irregular payments and bribes .....                      | 4.8    | 38       |
| 1.06 Judicial independence .....                              | 4.7    | 42       |
| 1.07 Favoritism in decisions of government officials .....    | 2.8    | 91       |
| 1.08 Wastefulness of government spending .....                | 3.4    | 58       |
| 1.09 Burden of government regulation .....                    | 4.0    | 25       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.7    | 68       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.9    | 45       |
| 1.12 Transparency of government policymaking .....            | 4.4    | 42       |
| 1.13 Business costs of terrorism .....                        | 6.0    | 32       |
| 1.14 Business costs of crime and violence .....               | 5.8    | 17       |
| 1.15 Organized crime .....                                    | 5.6    | 38       |
| 1.16 Reliability of police services .....                     | 4.7    | 43       |
| 1.17 Ethical behavior of firms .....                          | 3.9    | 64       |
| 1.18 Strength of auditing and reporting standards .....       | 5.0    | 49       |
| 1.19 Efficacy of corporate boards .....                       | 4.1    | 122      |
| 1.20 Protection of minority shareholders' interests .....     | 4.3    | 53       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.8    | 14       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.6    | 44       |
| 2.02 Quality of roads .....                                   | 5.0    | 31       |
| 2.03 Quality of railroad infrastructure .....                 | N/Apl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 4.4    | 54       |
| 2.05 Quality of air transport infrastructure .....            | 4.7    | 57       |
| 2.06 Available airline seat km/week, millions* .....          | 197.1  | 65       |
| 2.07 Quality of electricity supply .....                      | 5.4    | 48       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 96.3   | 101      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 28.4   | 37       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –0.1   | 23       |
| 3.02 Gross national savings, % GDP* .....                     | 10.1   | 128      |
| 3.03 Inflation, annual % change* .....                        | –0.3   | 77       |
| 3.04 General government debt, % GDP* .....                    | 107.1  | 131      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 36.1   | 86       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 5.8    | 9        |
| 4.04 Business impact of tuberculosis .....                    | 6.2    | 39       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.0    | 51       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 2.8    | 11       |
| 4.08 Life expectancy, years* .....                            | 79.8   | 33       |
| 4.09 Quality of primary education .....                       | 5.0    | 25       |
| 4.10 Primary education enrollment, net %* .....               | 97.9   | 28       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 95.3   | 55       |
| 5.02 Tertiary education enrollment, gross %* .....            | 45.9   | 60       |
| 5.03 Quality of the education system .....                    | 4.9    | 17       |
| 5.04 Quality of math and science education .....              | 5.0    | 22       |
| 5.05 Quality of management schools .....                      | 4.7    | 36       |
| 5.06 Internet access in schools .....                         | 5.0    | 38       |
| 5.07 Availability of specialized training services .....      | 4.6    | 39       |
| 5.08 Extent of staff training .....                           | 4.1    | 55       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.3    | 46       |
| 6.02 Extent of market dominance .....                         | 4.0    | 43       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.2    | 37       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.7    | 17       |
| 6.05 Total tax rate, % profits* .....                         | 23.2   | 20       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 6     | 57       |
| 6.07 No. days to start a business* .....                    | 8.0   | 42       |
| 6.08 Agricultural policy costs .....                        | 4.0   | 46       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.8   | 19       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 4.2   | 90       |
| 6.12 Business impact of rules on FDI .....                  | 4.9   | 43       |
| 6.13 Burden of customs procedures .....                     | 4.6   | 37       |
| 6.14 Imports as a percentage of GDP* .....                  | 57.2  | 49       |
| 6.15 Degree of customer orientation .....                   | 4.8   | 55       |
| 6.16 Buyer sophistication .....                             | 3.7   | 45       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.7   | 39       |
| 7.02 Flexibility of wage determination .....                | 4.6   | 98       |
| 7.03 Hiring and firing practices .....                      | 4.1   | 46       |
| 7.04 Redundancy costs, weeks of salary* .....               | 5.7   | 13       |
| 7.05 Effect of taxation on incentives to work .....         | 4.7   | 17       |
| 7.06 Pay and productivity .....                             | 4.0   | 72       |
| 7.07 Reliance on professional management .....              | 3.8   | 95       |
| 7.08 Country capacity to retain talent .....                | 3.7   | 49       |
| 7.09 Country capacity to attract talent .....               | 3.2   | 84       |
| 7.10 Women in labor force, ratio to men* .....              | 0.83  | 62       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.7   | 55       |
| 8.02 Affordability of financial services .....              | 4.4   | 49       |
| 8.03 Financing through local equity market .....            | 2.3   | 130      |
| 8.04 Ease of access to loans .....                          | 2.4   | 108      |
| 8.05 Venture capital availability .....                     | 2.3   | 107      |
| 8.06 Soundness of banks .....                               | 2.7   | 139      |
| 8.07 Regulation of securities exchanges .....               | 3.6   | 106      |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 7     | 24       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 5.2   | 44       |
| 9.02 Firm-level technology absorption .....                 | 5.1   | 39       |
| 9.03 FDI and technology transfer .....                      | 4.2   | 83       |
| 9.04 Individuals using Internet, %* .....                   | 69.3  | 42       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 21.1  | 43       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 75.1  | 38       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 42.1  | 70       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 2.6   | 118      |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 3.8   | 104      |
| 10.03 GDP (PPP\$ billions)* .....                           | 27.4  | 112      |
| 10.04 Exports as a percentage of GDP* .....                 | 50.9  | 42       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.6   | 58       |
| 11.02 Local supplier quality .....                          | 4.6   | 46       |
| 11.03 State of cluster development .....                    | 3.9   | 53       |
| 11.04 Nature of competitive advantage .....                 | 4.4   | 28       |
| 11.05 Value chain breadth .....                             | 4.1   | 49       |
| 11.06 Control of international distribution .....           | 3.9   | 59       |
| 11.07 Production process sophistication .....               | 4.1   | 51       |
| 11.08 Extent of marketing .....                             | 4.6   | 44       |
| 11.09 Willingness to delegate authority .....               | 4.0   | 45       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 3.7   | 90       |
| 12.02 Quality of scientific research institutions .....     | 4.1   | 46       |
| 12.03 Company spending on R&D .....                         | 3.2   | 70       |
| 12.04 University-industry collaboration in R&D .....        | 4.2   | 40       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.3   | 71       |
| 12.06 Availability of scientists and engineers .....        | 4.9   | 20       |
| 12.07 PCT patents, applications/million pop.* .....         | 10.6  | 35       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

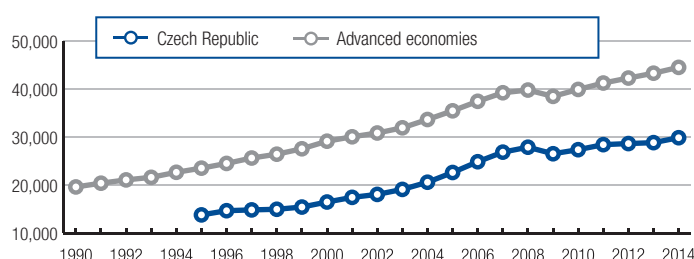


# Czech Republic

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 10.5   |
| GDP (US\$ billions).....                   | 205.7  |
| GDP per capita (US\$).....                 | 19,563 |
| GDP (PPP) as share (%) of world total..... | 0.29   |

GDP (PPP) per capita (int'l \$), 1990–2014



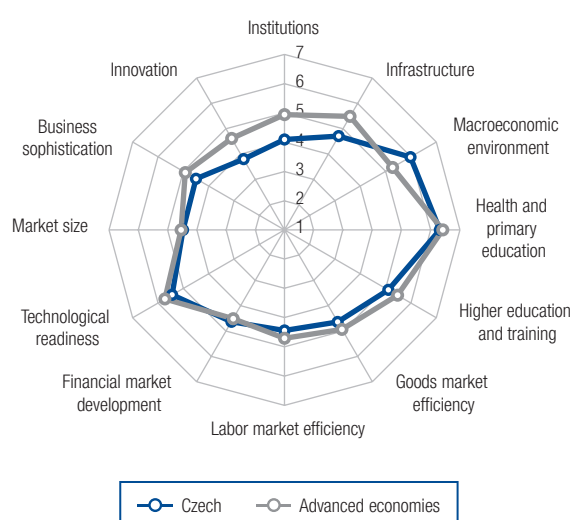
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>31</b>            | <b>4.7</b>     |
| GCI 2014–2015 (out of 144)..... | 37                   | 4.5            |
| GCI 2013–2014 (out of 148)..... | 46                   | 4.4            |
| GCI 2012–2013 (out of 144)..... | 39                   | 4.5            |

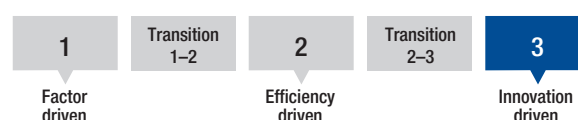
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>31</b> | <b>5.3</b> |
| 1st pillar: Institutions.....                 | 57        | 4.1        |
| 2nd pillar: Infrastructure.....               | 41        | 4.7        |
| 3rd pillar: Macroeconomic environment.....    | 21        | 6.0        |
| 4th pillar: Health and primary education..... | 27        | 6.3        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>26</b> | <b>4.8</b> |
| 5th pillar: Higher education and training..... | 29        | 5.1        |
| 6th pillar: Goods market efficiency.....       | 37        | 4.6        |
| 7th pillar: Labor market efficiency.....       | 47        | 4.4        |
| 8th pillar: Financial market development.....  | 24        | 4.6        |
| 9th pillar: Technological readiness.....       | 29        | 5.4        |
| 10th pillar: Market size.....                  | 47        | 4.5        |

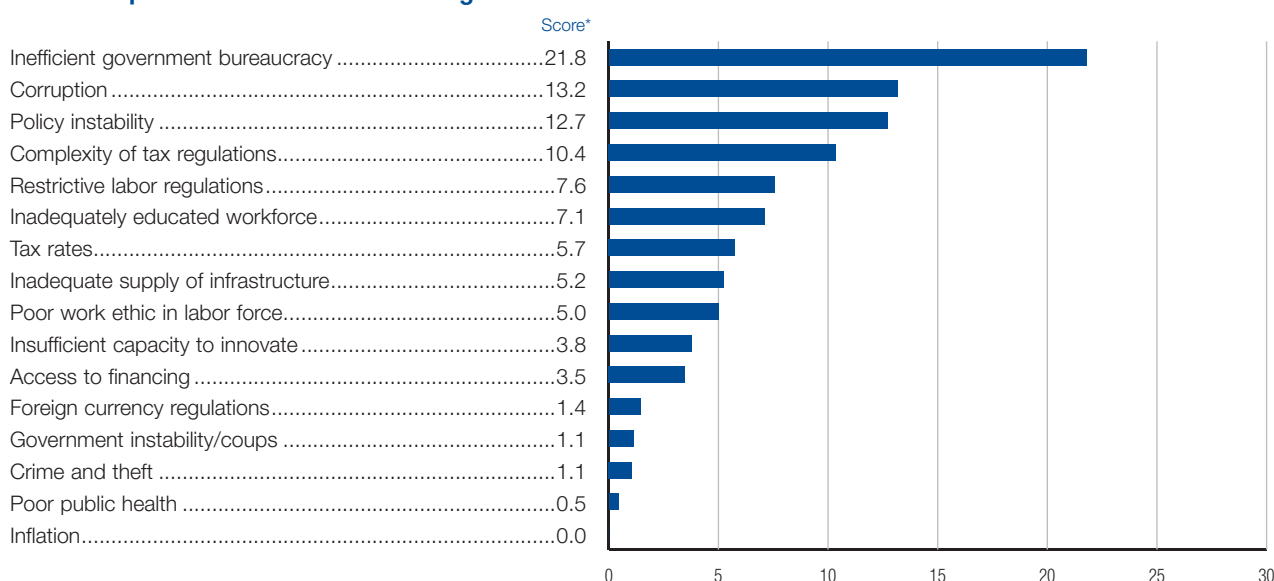
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>32</b> | <b>4.1</b> |
| 11th pillar: Business sophistication.....                  | 30        | 4.5        |
| 12th pillar: Innovation.....                               | 35        | 3.8        |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Czech Republic

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.4    | 54       |
| 1.02 Intellectual property protection .....                   | 4.6    | 34       |
| 1.03 Diversion of public funds .....                          | 2.9    | 92       |
| 1.04 Public trust in politicians .....                        | 2.3    | 107      |
| 1.05 Irregular payments and bribes .....                      | 4.4    | 48       |
| 1.06 Judicial independence .....                              | 4.3    | 50       |
| 1.07 Favoritism in decisions of government officials .....    | 2.8    | 94       |
| 1.08 Wastefulness of government spending .....                | 5.0    | 7        |
| 1.09 Burden of government regulation .....                    | 2.8    | 120      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.3    | 90       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.4    | 76       |
| 1.12 Transparency of government policymaking .....            | 3.9    | 88       |
| 1.13 Business costs of terrorism .....                        | 6.0    | 29       |
| 1.14 Business costs of crime and violence .....               | 5.2    | 40       |
| 1.15 Organized crime .....                                    | 5.6    | 41       |
| 1.16 Reliability of police services .....                     | 4.1    | 74       |
| 1.17 Ethical behavior of firms .....                          | 3.8    | 77       |
| 1.18 Strength of auditing and reporting standards .....       | 5.3    | 33       |
| 1.19 Efficacy of corporate boards .....                       | 5.2    | 34       |
| 1.20 Protection of minority shareholders' interests .....     | 4.3    | 50       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.4    | 77       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.9    | 36       |
| 2.02 Quality of roads .....                                   | 4.0    | 69       |
| 2.03 Quality of railroad infrastructure .....                 | 4.5    | 22       |
| 2.04 Quality of port infrastructure .....                     | 3.6    | 88       |
| 2.05 Quality of air transport infrastructure .....            | 5.4    | 29       |
| 2.06 Available airline seat km/week, millions* .....          | 198.5  | 64       |
| 2.07 Quality of electricity supply .....                      | 6.4    | 19       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 130.0  | 45       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 17.6   | 65       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –1.0   | 32       |
| 3.02 Gross national savings, % GDP* .....                     | 25.9   | 36       |
| 3.03 Inflation, annual % change* .....                        | 0.4    | 52       |
| 3.04 General government debt, % GDP* .....                    | 41.6   | 68       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 77.2   | 24       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 5.5    | 6        |
| 4.04 Business impact of tuberculosis .....                    | 5.7    | 67       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.5    | 73       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 2.9    | 12       |
| 4.08 Life expectancy, years* .....                            | 78.3   | 36       |
| 4.09 Quality of primary education .....                       | 4.6    | 40       |
| 4.10 Primary education enrollment, net %* .....               | 98.6   | 11       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 96.6   | 50       |
| 5.02 Tertiary education enrollment, gross %* .....            | 64.2   | 32       |
| 5.03 Quality of the education system .....                    | 3.8    | 60       |
| 5.04 Quality of math and science education .....              | 4.3    | 57       |
| 5.05 Quality of management schools .....                      | 4.3    | 63       |
| 5.06 Internet access in schools .....                         | 5.4    | 29       |
| 5.07 Availability of specialized training services .....      | 5.1    | 26       |
| 5.08 Extent of staff training .....                           | 4.3    | 39       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.7    | 14       |
| 6.02 Extent of market dominance .....                         | 4.5    | 21       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.1    | 39       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8    | 58       |
| 6.05 Total tax rate, % profits* .....                         | 48.5   | 105      |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 9     | 104      |
| 6.07 No. days to start a business* .....                    | 19.0  | 94       |
| 6.08 Agricultural policy costs .....                        | 3.7   | 82       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.7   | 27       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 6.0   | 6        |
| 6.12 Business impact of rules on FDI .....                  | 5.0   | 32       |
| 6.13 Burden of customs procedures .....                     | 4.6   | 35       |
| 6.14 Imports as a percentage of GDP* .....                  | 85.2  | 16       |
| 6.15 Degree of customer orientation .....                   | 4.9   | 47       |
| 6.16 Buyer sophistication .....                             | 3.1   | 93       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.7   | 40       |
| 7.02 Flexibility of wage determination .....                | 5.8   | 17       |
| 7.03 Hiring and firing practices .....                      | 3.5   | 98       |
| 7.04 Redundancy costs, weeks of salary* .....               | 20.3  | 92       |
| 7.05 Effect of taxation on incentives to work .....         | 3.3   | 108      |
| 7.06 Pay and productivity .....                             | 4.7   | 18       |
| 7.07 Reliance on professional management .....              | 5.1   | 27       |
| 7.08 Country capacity to retain talent .....                | 3.6   | 58       |
| 7.09 Country capacity to attract talent .....               | 3.2   | 85       |
| 7.10 Women in labor force, ratio to men* .....              | 0.81  | 71       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 5.1   | 37       |
| 8.02 Affordability of financial services .....              | 5.1   | 30       |
| 8.03 Financing through local equity market .....            | 3.7   | 62       |
| 8.04 Ease of access to loans .....                          | 3.3   | 37       |
| 8.05 Venture capital availability .....                     | 3.3   | 31       |
| 8.06 Soundness of banks .....                               | 6.1   | 13       |
| 8.07 Regulation of securities exchanges .....               | 4.9   | 37       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 7     | 24       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 5.6   | 32       |
| 9.02 Firm-level technology absorption .....                 | 5.0   | 48       |
| 9.03 FDI and technology transfer .....                      | 5.0   | 22       |
| 9.04 Individuals using Internet, %* .....                   | 79.7  | 27       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 27.6  | 24       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 116.8 | 25       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 62.8  | 39       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.1   | 52       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.5   | 29       |
| 10.03 GDP (PPP\$ billions)* .....                           | 314.6 | 50       |
| 10.04 Exports as a percentage of GDP* .....                 | 97.0  | 9        |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.9   | 32       |
| 11.02 Local supplier quality .....                          | 5.3   | 25       |
| 11.03 State of cluster development .....                    | 3.9   | 55       |
| 11.04 Nature of competitive advantage .....                 | 4.0   | 41       |
| 11.05 Value chain breadth .....                             | 4.2   | 40       |
| 11.06 Control of international distribution .....           | 3.9   | 56       |
| 11.07 Production process sophistication .....               | 5.1   | 27       |
| 11.08 Extent of marketing .....                             | 4.8   | 32       |
| 11.09 Willingness to delegate authority .....               | 4.1   | 41       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 4.8   | 26       |
| 12.02 Quality of scientific research institutions .....     | 4.7   | 34       |
| 12.03 Company spending on R&D .....                         | 3.9   | 30       |
| 12.04 University-industry collaboration in R&D .....        | 4.0   | 42       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.2   | 83       |
| 12.06 Availability of scientists and engineers .....        | 4.0   | 66       |
| 12.07 PCT patents, applications/million pop.* .....         | 19.4  | 28       |

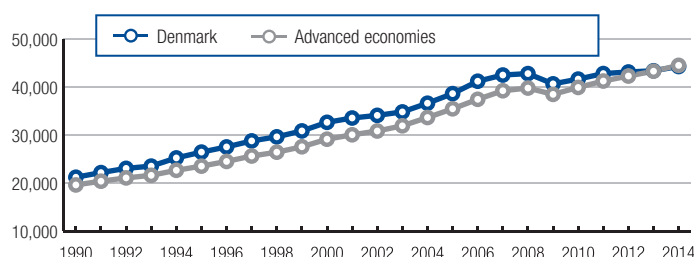
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Denmark

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 5.6    |
| GDP (US\$ billions).....                   | 340.8  |
| GDP per capita (US\$).....                 | 60,564 |
| GDP (PPP) as share (%) of world total..... | 0.23   |

GDP (PPP) per capita (int'l \$), 1990–2014



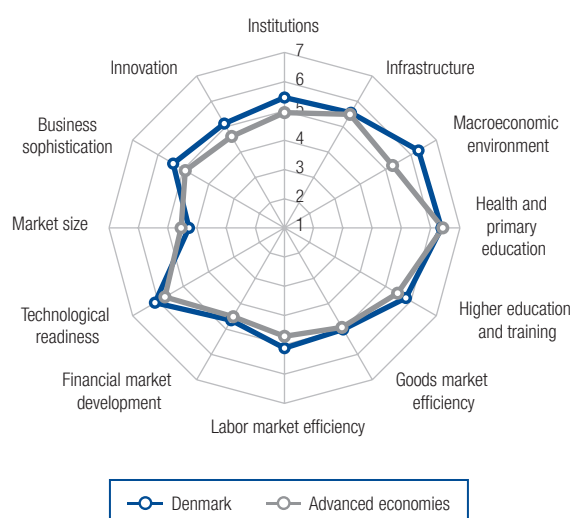
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>12</b>            | <b>5.3</b>     |
| GCI 2014–2015 (out of 144)..... | 13                   | 5.3            |
| GCI 2013–2014 (out of 148)..... | 15                   | 5.2            |
| GCI 2012–2013 (out of 144)..... | 12                   | 5.3            |

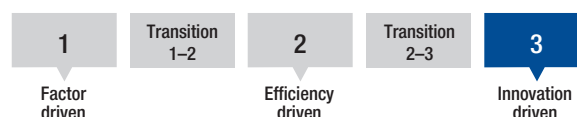
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>12</b> | <b>5.9</b> |
| 1st pillar: Institutions.....                 | 15        | 5.5        |
| 2nd pillar: Infrastructure.....               | 22        | 5.5        |
| 3rd pillar: Macroeconomic environment.....    | 11        | 6.3        |
| 4th pillar: Health and primary education..... | 21        | 6.4        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>16</b> | <b>5.2</b> |
| 5th pillar: Higher education and training..... | 9         | 5.8        |
| 6th pillar: Goods market efficiency.....       | 20        | 5.0        |
| 7th pillar: Labor market efficiency.....       | 10        | 5.1        |
| 8th pillar: Financial market development.....  | 22        | 4.6        |
| 9th pillar: Technological readiness.....       | 9         | 6.1        |
| 10th pillar: Market size.....                  | 55        | 4.3        |

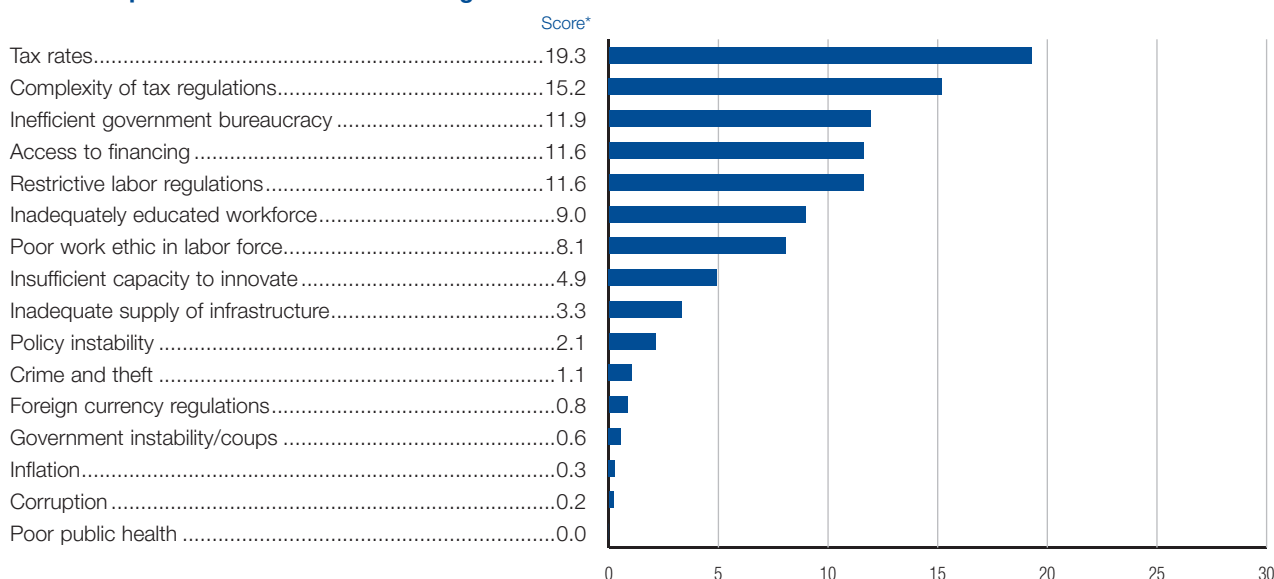
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>10</b> | <b>5.3</b> |
| 11th pillar: Business sophistication.....                  | 9         | 5.4        |
| 12th pillar: Innovation.....                               | 10        | 5.1        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Denmark

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 5.7    | 18       |
| 1.02 Intellectual property protection .....                   | 5.6    | 21       |
| 1.03 Diversion of public funds .....                          | 6.0    | <b>7</b> |
| 1.04 Public trust in politicians .....                        | 4.9    | 13       |
| 1.05 Irregular payments and bribes .....                      | 6.4    | <b>6</b> |
| 1.06 Judicial independence .....                              | 6.3    | <b>5</b> |
| 1.07 Favoritism in decisions of government officials .....    | 4.7    | 14       |
| 1.08 Wastefulness of government spending .....                | 3.8    | 37       |
| 1.09 Burden of government regulation .....                    | 3.3    | 82       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.0    | 19       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.1    | 37       |
| 1.12 Transparency of government policymaking .....            | 4.8    | 29       |
| 1.13 Business costs of terrorism .....                        | 5.0    | 85       |
| 1.14 Business costs of crime and violence .....               | 5.3    | 37       |
| 1.15 Organized crime .....                                    | 5.8    | 27       |
| 1.16 Reliability of police services .....                     | 6.0    | 15       |
| 1.17 Ethical behavior of firms .....                          | 6.2    | <b>3</b> |
| 1.18 Strength of auditing and reporting standards .....       | 5.7    | 21       |
| 1.19 Efficacy of corporate boards .....                       | 5.8    | 13       |
| 1.20 Protection of minority shareholders' interests .....     | 5.0    | 22       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.8    | 14       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 5.8    | 12       |
| 2.02 Quality of roads .....                                   | 5.6    | 16       |
| 2.03 Quality of railroad infrastructure .....                 | 4.6    | 20       |
| 2.04 Quality of port infrastructure .....                     | 5.8    | <b>9</b> |
| 2.05 Quality of air transport infrastructure .....            | 5.6    | 23       |
| 2.06 Available airline seat km/week, millions* .....          | 524.6  | 44       |
| 2.07 Quality of electricity supply .....                      | 6.7    | <b>4</b> |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 126.0  | 50       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 33.3   | 32       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | 1.8    | 12       |
| 3.02 Gross national savings, % GDP* .....                     | 25.6   | 38       |
| 3.03 Inflation, annual % change* .....                        | 0.6    | <b>1</b> |
| 3.04 General government debt, % GDP* .....                    | 42.6   | 69       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 91.1   | <b>9</b> |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 7.0    | 17       |
| 4.04 Business impact of tuberculosis .....                    | 6.9    | <b>3</b> |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2    | <b>1</b> |
| 4.06 Business impact of HIV/AIDS .....                        | 6.8    | <b>4</b> |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 2.9    | 12       |
| 4.08 Life expectancy, years* .....                            | 80.3   | 27       |
| 4.09 Quality of primary education .....                       | 4.7    | 37       |
| 4.10 Primary education enrollment, net %* .....               | 98.2   | 22       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 124.7  | <b>4</b> |
| 5.02 Tertiary education enrollment, gross %* .....            | 79.6   | 13       |
| 5.03 Quality of the education system .....                    | 4.9    | 16       |
| 5.04 Quality of math and science education .....              | 4.8    | 29       |
| 5.05 Quality of management schools .....                      | 5.4    | 17       |
| 5.06 Internet access in schools .....                         | 5.9    | 15       |
| 5.07 Availability of specialized training services .....      | 5.6    | 13       |
| 5.08 Extent of staff training .....                           | 5.1    | 16       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.3    | 45       |
| 6.02 Extent of market dominance .....                         | 5.3    | <b>5</b> |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.0    | 16       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.1    | 112      |
| 6.05 Total tax rate, % profits* .....                         | 26.0   | 27       |

| INDICATOR                                                   | VALUE | RANK/140  |
|-------------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |           |
| 6.06 No. procedures to start a business* .....              | 4     | 22        |
| 6.07 No. days to start a business* .....                    | 5.5   | 24        |
| 6.08 Agricultural policy costs .....                        | 4.3   | 32        |
| 6.09 Prevalence of non-tariff barriers .....                | 4.4   | 62        |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | <b>5</b>  |
| 6.11 Prevalence of foreign ownership .....                  | 5.4   | 20        |
| 6.12 Business impact of rules on FDI .....                  | 5.2   | 25        |
| 6.13 Burden of customs procedures .....                     | 5.1   | 22        |
| 6.14 Imports as a percentage of GDP* .....                  | 47.9  | 67        |
| 6.15 Degree of customer orientation .....                   | 5.6   | 13        |
| 6.16 Buyer sophistication .....                             | 3.6   | 48        |
| <b>7th pillar: Labor market efficiency</b>                  |       |           |
| 7.01 Cooperation in labor-employer relations .....          | 6.1   | <b>2</b>  |
| 7.02 Flexibility of wage determination .....                | 4.4   | 105       |
| 7.03 Hiring and firing practices .....                      | 5.4   | <b>5</b>  |
| 7.04 Redundancy costs, weeks of salary* .....               | 0.0   | <b>1</b>  |
| 7.05 Effect of taxation on incentives to work .....         | 2.7   | 130       |
| 7.06 Pay and productivity .....                             | 4.5   | 31        |
| 7.07 Reliance on professional management .....              | 6.0   | <b>8</b>  |
| 7.08 Country capacity to retain talent .....                | 4.3   | 28        |
| 7.09 Country capacity to attract talent .....               | 3.9   | 37        |
| 7.10 Women in labor force, ratio to men* .....              | 0.94  | 16        |
| <b>8th pillar: Financial market development</b>             |       |           |
| 8.01 Availability of financial services .....               | 5.3   | 31        |
| 8.02 Affordability of financial services .....              | 5.0   | 33        |
| 8.03 Financing through local equity market .....            | 4.3   | 31        |
| 8.04 Ease of access to loans .....                          | 2.9   | 61        |
| 8.05 Venture capital availability .....                     | 2.7   | 72        |
| 8.06 Soundness of banks .....                               | 5.3   | 53        |
| 8.07 Regulation of securities exchanges .....               | 5.5   | 17        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 8     | 17        |
| <b>9th pillar: Technological readiness</b>                  |       |           |
| 9.01 Availability of latest technologies .....              | 6.0   | 23        |
| 9.02 Firm-level technology absorption .....                 | 5.7   | 15        |
| 9.03 FDI and technology transfer .....                      | 4.9   | 29        |
| 9.04 Individuals using Internet, %* .....                   | 96.0  | <b>3</b>  |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 41.4  | <b>2</b>  |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 341.7 | <b>9</b>  |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 115.8 | <b>8</b>  |
| <b>10th pillar: Market size</b>                             |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.0   | 56        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.0   | 50        |
| 10.03 GDP (PPP\$ billions)* .....                           | 249.5 | 56        |
| 10.04 Exports as a percentage of GDP* .....                 | 53.7  | 38        |
| <b>11th pillar: Business sophistication</b>                 |       |           |
| 11.01 Local supplier quantity .....                         | 4.9   | 31        |
| 11.02 Local supplier quality .....                          | 5.6   | <b>7</b>  |
| 11.03 State of cluster development .....                    | 4.5   | 25        |
| 11.04 Nature of competitive advantage .....                 | 6.4   | <b>2</b>  |
| 11.05 Value chain breadth .....                             | 5.2   | 13        |
| 11.06 Control of international distribution .....           | 4.8   | 16        |
| 11.07 Production process sophistication .....               | 5.8   | 13        |
| 11.08 Extent of marketing .....                             | 5.1   | 25        |
| 11.09 Willingness to delegate authority .....               | 6.1   | <b>1</b>  |
| <b>12th pillar: Innovation</b>                              |       |           |
| 12.01 Capacity for innovation .....                         | 5.3   | <b>11</b> |
| 12.02 Quality of scientific research institutions .....     | 5.5   | 16        |
| 12.03 Company spending on R&D .....                         | 4.9   | 15        |
| 12.04 University-industry collaboration in R&D .....        | 4.9   | 20        |
| 12.05 Gov't procurement of advanced tech products .....     | 3.4   | 65        |
| 12.06 Availability of scientists and engineers .....        | 4.6   | 35        |
| 12.07 PCT patents, applications/million pop.* .....         | 215.4 | <b>8</b>  |

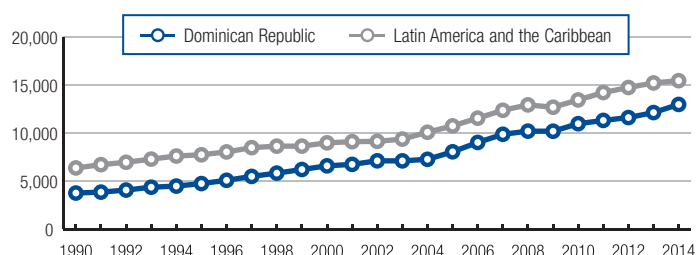
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Dominican Republic

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 10.6  |
| GDP (US\$ billions).....                   | 64.1  |
| GDP per capita (US\$).....                 | 6,044 |
| GDP (PPP) as share (%) of world total..... | 0.13  |

GDP (PPP) per capita (int'l \$), 1990–2014



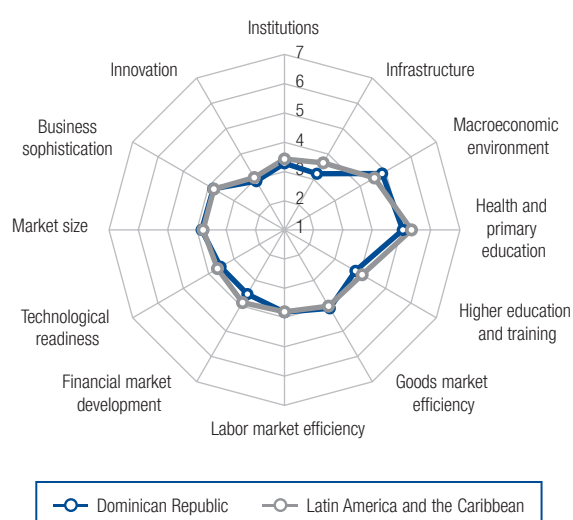
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>98</b>            | <b>3.9</b>     |
| GCI 2014–2015 (out of 144)..... | 101                  | 3.8            |
| GCI 2013–2014 (out of 148)..... | 105                  | 3.8            |
| GCI 2012–2013 (out of 144)..... | 105                  | 3.8            |

|                                               |            |            |
|-----------------------------------------------|------------|------------|
| <b>Basic requirements (40.0%)</b> .....       | <b>100</b> | <b>4.1</b> |
| 1st pillar: Institutions.....                 | 118        | 3.3        |
| 2nd pillar: Infrastructure.....               | 100        | 3.2        |
| 3rd pillar: Macroeconomic environment.....    | 57         | 4.9        |
| 4th pillar: Health and primary education..... | 104        | 5.0        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>92</b> | <b>3.8</b> |
| 5th pillar: Higher education and training..... | 96        | 3.8        |
| 6th pillar: Goods market efficiency.....       | 97        | 4.1        |
| 7th pillar: Labor market efficiency.....       | 108       | 3.8        |
| 8th pillar: Financial market development.....  | 93        | 3.5        |
| 9th pillar: Technological readiness.....       | 84        | 3.5        |
| 10th pillar: Market size.....                  | 70        | 3.8        |

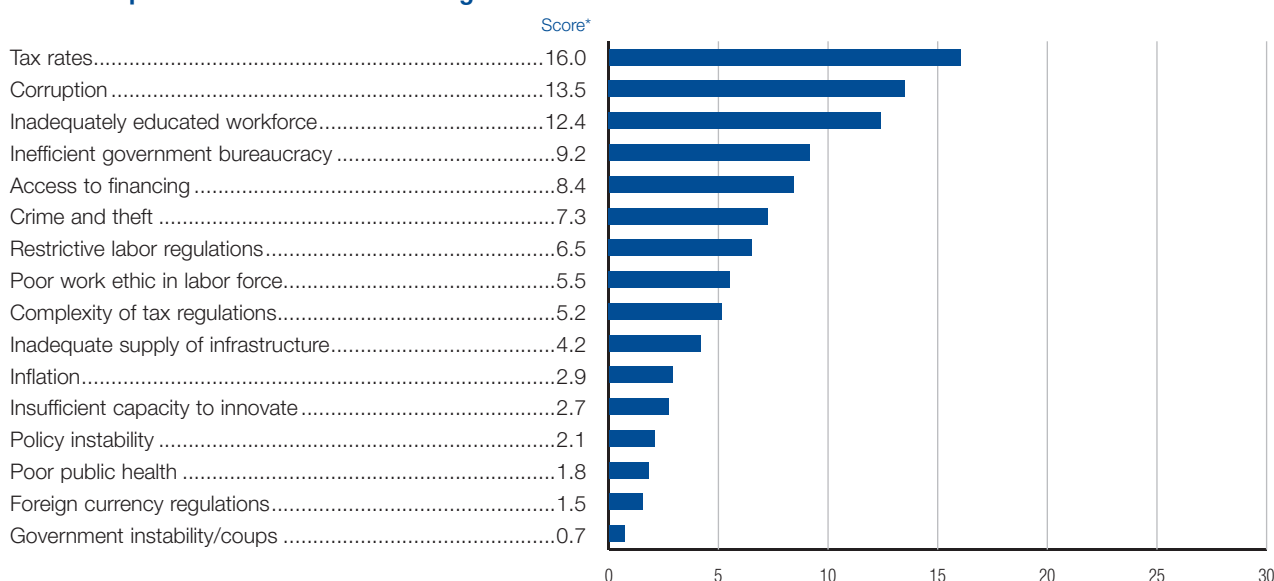
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>97</b> | <b>3.4</b> |
| 11th pillar: Business sophistication.....                  | 76        | 3.8        |
| 12th pillar: Innovation.....                               | 112       | 2.9        |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Dominican Republic

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.0    | 87       |
| 1.02 Intellectual property protection .....                   | 3.6    | 86       |
| 1.03 Diversion of public funds .....                          | 2.1    | 134      |
| 1.04 Public trust in politicians .....                        | 1.9    | 125      |
| 1.05 Irregular payments and bribes .....                      | 3.3    | 105      |
| 1.06 Judicial independence .....                              | 2.6    | 124      |
| 1.07 Favoritism in decisions of government officials .....    | 2.2    | 126      |
| 1.08 Wastefulness of government spending .....                | 2.4    | 116      |
| 1.09 Burden of government regulation .....                    | 3.1    | 100      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.2    | 100      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.9    | 107      |
| 1.12 Transparency of government policymaking .....            | 4.2    | 62       |
| 1.13 Business costs of terrorism .....                        | 5.0    | 84       |
| 1.14 Business costs of crime and violence .....               | 3.3    | 122      |
| 1.15 Organized crime .....                                    | 4.0    | 112      |
| 1.16 Reliability of police services .....                     | 2.6    | 137      |
| 1.17 Ethical behavior of firms .....                          | 3.1    | 130      |
| 1.18 Strength of auditing and reporting standards .....       | 4.5    | 71       |
| 1.19 Efficacy of corporate boards .....                       | 4.8    | 61       |
| 1.20 Protection of minority shareholders' interests .....     | 3.9    | 84       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.4    | 77       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 3.5    | 100      |
| 2.02 Quality of roads .....                                   | 4.3    | 53       |
| 2.03 Quality of railroad infrastructure .....                 | N/Apl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 4.5    | 51       |
| 2.05 Quality of air transport infrastructure .....            | 4.7    | 54       |
| 2.06 Available airline seat km/week, millions* .....          | 408.7  | 50       |
| 2.07 Quality of electricity supply .....                      | 2.6    | 123      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 78.9   | 116      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 11.6   | 81       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.0   | 68       |
| 3.02 Gross national savings, % GDP* .....                     | 18.1   | 86       |
| 3.03 Inflation, annual % change* .....                        | 3.0    | 50       |
| 3.04 General government debt, % GDP* .....                    | 35.1   | 51       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 37.9   | 81       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 12.7   | 20       |
| 4.02 Business impact of malaria .....                         | 5.2    | 27       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 60.0   | 74       |
| 4.04 Business impact of tuberculosis .....                    | 5.0    | 91       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.7    | 98       |
| 4.06 Business impact of HIV/AIDS .....                        | 4.8    | 93       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 23.6   | 93       |
| 4.08 Life expectancy, years* .....                            | 73.5   | 82       |
| 4.09 Quality of primary education .....                       | 2.6    | 125      |
| 4.10 Primary education enrollment, net %* .....               | 86.5   | 114      |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 75.9   | 95       |
| 5.02 Tertiary education enrollment, gross %* .....            | 46.4   | 58       |
| 5.03 Quality of the education system .....                    | 2.6    | 126      |
| 5.04 Quality of math and science education .....              | 2.2    | 138      |
| 5.05 Quality of management schools .....                      | 3.7    | 103      |
| 5.06 Internet access in schools .....                         | 3.5    | 108      |
| 5.07 Availability of specialized training services .....      | 3.9    | 88       |
| 5.08 Extent of staff training .....                           | 3.6    | 103      |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.3    | 44       |
| 6.02 Extent of market dominance .....                         | 3.1    | 120      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.2    | 114      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.2    | 102      |
| 6.05 Total tax rate, % profits* .....                         | 43.4   | 94       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 7     | 76       |
| 6.07 No. days to start a business* .....                 | 19.5  | 98       |
| 6.08 Agricultural policy costs .....                     | 3.8   | 67       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.3   | 68       |
| 6.10 Trade tariffs, % duty* .....                        | 5.9   | 77       |
| 6.11 Prevalence of foreign ownership .....               | 5.1   | 35       |
| 6.12 Business impact of rules on FDI .....               | 4.6   | 57       |
| 6.13 Burden of customs procedures .....                  | 4.3   | 53       |
| 6.14 Imports as a percentage of GDP* .....               | 31.5  | 107      |
| 6.15 Degree of customer orientation .....                | 4.4   | 83       |
| 6.16 Buyer sophistication .....                          | 2.9   | 114      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.3   | 73       |
| 7.02 Flexibility of wage determination .....             | 5.3   | 46       |
| 7.03 Hiring and firing practices .....                   | 3.7   | 81       |
| 7.04 Redundancy costs, weeks of salary* .....            | 26.2  | 113      |
| 7.05 Effect of taxation on incentives to work .....      | 3.7   | 79       |
| 7.06 Pay and productivity .....                          | 3.4   | 112      |
| 7.07 Reliance on professional management .....           | 3.5   | 120      |
| 7.08 Country capacity to retain talent .....             | 3.4   | 78       |
| 7.09 Country capacity to attract talent .....            | 3.4   | 66       |
| 7.10 Women in labor force, ratio to men* .....           | 0.67  | 101      |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.8   | 50       |
| 8.02 Affordability of financial services .....           | 3.8   | 98       |
| 8.03 Financing through local equity market .....         | 3.1   | 94       |
| 8.04 Ease of access to loans .....                       | 2.8   | 75       |
| 8.05 Venture capital availability .....                  | 2.5   | 95       |
| 8.06 Soundness of banks .....                            | 5.4   | 49       |
| 8.07 Regulation of securities exchanges .....            | 4.2   | 72       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 1     | 129      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.9   | 63       |
| 9.02 Firm-level technology absorption .....              | 4.5   | 75       |
| 9.03 FDI and technology transfer .....                   | 4.7   | 45       |
| 9.04 Individuals using Internet, %* .....                | 49.6  | 68       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 5.7   | 81       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 24.9  | 81       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 30.1  | 87       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.7   | 68       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.3   | 78       |
| 10.03 GDP (PPP\$ billions)* .....                        | 138.0 | 68       |
| 10.04 Exports as a percentage of GDP* .....              | 26.1  | 107      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.7   | 46       |
| 11.02 Local supplier quality .....                       | 4.3   | 73       |
| 11.03 State of cluster development .....                 | 3.5   | 83       |
| 11.04 Nature of competitive advantage .....              | 2.6   | 125      |
| 11.05 Value chain breadth .....                          | 3.9   | 60       |
| 11.06 Control of international distribution .....        | 3.7   | 78       |
| 11.07 Production process sophistication .....            | 3.6   | 88       |
| 11.08 Extent of marketing .....                          | 4.5   | 49       |
| 11.09 Willingness to delegate authority .....            | 3.7   | 74       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.7   | 92       |
| 12.02 Quality of scientific research institutions .....  | 2.9   | 118      |
| 12.03 Company spending on R&D .....                      | 2.6   | 117      |
| 12.04 University-industry collaboration in R&D .....     | 3.3   | 94       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.2   | 78       |
| 12.06 Availability of scientists and engineers .....     | 3.3   | 110      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.4   | 83       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

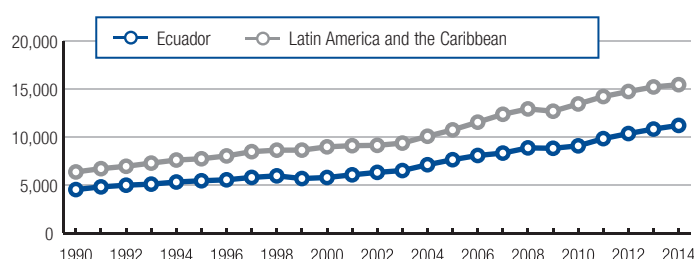


# Ecuador

## Key indicators, 2014

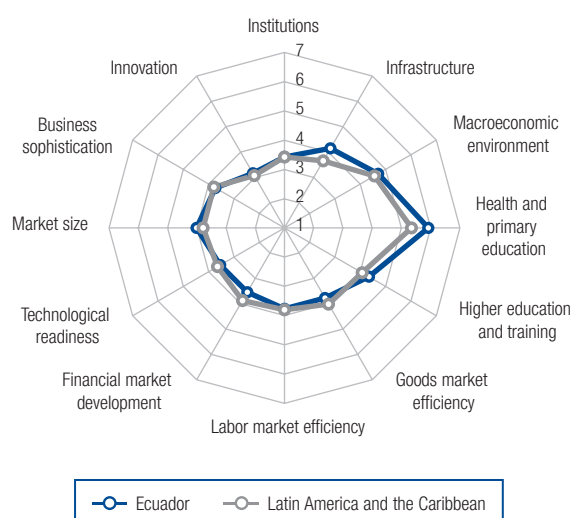
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 16.0  |
| GDP (US\$ billions).....                   | 100.8 |
| GDP per capita (US\$).....                 | 6,286 |
| GDP (PPP) as share (%) of world total..... | 0.17  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

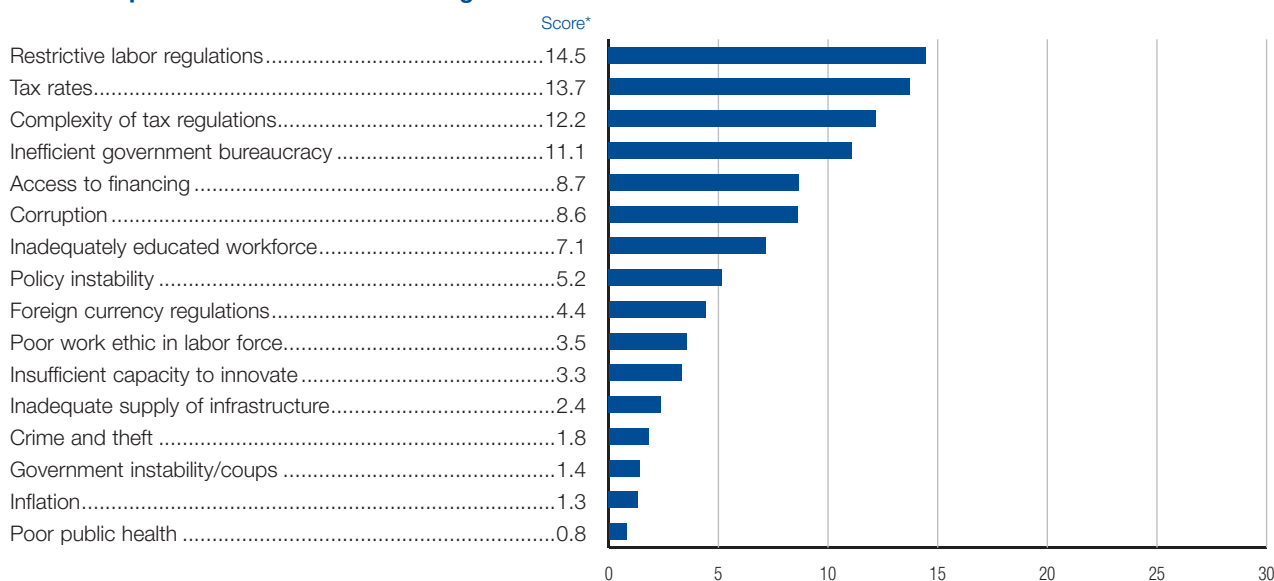
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>76</b>            | <b>4.1</b>     |
| GCI 2014–2015 (out of 144).....                            | n/a                  | n/a            |
| GCI 2013–2014 (out of 148).....                            | 71                   | 4.2            |
| GCI 2012–2013 (out of 144).....                            | 86                   | 3.9            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>71</b>            | <b>4.5</b>     |
| 1st pillar: Institutions.....                              | 105                  | 3.4            |
| 2nd pillar: Infrastructure.....                            | 67                   | 4.1            |
| 3rd pillar: Macroeconomic environment.....                 | 75                   | 4.7            |
| 4th pillar: Health and primary education.....              | 59                   | 5.9            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>86</b>            | <b>3.8</b>     |
| 5th pillar: Higher education and training.....             | 67                   | 4.3            |
| 6th pillar: Goods market efficiency.....                   | 126                  | 3.8            |
| 7th pillar: Labor market efficiency.....                   | 112                  | 3.8            |
| 8th pillar: Financial market development.....              | 92                   | 3.5            |
| 9th pillar: Technological readiness.....                   | 83                   | 3.5            |
| 10th pillar: Market size.....                              | 63                   | 4.0            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>87</b>            | <b>3.4</b>     |
| 11th pillar: Business sophistication.....                  | 87                   | 3.7            |
| 12th pillar: Innovation.....                               | 86                   | 3.2            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Ecuador

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 3.9    | 93       |
| 1.02 Intellectual property protection .....                   | 3.8    | 77       |
| 1.03 Diversion of public funds .....                          | 2.7    | 109      |
| 1.04 Public trust in politicians .....                        | 2.0    | 123      |
| 1.05 Irregular payments and bribes .....                      | 3.9    | 68       |
| 1.06 Judicial independence .....                              | 2.1    | 133      |
| 1.07 Favoritism in decisions of government officials .....    | 2.3    | 119      |
| 1.08 Wastefulness of government spending .....                | 3.6    | 42       |
| 1.09 Burden of government regulation .....                    | 2.2    | 134      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.1    | 109      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.0    | 139      |
| 1.12 Transparency of government policymaking .....            | 3.4    | 116      |
| 1.13 Business costs of terrorism .....                        | 5.6    | 53       |
| 1.14 Business costs of crime and violence .....               | 3.7    | 109      |
| 1.15 Organized crime .....                                    | 4.7    | 77       |
| 1.16 Reliability of police services .....                     | 3.6    | 100      |
| 1.17 Ethical behavior of firms .....                          | 3.4    | 113      |
| 1.18 Strength of auditing and reporting standards .....       | 5.2    | 38       |
| 1.19 Efficacy of corporate boards .....                       | 5.2    | 33       |
| 1.20 Protection of minority shareholders' interests .....     | 3.7    | 96       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.7    | 100      |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.6    | 45       |
| 2.02 Quality of roads .....                                   | 5.2    | 25       |
| 2.03 Quality of railroad infrastructure .....                 | N/Apl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 4.8    | 40       |
| 2.05 Quality of air transport infrastructure .....            | 5.0    | 42       |
| 2.06 Available airline seat km/week, millions* .....          | 164.0  | 70       |
| 2.07 Quality of electricity supply .....                      | 4.6    | 77       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 103.9  | 90       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 15.3   | 69       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –5.2   | 111      |
| 3.02 Gross national savings, % GDP* .....                     | 27.2   | 32       |
| 3.03 Inflation, annual % change* .....                        | 3.6    | 73       |
| 3.04 General government debt, % GDP* .....                    | 29.8   | 32       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 28.5   | 110      |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 4.1    | 19       |
| 4.02 Business impact of malaria .....                         | 5.2    | 29       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 56.0   | 73       |
| 4.04 Business impact of tuberculosis .....                    | 5.1    | 89       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.4    | 74       |
| 4.06 Business impact of HIV/AIDS .....                        | 4.8    | 95       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 19.1   | 87       |
| 4.08 Life expectancy, years* .....                            | 76.5   | 46       |
| 4.09 Quality of primary education .....                       | 3.8    | 78       |
| 4.10 Primary education enrollment, net %* .....               | 97.0   | 40       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 103.3  | 23       |
| 5.02 Tertiary education enrollment, gross %* .....            | 40.5   | 67       |
| 5.03 Quality of the education system .....                    | 3.6    | 71       |
| 5.04 Quality of math and science education .....              | 3.8    | 85       |
| 5.05 Quality of management schools .....                      | 4.3    | 65       |
| 5.06 Internet access in schools .....                         | 4.1    | 76       |
| 5.07 Availability of specialized training services .....      | 4.1    | 75       |
| 5.08 Extent of staff training .....                           | 3.7    | 94       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.0    | 76       |
| 6.02 Extent of market dominance .....                         | 3.0    | 121      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.3    | 108      |
| 6.04 Effect of taxation on incentives to invest .....         | 2.6    | 134      |
| 6.05 Total tax rate, % profits* .....                         | 33.0   | 53       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 13    | 134      |
| 6.07 No. days to start a business* .....                 | 55.5  | 130      |
| 6.08 Agricultural policy costs .....                     | 3.4   | 108      |
| 6.09 Prevalence of non-tariff barriers .....             | 3.0   | 140      |
| 6.10 Trade tariffs, % duty* .....                        | 9.7   | 102      |
| 6.11 Prevalence of foreign ownership .....               | 3.5   | 119      |
| 6.12 Business impact of rules on FDI .....               | 3.2   | 133      |
| 6.13 Burden of customs procedures .....                  | 3.9   | 74       |
| 6.14 Imports as a percentage of GDP* .....               | 30.9  | 111      |
| 6.15 Degree of customer orientation .....                | 4.4   | 81       |
| 6.16 Buyer sophistication .....                          | 3.1   | 98       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.5   | 56       |
| 7.02 Flexibility of wage determination .....             | 5.3   | 44       |
| 7.03 Hiring and firing practices .....                   | 2.5   | 134      |
| 7.04 Redundancy costs, weeks of salary* .....            | 31.8  | 128      |
| 7.05 Effect of taxation on incentives to work .....      | 3.8   | 63       |
| 7.06 Pay and productivity .....                          | 4.1   | 64       |
| 7.07 Reliance on professional management .....           | 3.9   | 88       |
| 7.08 Country capacity to retain talent .....             | 3.5   | 72       |
| 7.09 Country capacity to attract talent .....            | 3.4   | 69       |
| 7.10 Women in labor force, ratio to men* .....           | 0.68  | 99       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.2   | 84       |
| 8.02 Affordability of financial services .....           | 4.0   | 80       |
| 8.03 Financing through local equity market .....         | 3.4   | 77       |
| 8.04 Ease of access to loans .....                       | 3.4   | 33       |
| 8.05 Venture capital availability .....                  | 2.3   | 105      |
| 8.06 Soundness of banks .....                            | 5.1   | 58       |
| 8.07 Regulation of securities exchanges .....            | 4.2   | 66       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 1     | 129      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.5   | 80       |
| 9.02 Firm-level technology absorption .....              | 4.5   | 76       |
| 9.03 FDI and technology transfer .....                   | 3.7   | 120      |
| 9.04 Individuals using Internet, %* .....                | 43.0  | 82       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 7.8   | 76       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 48.3  | 53       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 30.9  | 86       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.8   | 63       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.5   | 69       |
| 10.03 GDP (PPP\$ billions)* .....                        | 180.2 | 62       |
| 10.04 Exports as a percentage of GDP* .....              | 27.7  | 106      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.2   | 95       |
| 11.02 Local supplier quality .....                       | 4.0   | 89       |
| 11.03 State of cluster development .....                 | 3.4   | 98       |
| 11.04 Nature of competitive advantage .....              | 3.2   | 88       |
| 11.05 Value chain breadth .....                          | 3.6   | 92       |
| 11.06 Control of international distribution .....        | 3.1   | 125      |
| 11.07 Production process sophistication .....            | 3.5   | 91       |
| 11.08 Extent of marketing .....                          | 4.5   | 48       |
| 11.09 Willingness to delegate authority .....            | 3.8   | 60       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.9   | 69       |
| 12.02 Quality of scientific research institutions .....  | 3.4   | 91       |
| 12.03 Company spending on R&D .....                      | 2.9   | 104      |
| 12.04 University-industry collaboration in R&D .....     | 3.9   | 47       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.3   | 74       |
| 12.06 Availability of scientists and engineers .....     | 3.3   | 111      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.5   | 81       |

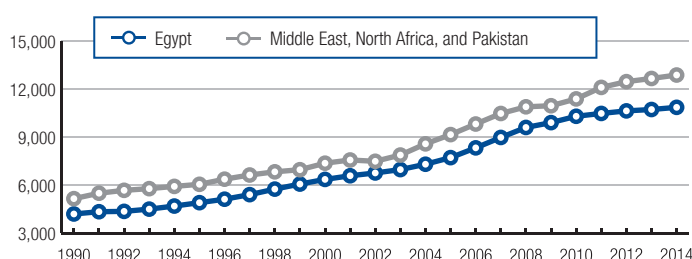
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Egypt

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 86.7  |
| GDP (US\$ billions).....                   | 286.4 |
| GDP per capita (US\$).....                 | 3,304 |
| GDP (PPP) as share (%) of world total..... | 0.87  |

GDP (PPP) per capita (int'l \$), 1990–2014



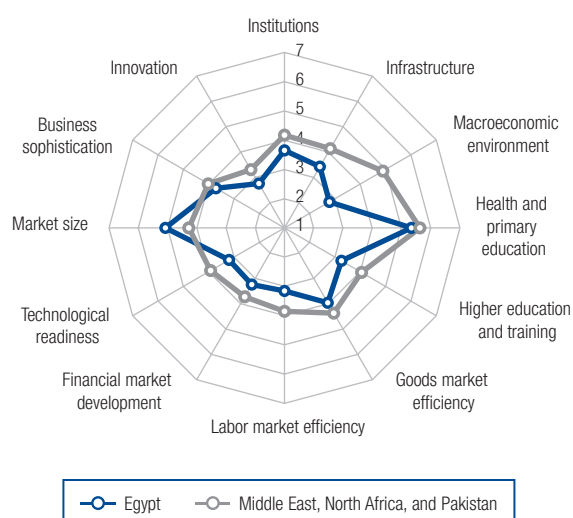
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>116</b>           | <b>3.7</b>     |
| GCI 2014–2015 (out of 144)..... | 119                  | 3.6            |
| GCI 2013–2014 (out of 148)..... | 118                  | 3.6            |
| GCI 2012–2013 (out of 144)..... | 107                  | 3.7            |

|                                               |            |            |
|-----------------------------------------------|------------|------------|
| <b>Basic requirements (40.0%)</b> .....       | <b>115</b> | <b>3.8</b> |
| 1st pillar: Institutions.....                 | 87         | 3.6        |
| 2nd pillar: Infrastructure.....               | 91         | 3.4        |
| 3rd pillar: Macroeconomic environment.....    | 137        | 2.8        |
| 4th pillar: Health and primary education..... | 96         | 5.3        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>100</b> | <b>3.6</b> |
| 5th pillar: Higher education and training..... | 111        | 3.2        |
| 6th pillar: Goods market efficiency.....       | 115        | 4.0        |
| 7th pillar: Labor market efficiency.....       | 137        | 3.2        |
| 8th pillar: Financial market development.....  | 119        | 3.2        |
| 9th pillar: Technological readiness.....       | 98         | 3.2        |
| 10th pillar: Market size.....                  | 24         | 5.1        |

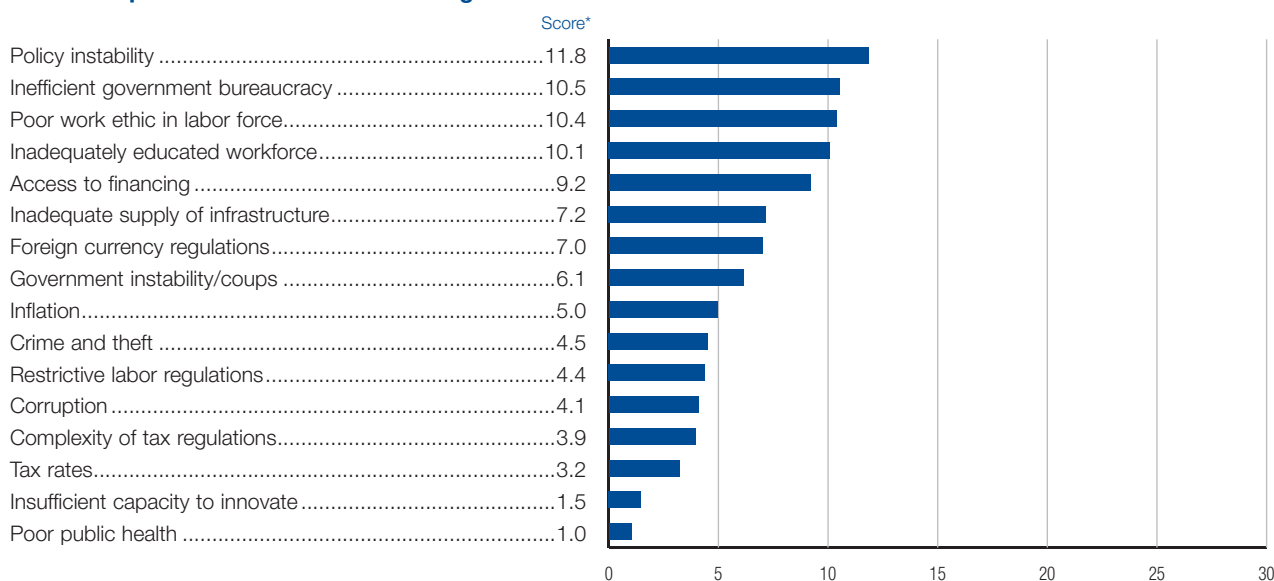
|                                                            |            |            |
|------------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>113</b> | <b>3.2</b> |
| 11th pillar: Business sophistication.....                  | 89         | 3.7        |
| 12th pillar: Innovation.....                               | 120        | 2.7        |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140 |
|---------------------------------------------------------------|-------|----------|
| <b>1st pillar: Institutions</b>                               |       |          |
| 1.01 Property rights .....                                    | 3.9   | 92       |
| 1.02 Intellectual property protection .....                   | 3.2   | 108      |
| 1.03 Diversion of public funds .....                          | 3.5   | 61       |
| 1.04 Public trust in politicians .....                        | 2.8   | 83       |
| 1.05 Irregular payments and bribes .....                      | 4.1   | 60       |
| 1.06 Judicial independence .....                              | 4.5   | 45       |
| 1.07 Favoritism in decisions of government officials .....    | 4.1   | 25       |
| 1.08 Wastefulness of government spending .....                | 2.2   | 127      |
| 1.09 Burden of government regulation .....                    | 3.5   | 60       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.4   | 82       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.4   | 70       |
| 1.12 Transparency of government policymaking .....            | 3.7   | 99       |
| 1.13 Business costs of terrorism .....                        | 2.7   | 138      |
| 1.14 Business costs of crime and violence .....               | 2.9   | 127      |
| 1.15 Organized crime .....                                    | 3.7   | 122      |
| 1.16 Reliability of police services .....                     | 3.3   | 110      |
| 1.17 Ethical behavior of firms .....                          | 3.8   | 81       |
| 1.18 Strength of auditing and reporting standards .....       | 4.3   | 88       |
| 1.19 Efficacy of corporate boards .....                       | 3.9   | 133      |
| 1.20 Protection of minority shareholders' interests .....     | 3.9   | 82       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.4   | 113      |
| <b>2nd pillar: Infrastructure</b>                             |       |          |
| 2.01 Quality of overall infrastructure .....                  | 3.1   | 114      |
| 2.02 Quality of roads .....                                   | 3.0   | 110      |
| 2.03 Quality of railroad infrastructure .....                 | 2.6   | 70       |
| 2.04 Quality of port infrastructure .....                     | 4.3   | 55       |
| 2.05 Quality of air transport infrastructure .....            | 4.8   | 53       |
| 2.06 Available airline seat km/week, millions* .....          | 686.1 | 35       |
| 2.07 Quality of electricity supply .....                      | 3.5   | 101      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 114.3 | 69       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 7.6   | 97       |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |          |
| 3.01 Government budget balance, % GDP* .....                  | -13.6 | 139      |
| 3.02 Gross national savings, % GDP* .....                     | 13.2  | 110      |
| 3.03 Inflation, annual % change* .....                        | 10.1  | 133      |
| 3.04 General government debt, % GDP* .....                    | 90.5  | 124      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 29.5  | 105      |
| <b>4th pillar: Health and primary education</b>               |       |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.0   | 1        |
| 4.02 Business impact of malaria .....                         | 6.8   | 1        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 16.0  | 35       |
| 4.04 Business impact of tuberculosis .....                    | 6.7   | 16       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1   | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.9   | 1        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 18.6  | 82       |
| 4.08 Life expectancy, years* .....                            | 71.1  | 88       |
| 4.09 Quality of primary education .....                       | 2.1   | 139      |
| 4.10 Primary education enrollment, net %* .....               | 95.1  | 59       |
| <b>5th pillar: Higher education and training</b>              |       |          |
| 5.01 Secondary education enrollment, gross %* .....           | 86.3  | 80       |
| 5.02 Tertiary education enrollment, gross %* .....            | 30.1  | 77       |
| 5.03 Quality of the education system .....                    | 2.1   | 139      |
| 5.04 Quality of math and science education .....              | 2.6   | 131      |
| 5.05 Quality of management schools .....                      | 2.5   | 139      |
| 5.06 Internet access in schools .....                         | 2.6   | 132      |
| 5.07 Availability of specialized training services .....      | 2.7   | 139      |
| 5.08 Extent of staff training .....                           | 2.7   | 139      |
| <b>6th pillar: Goods market efficiency</b>                    |       |          |
| 6.01 Intensity of local competition .....                     | 4.2   | 128      |
| 6.02 Extent of market dominance .....                         | 3.3   | 99       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.6   | 92       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.4   | 90       |
| 6.05 Total tax rate, % profits* .....                         | 45.0  | 98       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 7     | 76       |
| 6.07 No. days to start a business* .....                 | 8.0   | 42       |
| 6.08 Agricultural policy costs .....                     | 2.9   | 129      |
| 6.09 Prevalence of non-tariff barriers .....             | 4.0   | 105      |
| 6.10 Trade tariffs, % duty* .....                        | 14.0  | 132      |
| 6.11 Prevalence of foreign ownership .....               | 3.4   | 125      |
| 6.12 Business impact of rules on FDI .....               | 3.8   | 113      |
| 6.13 Burden of customs procedures .....                  | 3.8   | 80       |
| 6.14 Imports as a percentage of GDP* .....               | 29.4  | 119      |
| 6.15 Degree of customer orientation .....                | 4.9   | 46       |
| 6.16 Buyer sophistication .....                          | 2.8   | 121      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.1   | 92       |
| 7.02 Flexibility of wage determination .....             | 5.0   | 70       |
| 7.03 Hiring and firing practices .....                   | 3.9   | 65       |
| 7.04 Redundancy costs, weeks of salary* .....            | 36.9  | 130      |
| 7.05 Effect of taxation on incentives to work .....      | 3.4   | 105      |
| 7.06 Pay and productivity .....                          | 3.2   | 126      |
| 7.07 Reliance on professional management .....           | 3.1   | 133      |
| 7.08 Country capacity to retain talent .....             | 2.9   | 101      |
| 7.09 Country capacity to attract talent .....            | 2.7   | 108      |
| 7.10 Women in labor force, ratio to men* .....           | 0.33  | 135      |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.4   | 129      |
| 8.02 Affordability of financial services .....           | 3.3   | 126      |
| 8.03 Financing through local equity market .....         | 3.8   | 65       |
| 8.04 Ease of access to loans .....                       | 1.9   | 128      |
| 8.05 Venture capital availability .....                  | 2.5   | 91       |
| 8.06 Soundness of banks .....                            | 4.8   | 70       |
| 8.07 Regulation of securities exchanges .....            | 3.7   | 102      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 2     | 106      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 3.9   | 120      |
| 9.02 Firm-level technology absorption .....              | 3.8   | 126      |
| 9.03 FDI and technology transfer .....                   | 4.4   | 75       |
| 9.04 Individuals using Internet, %* .....                | 31.7  | 95       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 3.7   | 91       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 9.3   | 101      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 43.5  | 68       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 5.0   | 20       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 5.1   | 46       |
| 10.03 GDP (PPP\$ billions)* .....                        | 943.1 | 25       |
| 10.04 Exports as a percentage of GDP* .....              | 16.5  | 131      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.5   | 68       |
| 11.02 Local supplier quality .....                       | 3.8   | 109      |
| 11.03 State of cluster development .....                 | 4.3   | 32       |
| 11.04 Nature of competitive advantage .....              | 3.2   | 90       |
| 11.05 Value chain breadth .....                          | 3.7   | 73       |
| 11.06 Control of international distribution .....        | 3.0   | 133      |
| 11.07 Production process sophistication .....            | 3.2   | 108      |
| 11.08 Extent of marketing .....                          | 3.8   | 113      |
| 11.09 Willingness to delegate authority .....            | 4.2   | 34       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.1   | 133      |
| 12.02 Quality of scientific research institutions .....  | 2.6   | 128      |
| 12.03 Company spending on R&D .....                      | 2.4   | 133      |
| 12.04 University-industry collaboration in R&D .....     | 2.4   | 132      |
| 12.05 Gov't procurement of advanced tech products .....  | 3.2   | 80       |
| 12.06 Availability of scientists and engineers .....     | 4.3   | 45       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.6   | 77       |

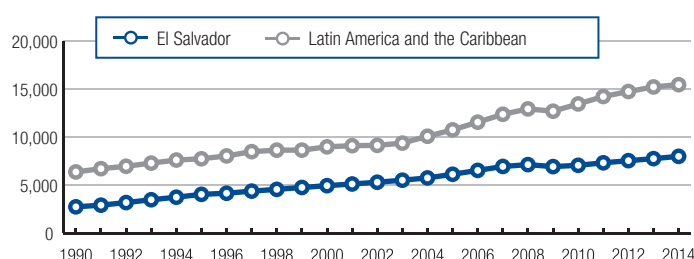
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# El Salvador

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 6.4   |
| GDP (US\$ billions).....                   | 25.3  |
| GDP per capita (US\$).....                 | 3,988 |
| GDP (PPP) as share (%) of world total..... | 0.05  |

GDP (PPP) per capita (int'l \$), 1990–2014



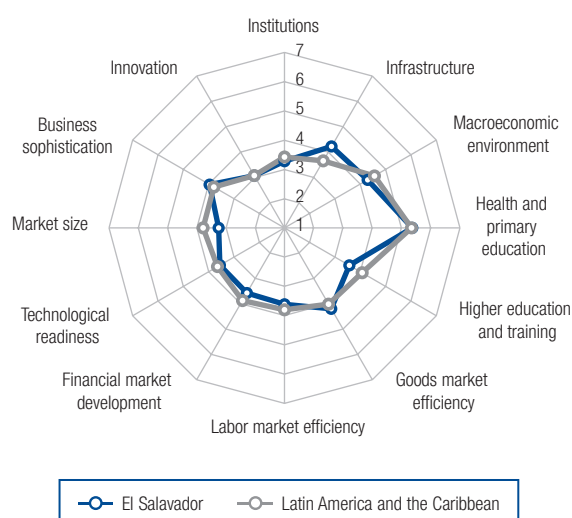
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>95</b>            | <b>3.9</b>     |
| GCI 2014–2015 (out of 144)..... | 84                   | 4.0            |
| GCI 2013–2014 (out of 148)..... | 97                   | 3.8            |
| GCI 2012–2013 (out of 144)..... | 101                  | 3.8            |

|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (40.0%)</b> .....       | <b>88</b> | <b>4.3</b> |
| 1st pillar: Institutions.....                 | 117       | 3.3        |
| 2nd pillar: Infrastructure.....               | 60        | 4.2        |
| 3rd pillar: Macroeconomic environment.....    | 100       | 4.3        |
| 4th pillar: Health and primary education..... | 94        | 5.4        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>102</b> | <b>3.6</b> |
| 5th pillar: Higher education and training..... | 105        | 3.6        |
| 6th pillar: Goods market efficiency.....       | 86         | 4.2        |
| 7th pillar: Labor market efficiency.....       | 124        | 3.6        |
| 8th pillar: Financial market development.....  | 89         | 3.6        |
| 9th pillar: Technological readiness.....       | 81         | 3.5        |
| 10th pillar: Market size.....                  | 93         | 3.2        |

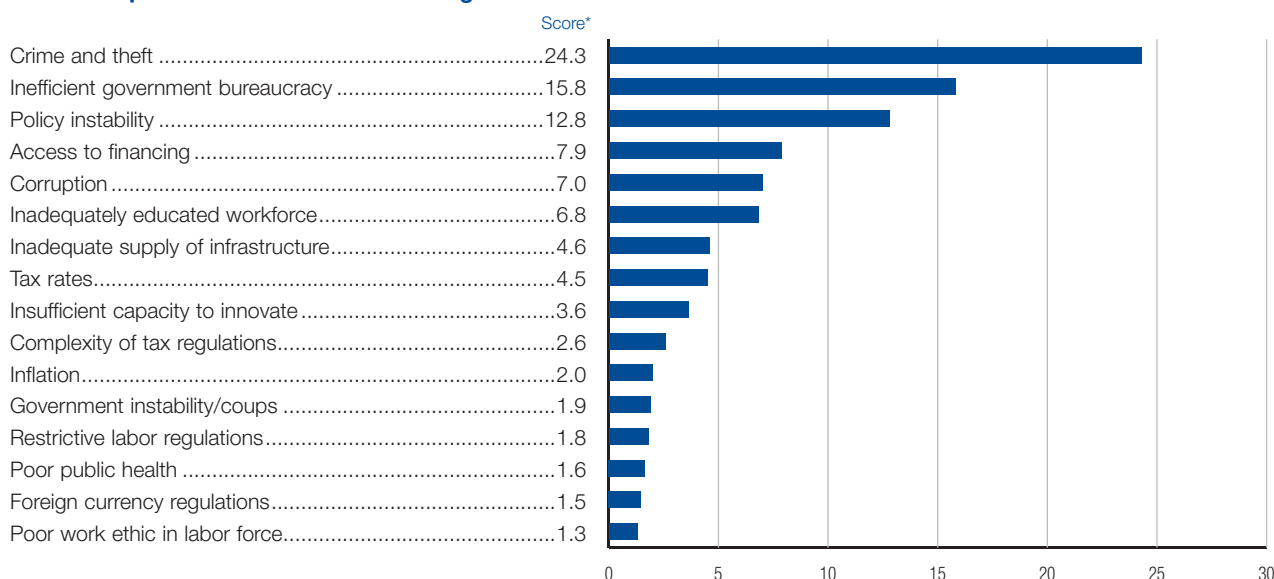
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>80</b> | <b>3.5</b> |
| 11th pillar: Business sophistication.....                  | 64        | 4.0        |
| 12th pillar: Innovation.....                               | 99        | 3.1        |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# El Salvador

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 3.7     | 110      |
| 1.02 Intellectual property protection .....                   | 3.4     | 98       |
| 1.03 Diversion of public funds .....                          | 2.7     | 106      |
| 1.04 Public trust in politicians .....                        | 2.3     | 109      |
| 1.05 Irregular payments and bribes .....                      | 3.6     | 89       |
| 1.06 Judicial independence .....                              | 3.4     | 90       |
| 1.07 Favoritism in decisions of government officials .....    | 2.7     | 103      |
| 1.08 Wastefulness of government spending .....                | 3.2     | 67       |
| 1.09 Burden of government regulation .....                    | 2.9     | 113      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.0     | 111      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.0     | 103      |
| 1.12 Transparency of government policymaking .....            | 3.5     | 114      |
| 1.13 Business costs of terrorism .....                        | 3.6     | 127      |
| 1.14 Business costs of crime and violence .....               | 2.3     | 137      |
| 1.15 Organized crime .....                                    | 2.4     | 140      |
| 1.16 Reliability of police services .....                     | 3.7     | 95       |
| 1.17 Ethical behavior of firms .....                          | 3.4     | 114      |
| 1.18 Strength of auditing and reporting standards .....       | 4.4     | 83       |
| 1.19 Efficacy of corporate boards .....                       | 4.8     | 72       |
| 1.20 Protection of minority shareholders' interests .....     | 3.6     | 107      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.2     | 121      |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 4.0     | 69       |
| 2.02 Quality of roads .....                                   | 4.2     | 57       |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 4.0     | 69       |
| 2.05 Quality of air transport infrastructure .....            | 4.8     | 48       |
| 2.06 Available airline seat km/week, millions* .....          | 101.3   | 80       |
| 2.07 Quality of electricity supply .....                      | 4.9     | 62       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 144.0   | 33       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 14.9    | 71       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.5    | 80       |
| 3.02 Gross national savings, % GDP* .....                     | 9.5     | 130      |
| 3.03 Inflation, annual % change* .....                        | 1.1     | 1        |
| 3.04 General government debt, % GDP* .....                    | 56.5    | 91       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 39.9    | 76       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.3     | 12       |
| 4.02 Business impact of malaria .....                         | 6.0     | 11       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 39.0    | 61       |
| 4.04 Business impact of tuberculosis .....                    | 4.3     | 113      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.5     | 86       |
| 4.06 Business impact of HIV/AIDS .....                        | 4.3     | 116      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 13.5    | 73       |
| 4.08 Life expectancy, years* .....                            | 72.3    | 83       |
| 4.09 Quality of primary education .....                       | 2.8     | 119      |
| 4.10 Primary education enrollment, net %* .....               | 91.0    | 96       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 70.2    | 101      |
| 5.02 Tertiary education enrollment, gross %* .....            | 25.5    | 85       |
| 5.03 Quality of the education system .....                    | 2.9     | 116      |
| 5.04 Quality of math and science education .....              | 3.0     | 119      |
| 5.05 Quality of management schools .....                      | 3.9     | 90       |
| 5.06 Internet access in schools .....                         | 3.6     | 99       |
| 5.07 Availability of specialized training services .....      | 4.0     | 79       |
| 5.08 Extent of staff training .....                           | 3.7     | 97       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.1     | 62       |
| 6.02 Extent of market dominance .....                         | 3.5     | 83       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.6     | 85       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.2     | 103      |
| 6.05 Total tax rate, % profits* .....                         | 38.7    | 72       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 8     | 93       |
| 6.07 No. days to start a business* .....                 | 16.5  | 88       |
| 6.08 Agricultural policy costs .....                     | 2.9   | 126      |
| 6.09 Prevalence of non-tariff barriers .....             | 3.8   | 121      |
| 6.10 Trade tariffs, % duty* .....                        | 4.2   | 62       |
| 6.11 Prevalence of foreign ownership .....               | 4.3   | 83       |
| 6.12 Business impact of rules on FDI .....               | 4.1   | 102      |
| 6.13 Burden of customs procedures .....                  | 3.5   | 103      |
| 6.14 Imports as a percentage of GDP* .....               | 47.2  | 69       |
| 6.15 Degree of customer orientation .....                | 4.9   | 49       |
| 6.16 Buyer sophistication .....                          | 3.1   | 91       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.1   | 89       |
| 7.02 Flexibility of wage determination .....             | 4.7   | 90       |
| 7.03 Hiring and firing practices .....                   | 3.8   | 71       |
| 7.04 Redundancy costs, weeks of salary* .....            | 22.9  | 104      |
| 7.05 Effect of taxation on incentives to work .....      | 3.6   | 90       |
| 7.06 Pay and productivity .....                          | 3.3   | 123      |
| 7.07 Reliance on professional management .....           | 3.6   | 106      |
| 7.08 Country capacity to retain talent .....             | 3.0   | 97       |
| 7.09 Country capacity to attract talent .....            | 2.8   | 101      |
| 7.10 Women in labor force, ratio to men* .....           | 0.62  | 111      |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.1   | 89       |
| 8.02 Affordability of financial services .....           | 4.0   | 85       |
| 8.03 Financing through local equity market .....         | 3.1   | 89       |
| 8.04 Ease of access to loans .....                       | 3.0   | 53       |
| 8.05 Venture capital availability .....                  | 2.6   | 89       |
| 8.06 Soundness of banks .....                            | 4.9   | 66       |
| 8.07 Regulation of securities exchanges .....            | 4.0   | 83       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 3     | 93       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.3   | 93       |
| 9.02 Firm-level technology absorption .....              | 4.4   | 81       |
| 9.03 FDI and technology transfer .....                   | 4.0   | 105      |
| 9.04 Individuals using Internet, %* .....                | 29.7  | 96       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 4.5   | 86       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 50.3  | 48       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 34.4  | 77       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.1   | 90       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.8   | 102      |
| 10.03 GDP (PPP\$ billions)* .....                        | 50.9  | 93       |
| 10.04 Exports as a percentage of GDP* .....              | 29.4  | 101      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.4   | 78       |
| 11.02 Local supplier quality .....                       | 4.3   | 70       |
| 11.03 State of cluster development .....                 | 3.7   | 71       |
| 11.04 Nature of competitive advantage .....              | 3.4   | 76       |
| 11.05 Value chain breadth .....                          | 3.9   | 57       |
| 11.06 Control of international distribution .....        | 3.8   | 72       |
| 11.07 Production process sophistication .....            | 3.8   | 67       |
| 11.08 Extent of marketing .....                          | 4.4   | 63       |
| 11.09 Willingness to delegate authority .....            | 4.1   | 40       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.0   | 59       |
| 12.02 Quality of scientific research institutions .....  | 3.1   | 107      |
| 12.03 Company spending on R&D .....                      | 3.1   | 80       |
| 12.04 University-industry collaboration in R&D .....     | 3.8   | 53       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.0   | 97       |
| 12.06 Availability of scientists and engineers .....     | 3.1   | 123      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.1   | 101      |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

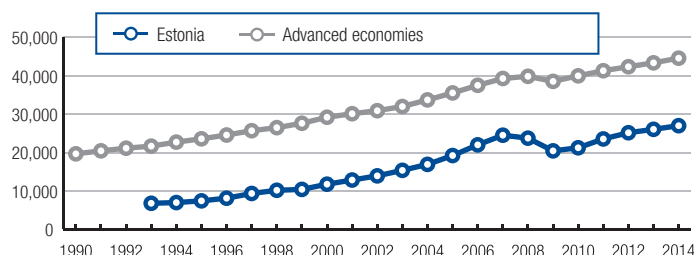


# Estonia

## Key indicators, 2014

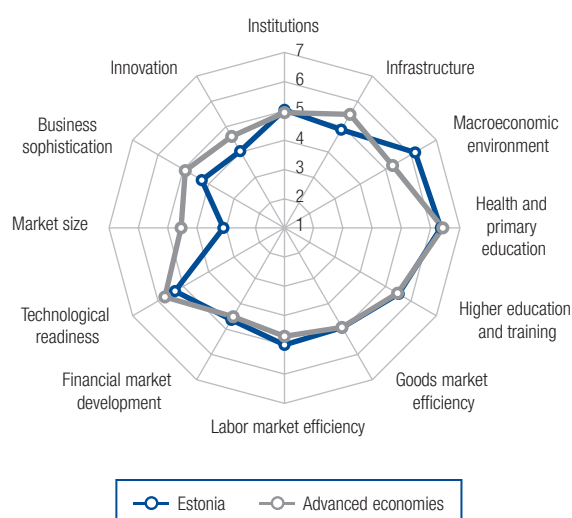
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 1.3    |
| GDP (US\$ billions).....                   | 26.0   |
| GDP per capita (US\$).....                 | 19,671 |
| GDP (PPP) as share (%) of world total..... | 0.03   |

GDP (PPP) per capita (int'l \$), 1990–2014

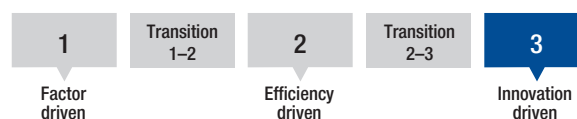


## Global Competitiveness Index

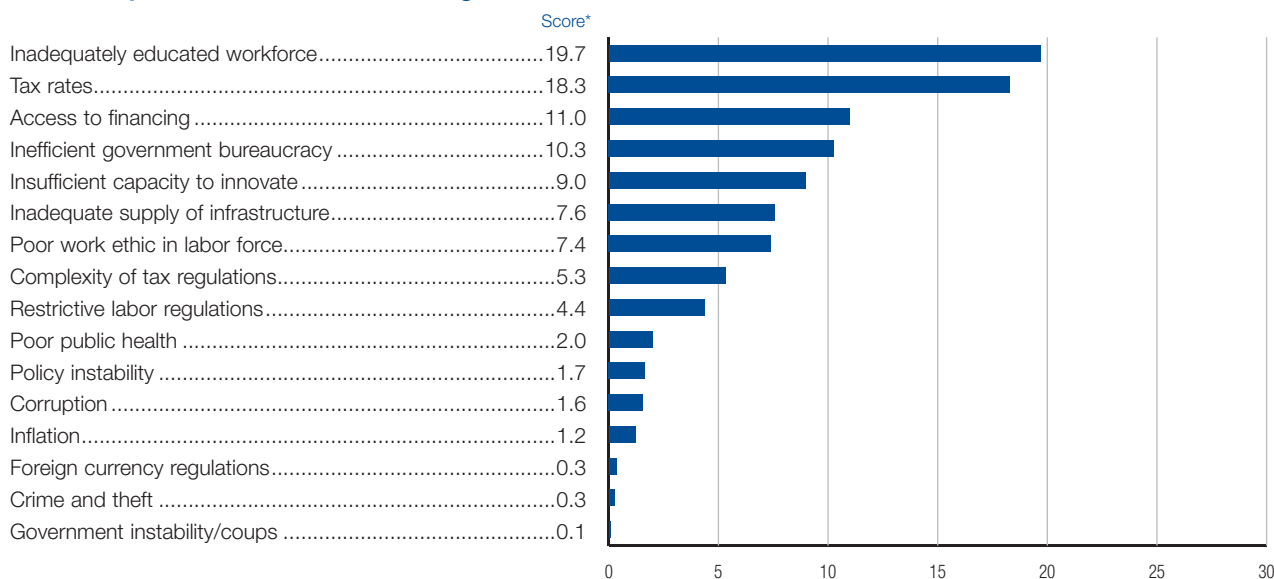
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>30</b>            | <b>4.7</b>     |
| GCI 2014–2015 (out of 144).....                            | 29                   | 4.7            |
| GCI 2013–2014 (out of 148).....                            | 32                   | 4.7            |
| GCI 2012–2013 (out of 144).....                            | 34                   | 4.6            |
| <b>Basic requirements (20.0%)</b> .....                    | <b>21</b>            | <b>5.6</b>     |
| 1st pillar: Institutions.....                              | 25                   | 5.0            |
| 2nd pillar: Infrastructure.....                            | 33                   | 4.9            |
| 3rd pillar: Macroeconomic environment.....                 | 15                   | 6.2            |
| 4th pillar: Health and primary education.....              | 22                   | 6.3            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>28</b>            | <b>4.7</b>     |
| 5th pillar: Higher education and training.....             | 20                   | 5.5            |
| 6th pillar: Goods market efficiency.....                   | 22                   | 4.9            |
| 7th pillar: Labor market efficiency.....                   | 15                   | 5.0            |
| 8th pillar: Financial market development.....              | 23                   | 4.6            |
| 9th pillar: Technological readiness.....                   | 32                   | 5.3            |
| 10th pillar: Market size.....                              | 98                   | 3.1            |
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>31</b>            | <b>4.1</b>     |
| 11th pillar: Business sophistication.....                  | 43                   | 4.3            |
| 12th pillar: Innovation.....                               | 29                   | 4.0            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Estonia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 5.4    | 27       |
| 1.02 Intellectual property protection .....                   | 5.2    | 26       |
| 1.03 Diversion of public funds .....                          | 4.8    | 26       |
| 1.04 Public trust in politicians .....                        | 3.8    | 34       |
| 1.05 Irregular payments and bribes .....                      | 5.9    | 17       |
| 1.06 Judicial independence .....                              | 5.7    | 21       |
| 1.07 Favoritism in decisions of government officials .....    | 4.2    | 23       |
| 1.08 Wastefulness of government spending .....                | 4.3    | 19       |
| 1.09 Burden of government regulation .....                    | 4.0    | 23       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.3    | 39       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.5    | 25       |
| 1.12 Transparency of government policymaking .....            | 5.0    | 23       |
| 1.13 Business costs of terrorism .....                        | 6.2    | 20       |
| 1.14 Business costs of crime and violence .....               | 5.5    | 26       |
| 1.15 Organized crime .....                                    | 6.4    | 9        |
| 1.16 Reliability of police services .....                     | 5.3    | 32       |
| 1.17 Ethical behavior of firms .....                          | 4.9    | 28       |
| 1.18 Strength of auditing and reporting standards .....       | 5.6    | 25       |
| 1.19 Efficacy of corporate boards .....                       | 5.4    | 24       |
| 1.20 Protection of minority shareholders' interests .....     | 4.3    | 47       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8    | 55       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 5.0    | 28       |
| 2.02 Quality of roads .....                                   | 4.5    | 48       |
| 2.03 Quality of railroad infrastructure .....                 | 3.9    | 38       |
| 2.04 Quality of port infrastructure .....                     | 5.5    | 17       |
| 2.05 Quality of air transport infrastructure .....            | 3.7    | 96       |
| 2.06 Available airline seat km/week, millions* .....          | 27.0   | 113      |
| 2.07 Quality of electricity supply .....                      | 5.6    | 42       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 160.7  | 12       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 31.7   | 33       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | 0.4    | 18       |
| 3.02 Gross national savings, % GDP* .....                     | 25.8   | 37       |
| 3.03 Inflation, annual % change* .....                        | 0.5    | 1        |
| 3.04 General government debt, % GDP* .....                    | 9.7    | 6        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 76.7   | 28       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 22.0   | 50       |
| 4.04 Business impact of tuberculosis .....                    | 6.4    | 33       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.3    | 115      |
| 4.06 Business impact of HIV/AIDS .....                        | 6.0    | 43       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 2.7    | 10       |
| 4.08 Life expectancy, years* .....                            | 76.4   | 47       |
| 4.09 Quality of primary education .....                       | 5.5    | 11       |
| 4.10 Primary education enrollment, net %* .....               | 94.8   | 65       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 107.1  | 20       |
| 5.02 Tertiary education enrollment, gross %* .....            | 76.7   | 17       |
| 5.03 Quality of the education system .....                    | 4.4    | 34       |
| 5.04 Quality of math and science education .....              | 5.2    | 14       |
| 5.05 Quality of management schools .....                      | 4.7    | 37       |
| 5.06 Internet access in schools .....                         | 6.1    | 8        |
| 5.07 Availability of specialized training services .....      | 5.0    | 28       |
| 5.08 Extent of staff training .....                           | 4.5    | 32       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.6    | 20       |
| 6.02 Extent of market dominance .....                         | 4.1    | 33       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.6    | 25       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.7    | 15       |
| 6.05 Total tax rate, % profits* .....                         | 49.3   | 110      |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 4     | 22       |
| 6.07 No. days to start a business* .....                    | 4.5   | 14       |
| 6.08 Agricultural policy costs .....                        | 4.4   | 23       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.6   | 30       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 5.8   | 8        |
| 6.12 Business impact of rules on FDI .....                  | 5.4   | 13       |
| 6.13 Burden of customs procedures .....                     | 5.3   | 14       |
| 6.14 Imports as a percentage of GDP* .....                  | 88.8  | 12       |
| 6.15 Degree of customer orientation .....                   | 5.2   | 29       |
| 6.16 Buyer sophistication .....                             | 3.2   | 84       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.0   | 28       |
| 7.02 Flexibility of wage determination .....                | 6.2   | 1        |
| 7.03 Hiring and firing practices .....                      | 4.7   | 13       |
| 7.04 Redundancy costs, weeks of salary* .....               | 12.9  | 50       |
| 7.05 Effect of taxation on incentives to work .....         | 4.0   | 47       |
| 7.06 Pay and productivity .....                             | 4.9   | 10       |
| 7.07 Reliance on professional management .....              | 5.4   | 25       |
| 7.08 Country capacity to retain talent .....                | 3.1   | 93       |
| 7.09 Country capacity to attract talent .....               | 3.2   | 86       |
| 7.10 Women in labor force, ratio to men* .....              | 0.91  | 27       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 5.2   | 35       |
| 8.02 Affordability of financial services .....              | 4.9   | 37       |
| 8.03 Financing through local equity market .....            | 3.8   | 50       |
| 8.04 Ease of access to loans .....                          | 3.3   | 41       |
| 8.05 Venture capital availability .....                     | 3.5   | 26       |
| 8.06 Soundness of banks .....                               | 5.8   | 26       |
| 8.07 Regulation of securities exchanges .....               | 5.1   | 29       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 7     | 24       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 5.8   | 26       |
| 9.02 Firm-level technology absorption .....                 | 5.4   | 31       |
| 9.03 FDI and technology transfer .....                      | 4.8   | 35       |
| 9.04 Individuals using Internet, %* .....                   | 84.2  | 21       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 27.4  | 26       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 28.7  | 75       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 117.0 | 6        |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 2.7   | 104      |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.2   | 81       |
| 10.03 GDP (PPP\$ billions)* .....                           | 35.6  | 100      |
| 10.04 Exports as a percentage of GDP* .....                 | 88.0  | 13       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.6   | 52       |
| 11.02 Local supplier quality .....                          | 5.1   | 27       |
| 11.03 State of cluster development .....                    | 3.8   | 63       |
| 11.04 Nature of competitive advantage .....                 | 3.7   | 56       |
| 11.05 Value chain breadth .....                             | 3.6   | 86       |
| 11.06 Control of international distribution .....           | 4.0   | 49       |
| 11.07 Production process sophistication .....               | 4.1   | 47       |
| 11.08 Extent of marketing .....                             | 4.4   | 67       |
| 11.09 Willingness to delegate authority .....               | 4.5   | 24       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 4.7   | 27       |
| 12.02 Quality of scientific research institutions .....     | 5.2   | 22       |
| 12.03 Company spending on R&D .....                         | 3.8   | 34       |
| 12.04 University-industry collaboration in R&D .....        | 4.4   | 34       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.9   | 20       |
| 12.06 Availability of scientists and engineers .....        | 3.9   | 73       |
| 12.07 PCT patents, applications/million pop.* .....         | 22.4  | 27       |

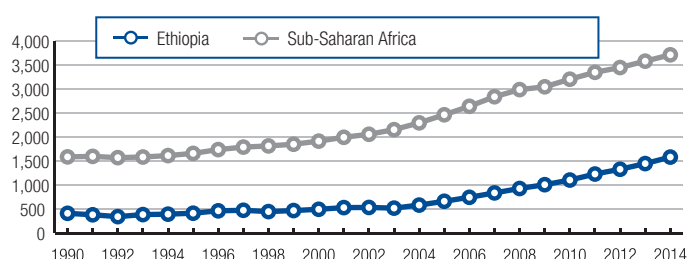
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Ethiopia

## Key indicators, 2014

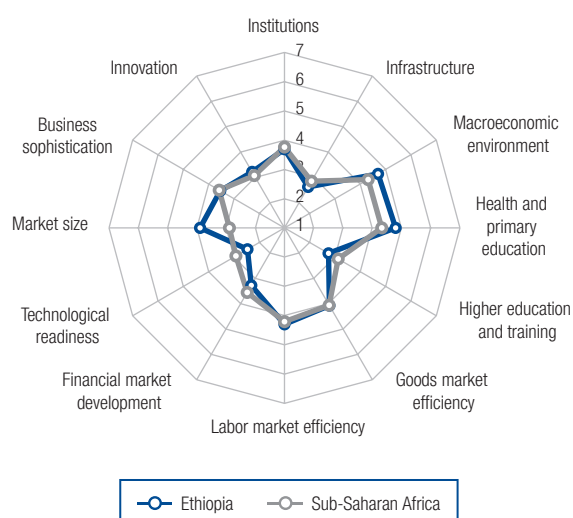
|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 91.0 |
| GDP (US\$ billions).....                   | 52.3 |
| GDP per capita (US\$).....                 | 575  |
| GDP (PPP) as share (%) of world total..... | 0.13 |

GDP (PPP) per capita (int'l \$), 1990–2014

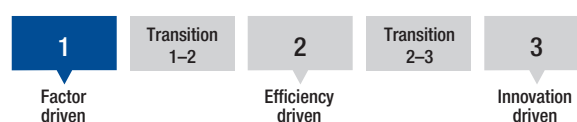


## Global Competitiveness Index

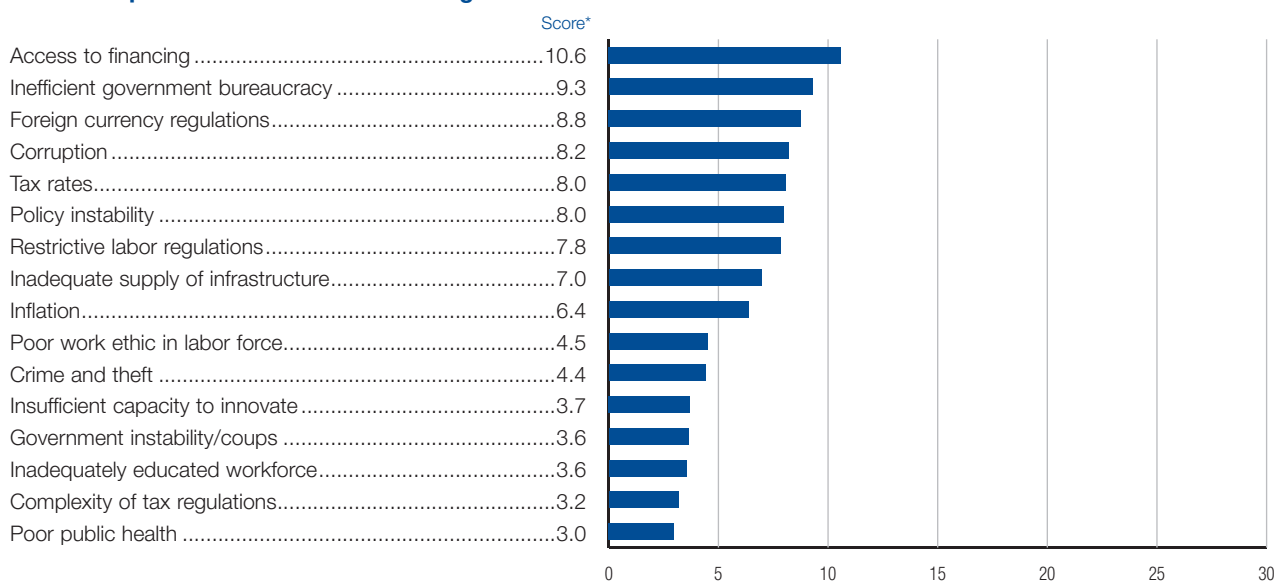
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>109</b>           | <b>3.7</b>     |
| GCI 2014–2015 (out of 144).....                           | 118                  | 3.6            |
| GCI 2013–2014 (out of 148).....                           | 127                  | 3.5            |
| GCI 2012–2013 (out of 144).....                           | 121                  | 3.6            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>108</b>           | <b>3.9</b>     |
| 1st pillar: Institutions.....                             | 83                   | 3.7            |
| 2nd pillar: Infrastructure.....                           | 121                  | 2.6            |
| 3rd pillar: Macroeconomic environment.....                | 76                   | 4.7            |
| 4th pillar: Health and primary education.....             | 108                  | 4.8            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>114</b>           | <b>3.5</b>     |
| 5th pillar: Higher education and training.....            | 129                  | 2.7            |
| 6th pillar: Goods market efficiency.....                  | 102                  | 4.1            |
| 7th pillar: Labor market efficiency.....                  | 62                   | 4.3            |
| 8th pillar: Financial market development.....             | 116                  | 3.3            |
| 9th pillar: Technological readiness.....                  | 132                  | 2.5            |
| 10th pillar: Market size.....                             | 68                   | 3.9            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>95</b>            | <b>3.4</b>     |
| 11th pillar: Business sophistication.....                 | 108                  | 3.5            |
| 12th pillar: Innovation.....                              | 81                   | 3.2            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Ethiopia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 3.7     | 107      |
| 1.02 Intellectual property protection .....                   | 3.3     | 103      |
| 1.03 Diversion of public funds .....                          | 3.7     | 55       |
| 1.04 Public trust in politicians .....                        | 3.3     | 55       |
| 1.05 Irregular payments and bribes .....                      | 3.4     | 100      |
| 1.06 Judicial independence .....                              | 3.4     | 93       |
| 1.07 Favoritism in decisions of government officials .....    | 3.6     | 40       |
| 1.08 Wastefulness of government spending .....                | 3.4     | 56       |
| 1.09 Burden of government regulation .....                    | 3.4     | 74       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.7     | 66       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.1     | 96       |
| 1.12 Transparency of government policymaking .....            | 3.2     | 126      |
| 1.13 Business costs of terrorism .....                        | 4.6     | 108      |
| 1.14 Business costs of crime and violence .....               | 4.5     | 75       |
| 1.15 Organized crime .....                                    | 5.0     | 61       |
| 1.16 Reliability of police services .....                     | 3.8     | 91       |
| 1.17 Ethical behavior of firms .....                          | 3.7     | 91       |
| 1.18 Strength of auditing and reporting standards .....       | 4.0     | 106      |
| 1.19 Efficacy of corporate boards .....                       | 4.1     | 123      |
| 1.20 Protection of minority shareholders' interests .....     | 3.8     | 86       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.2     | 121      |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 3.2     | 111      |
| 2.02 Quality of roads .....                                   | 3.7     | 79       |
| 2.03 Quality of railroad infrastructure .....                 | 2.7     | 67       |
| 2.04 Quality of port infrastructure .....                     | 3.2     | 105      |
| 2.05 Quality of air transport infrastructure .....            | 4.3     | 69       |
| 2.06 Available airline seat km/week, millions* .....          | 334.3   | 52       |
| 2.07 Quality of electricity supply .....                      | 3.1     | 109      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 31.6    | 138      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.8     | 125      |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | -2.6    | 62       |
| 3.02 Gross national savings, % GDP* .....                     | 25.2    | 42       |
| 3.03 Inflation, annual % change* .....                        | 7.4     | 120      |
| 3.04 General government debt, % GDP* .....                    | 21.9    | 18       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 20.4    | 126      |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 4,578.7 | 49       |
| 4.02 Business impact of malaria .....                         | 5.0     | 33       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 224.0   | 120      |
| 4.04 Business impact of tuberculosis .....                    | 4.3     | 115      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.2     | 113      |
| 4.06 Business impact of HIV/AIDS .....                        | 4.2     | 118      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 44.4    | 118      |
| 4.08 Life expectancy, years* .....                            | 63.6    | 113      |
| 4.09 Quality of primary education .....                       | 3.4     | 91       |
| 4.10 Primary education enrollment, net %* .....               | 85.4    | 120      |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 28.9    | 137      |
| 5.02 Tertiary education enrollment, gross %* .....            | 5.4     | 125      |
| 5.03 Quality of the education system .....                    | 3.7     | 68       |
| 5.04 Quality of math and science education .....              | 3.7     | 87       |
| 5.05 Quality of management schools .....                      | 3.7     | 99       |
| 5.06 Internet access in schools .....                         | 3.7     | 96       |
| 5.07 Availability of specialized training services .....      | 3.6     | 110      |
| 5.08 Extent of staff training .....                           | 3.4     | 113      |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 4.3     | 126      |
| 6.02 Extent of market dominance .....                         | 3.7     | 70       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.0     | 62       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.6     | 68       |
| 6.05 Total tax rate, % profits* .....                         | 31.8    | 44       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 9     | 104      |
| 6.07 No. days to start a business* .....                 | 15.0  | 83       |
| 6.08 Agricultural policy costs .....                     | 4.3   | 31       |
| 6.09 Prevalence of non-tariff barriers .....             | 3.5   | 131      |
| 6.10 Trade tariffs, % duty* .....                        | 12.7  | 125      |
| 6.11 Prevalence of foreign ownership .....               | 3.5   | 120      |
| 6.12 Business impact of rules on FDI .....               | 3.9   | 105      |
| 6.13 Burden of customs procedures .....                  | 3.2   | 119      |
| 6.14 Imports as a percentage of GDP* .....               | 44.6  | 76       |
| 6.15 Degree of customer orientation .....                | 3.7   | 127      |
| 6.16 Buyer sophistication .....                          | 3.4   | 61       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.0   | 103      |
| 7.02 Flexibility of wage determination .....             | 4.8   | 80       |
| 7.03 Hiring and firing practices .....                   | 3.7   | 79       |
| 7.04 Redundancy costs, weeks of salary* .....            | 19.1  | 86       |
| 7.05 Effect of taxation on incentives to work .....      | 3.7   | 82       |
| 7.06 Pay and productivity .....                          | 3.8   | 80       |
| 7.07 Reliance on professional management .....           | 3.6   | 110      |
| 7.08 Country capacity to retain talent .....             | 3.5   | 62       |
| 7.09 Country capacity to attract talent .....            | 3.4   | 65       |
| 7.10 Women in labor force, ratio to men* .....           | 0.90  | 33       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.7   | 118      |
| 8.02 Affordability of financial services .....           | 3.6   | 112      |
| 8.03 Financing through local equity market .....         | 3.4   | 78       |
| 8.04 Ease of access to loans .....                       | 2.1   | 121      |
| 8.05 Venture capital availability .....                  | 2.7   | 76       |
| 8.06 Soundness of banks .....                            | 4.2   | 111      |
| 8.07 Regulation of securities exchanges .....            | 3.6   | 109      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 3     | 93       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 3.9   | 119      |
| 9.02 Firm-level technology absorption .....              | 3.8   | 128      |
| 9.03 FDI and technology transfer .....                   | 4.0   | 97       |
| 9.04 Individuals using Internet, %* .....                | 2.9   | 135      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.5   | 112      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 5.0   | 118      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 7.5   | 120      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.9   | 62       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.0   | 94       |
| 10.03 GDP (PPP\$ billions)* .....                        | 144.6 | 67       |
| 10.04 Exports as a percentage of GDP* .....              | 13.7  | 135      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 3.7   | 127      |
| 11.02 Local supplier quality .....                       | 3.5   | 124      |
| 11.03 State of cluster development .....                 | 3.3   | 103      |
| 11.04 Nature of competitive advantage .....              | 3.1   | 96       |
| 11.05 Value chain breadth .....                          | 3.8   | 71       |
| 11.06 Control of international distribution .....        | 4.1   | 43       |
| 11.07 Production process sophistication .....            | 3.4   | 99       |
| 11.08 Extent of marketing .....                          | 3.5   | 127      |
| 11.09 Willingness to delegate authority .....            | 3.4   | 109      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.5   | 112      |
| 12.02 Quality of scientific research institutions .....  | 3.6   | 79       |
| 12.03 Company spending on R&D .....                      | 3.5   | 49       |
| 12.04 University-industry collaboration in R&D .....     | 3.5   | 78       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.6   | 49       |
| 12.06 Availability of scientists and engineers .....     | 3.8   | 81       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 117      |

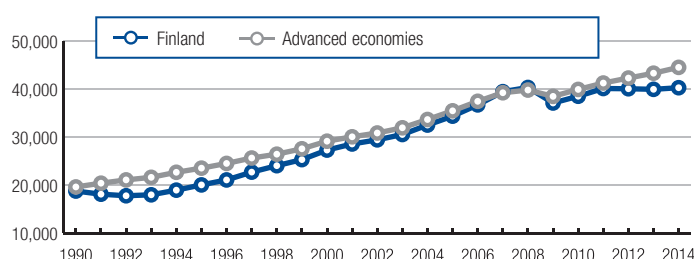
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Finland

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 5.5    |
| GDP (US\$ billions).....                   | 271.2  |
| GDP per capita (US\$).....                 | 49,497 |
| GDP (PPP) as share (%) of world total..... | 0.21   |

GDP (PPP) per capita (int'l \$), 1990–2014



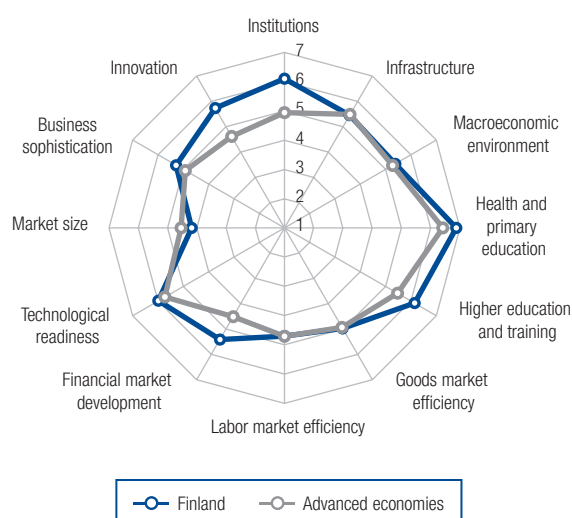
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>8</b>             | <b>5.5</b>     |
| GCI 2014–2015 (out of 144)..... | 4                    | 5.5            |
| GCI 2013–2014 (out of 148)..... | 3                    | 5.5            |
| GCI 2012–2013 (out of 144)..... | 3                    | 5.5            |

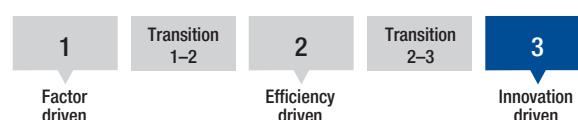
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>11</b> | <b>5.9</b> |
| 1st pillar: Institutions.....                 | 1         | 6.1        |
| 2nd pillar: Infrastructure.....               | 25        | 5.4        |
| 3rd pillar: Macroeconomic environment.....    | 36        | 5.4        |
| 4th pillar: Health and primary education..... | 1         | 6.9        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>13</b> | <b>5.2</b> |
| 5th pillar: Higher education and training..... | 2         | 6.1        |
| 6th pillar: Goods market efficiency.....       | 21        | 5.0        |
| 7th pillar: Labor market efficiency.....       | 26        | 4.7        |
| 8th pillar: Financial market development.....  | 6         | 5.4        |
| 9th pillar: Technological readiness.....       | 13        | 6.0        |
| 10th pillar: Market size.....                  | 59        | 4.2        |

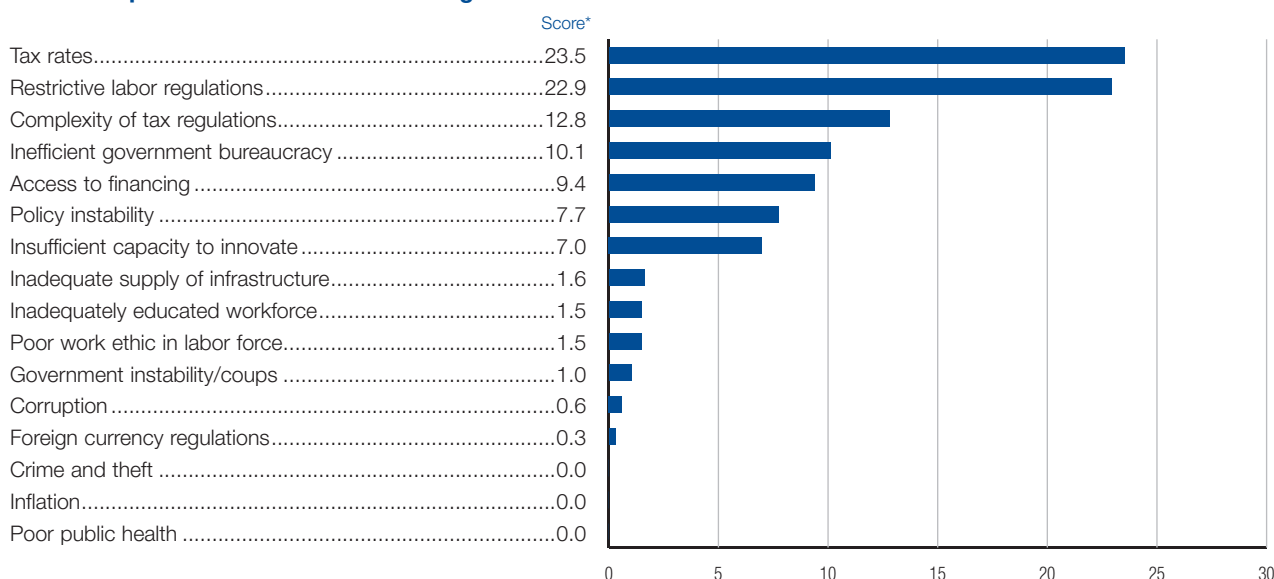
|                                                            |          |            |
|------------------------------------------------------------|----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>5</b> | <b>5.5</b> |
| 11th pillar: Business sophistication.....                  | 14       | 5.3        |
| 12th pillar: Innovation.....                               | 2        | 5.7        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Finland

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 6.4    | 1        |
| 1.02 Intellectual property protection .....                   | 6.3    | 1        |
| 1.03 Diversion of public funds .....                          | 6.3    | 2        |
| 1.04 Public trust in politicians .....                        | 5.7    | 5        |
| 1.05 Irregular payments and bribes .....                      | 6.7    | 1        |
| 1.06 Judicial independence .....                              | 6.6    | 2        |
| 1.07 Favoritism in decisions of government officials .....    | 5.4    | 4        |
| 1.08 Wastefulness of government spending .....                | 4.8    | 9        |
| 1.09 Burden of government regulation .....                    | 4.2    | 15       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.8    | 3        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.8    | 1        |
| 1.12 Transparency of government policymaking .....            | 5.9    | 5        |
| 1.13 Business costs of terrorism .....                        | 6.7    | 1        |
| 1.14 Business costs of crime and violence .....               | 6.5    | 2        |
| 1.15 Organized crime .....                                    | 6.8    | 1        |
| 1.16 Reliability of police services .....                     | 6.7    | 1        |
| 1.17 Ethical behavior of firms .....                          | 6.3    | 1        |
| 1.18 Strength of auditing and reporting standards .....       | 6.5    | 2        |
| 1.19 Efficacy of corporate boards .....                       | 6.1    | 5        |
| 1.20 Protection of minority shareholders' interests .....     | 6.1    | 1        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.6    | 72       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 6.2    | 6        |
| 2.02 Quality of roads .....                                   | 5.8    | 12       |
| 2.03 Quality of railroad infrastructure .....                 | 5.8    | 5        |
| 2.04 Quality of port infrastructure .....                     | 6.4    | 4        |
| 2.05 Quality of air transport infrastructure .....            | 6.1    | 9        |
| 2.06 Available airline seat km/week, millions* .....          | 448.6  | 47       |
| 2.07 Quality of electricity supply .....                      | 6.7    | 6        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 139.7  | 36       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 11.7   | 79       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –2.7   | 65       |
| 3.02 Gross national savings, % GDP* .....                     | 19.6   | 74       |
| 3.03 Inflation, annual % change* .....                        | 1.2    | 1        |
| 3.04 General government debt, % GDP* .....                    | 59.6   | 96       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 90.8   | 10       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 5.7    | 7        |
| 4.04 Business impact of tuberculosis .....                    | 7.0    | 1        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.9    | 3        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 2.1    | 4        |
| 4.08 Life expectancy, years* .....                            | 80.8   | 22       |
| 4.09 Quality of primary education .....                       | 6.7    | 1        |
| 4.10 Primary education enrollment, net %* .....               | 99.1   | 9        |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 107.7  | 16       |
| 5.02 Tertiary education enrollment, gross %* .....            | 93.7   | 4        |
| 5.03 Quality of the education system .....                    | 5.7    | 4        |
| 5.04 Quality of math and science education .....              | 6.1    | 2        |
| 5.05 Quality of management schools .....                      | 5.4    | 13       |
| 5.06 Internet access in schools .....                         | 6.0    | 12       |
| 5.07 Availability of specialized training services .....      | 6.0    | 4        |
| 5.08 Extent of staff training .....                           | 5.2    | 10       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 4.8    | 89       |
| 6.02 Extent of market dominance .....                         | 3.9    | 51       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.4    | 4        |
| 6.04 Effect of taxation on incentives to invest .....         | 3.6    | 70       |
| 6.05 Total tax rate, % profits* .....                         | 40.0   | 81       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 3     | 9        |
| 6.07 No. days to start a business* .....                    | 14.0  | 79       |
| 6.08 Agricultural policy costs .....                        | 4.1   | 45       |
| 6.09 Prevalence of non-tariff barriers .....                | 5.1   | 8        |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 4.9   | 50       |
| 6.12 Business impact of rules on FDI .....                  | 5.5   | 12       |
| 6.13 Burden of customs procedures .....                     | 5.9   | 4        |
| 6.14 Imports as a percentage of GDP* .....                  | 38.6  | 90       |
| 6.15 Degree of customer orientation .....                   | 5.3   | 26       |
| 6.16 Buyer sophistication .....                             | 4.5   | 11       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.1   | 22       |
| 7.02 Flexibility of wage determination .....                | 2.2   | 140      |
| 7.03 Hiring and firing practices .....                      | 3.6   | 87       |
| 7.04 Redundancy costs, weeks of salary* .....               | 10.1  | 34       |
| 7.05 Effect of taxation on incentives to work .....         | 3.3   | 109      |
| 7.06 Pay and productivity .....                             | 4.3   | 42       |
| 7.07 Reliance on professional management .....              | 6.2   | 3        |
| 7.08 Country capacity to retain talent .....                | 5.3   | 7        |
| 7.09 Country capacity to attract talent .....               | 3.5   | 61       |
| 7.10 Women in labor force, ratio to men* .....              | 0.95  | 13       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 6.0   | 10       |
| 8.02 Affordability of financial services .....              | 6.0   | 3        |
| 8.03 Financing through local equity market .....            | 4.7   | 19       |
| 8.04 Ease of access to loans .....                          | 4.0   | 12       |
| 8.05 Venture capital availability .....                     | 4.5   | 6        |
| 8.06 Soundness of banks .....                               | 6.7   | 2        |
| 8.07 Regulation of securities exchanges .....               | 6.2   | 1        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 7     | 24       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 6.6   | 1        |
| 9.02 Firm-level technology absorption .....                 | 5.8   | 10       |
| 9.03 FDI and technology transfer .....                      | 4.4   | 73       |
| 9.04 Individuals using Internet, %* .....                   | 92.4  | 7        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 32.3  | 15       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 218.7 | 14       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 138.5 | 3        |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.0   | 57       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.8   | 63       |
| 10.03 GDP (PPP\$ billions)* .....                           | 221.0 | 60       |
| 10.04 Exports as a percentage of GDP* .....                 | 36.9  | 75       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.2   | 96       |
| 11.02 Local supplier quality .....                          | 5.4   | 13       |
| 11.03 State of cluster development .....                    | 4.9   | 17       |
| 11.04 Nature of competitive advantage .....                 | 6.1   | 6        |
| 11.05 Value chain breadth .....                             | 5.0   | 20       |
| 11.06 Control of international distribution .....           | 4.9   | 13       |
| 11.07 Production process sophistication .....               | 6.2   | 4        |
| 11.08 Extent of marketing .....                             | 4.7   | 39       |
| 11.09 Willingness to delegate authority .....               | 5.6   | 5        |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 5.6   | 6        |
| 12.02 Quality of scientific research institutions .....     | 5.8   | 10       |
| 12.03 Company spending on R&D .....                         | 5.5   | 4        |
| 12.04 University-industry collaboration in R&D .....        | 6.0   | 1        |
| 12.05 Gov't procurement of advanced tech products .....     | 3.8   | 33       |
| 12.06 Availability of scientists and engineers .....        | 6.1   | 1        |
| 12.07 PCT patents, applications/million pop.* .....         | 294.0 | 4        |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

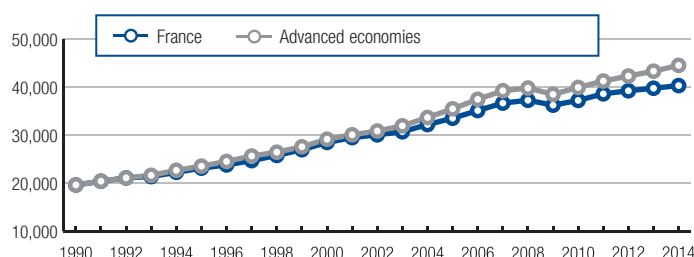


# France

## Key indicators, 2014

|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 63.9    |
| GDP (US\$ billions).....                   | 2,846.9 |
| GDP per capita (US\$).....                 | 44,538  |
| GDP (PPP) as share (%) of world total..... | 2.39    |

GDP (PPP) per capita (int'l \$), 1990–2014



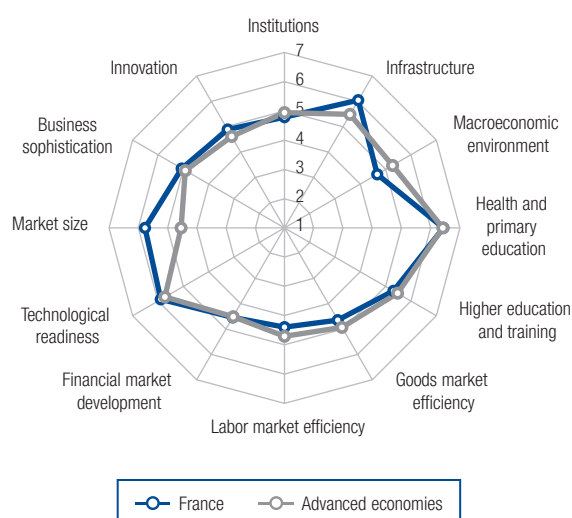
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>22</b>            | <b>5.1</b>     |
| GCI 2014–2015 (out of 144)..... | 23                   | 5.1            |
| GCI 2013–2014 (out of 148)..... | 23                   | 5.1            |
| GCI 2012–2013 (out of 144)..... | 21                   | 5.1            |

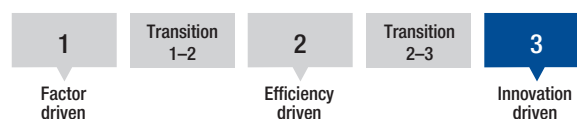
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>26</b> | <b>5.5</b> |
| 1st pillar: Institutions.....                 | 29        | 4.8        |
| 2nd pillar: Infrastructure.....               | 8         | 6.0        |
| 3rd pillar: Macroeconomic environment.....    | 77        | 4.7        |
| 4th pillar: Health and primary education..... | 16        | 6.4        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>19</b> | <b>5.1</b> |
| 5th pillar: Higher education and training..... | 25        | 5.3        |
| 6th pillar: Goods market efficiency.....       | 35        | 4.6        |
| 7th pillar: Labor market efficiency.....       | 51        | 4.4        |
| 8th pillar: Financial market development.....  | 29        | 4.5        |
| 9th pillar: Technological readiness.....       | 16        | 5.9        |
| 10th pillar: Market size.....                  | 8         | 5.8        |

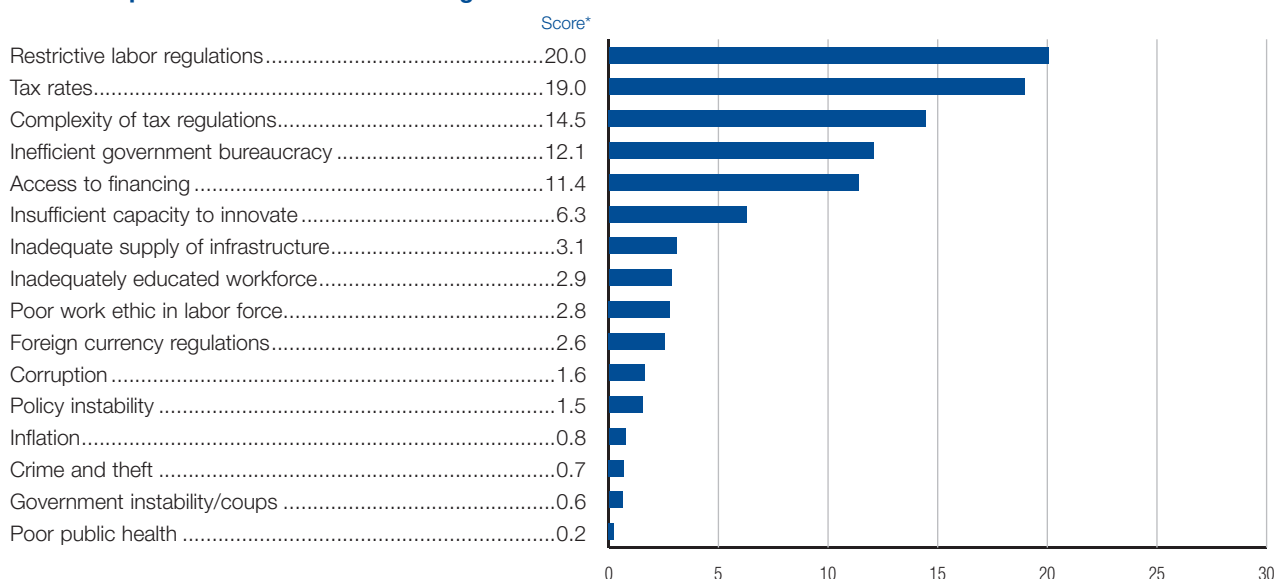
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>20</b> | <b>5.0</b> |
| 11th pillar: Business sophistication.....                  | 20        | 5.1        |
| 12th pillar: Innovation.....                               | 18        | 4.9        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## France

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 5.6     | 21       |
| 1.02 Intellectual property protection .....                   | 5.8     | 14       |
| 1.03 Diversion of public funds .....                          | 4.8     | 27       |
| 1.04 Public trust in politicians .....                        | 3.6     | 42       |
| 1.05 Irregular payments and bribes .....                      | 5.2     | 30       |
| 1.06 Judicial independence .....                              | 5.1     | 29       |
| 1.07 Favoritism in decisions of government officials .....    | 4.0     | 30       |
| 1.08 Wastefulness of government spending .....                | 3.1     | 74       |
| 1.09 Burden of government regulation .....                    | 2.9     | 115      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.6     | 28       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.4     | 27       |
| 1.12 Transparency of government policymaking .....            | 4.4     | 44       |
| 1.13 Business costs of terrorism .....                        | 4.5     | 109      |
| 1.14 Business costs of crime and violence .....               | 4.5     | 72       |
| 1.15 Organized crime .....                                    | 5.0     | 60       |
| 1.16 Reliability of police services .....                     | 5.3     | 30       |
| 1.17 Ethical behavior of firms .....                          | 5.0     | 26       |
| 1.18 Strength of auditing and reporting standards .....       | 5.5     | 28       |
| 1.19 Efficacy of corporate boards .....                       | 5.6     | 21       |
| 1.20 Protection of minority shareholders' interests .....     | 4.5     | 36       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.8     | 14       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 5.9     | 10       |
| 2.02 Quality of roads .....                                   | 6.1     | 7        |
| 2.03 Quality of railroad infrastructure .....                 | 5.8     | 6        |
| 2.04 Quality of port infrastructure .....                     | 5.3     | 26       |
| 2.05 Quality of air transport infrastructure .....            | 5.8     | 15       |
| 2.06 Available airline seat km/week, millions* .....          | 3,922.0 | 8        |
| 2.07 Quality of electricity supply .....                      | 6.5     | 14       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 100.4   | 96       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 60.0    | 3        |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –4.2    | 95       |
| 3.02 Gross national savings, % GDP* .....                     | 20.9    | 66       |
| 3.03 Inflation, annual % change* .....                        | 0.6     | 1        |
| 3.04 General government debt, % GDP* .....                    | 95.1    | 125      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 83.3    | 16       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.    | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl.  | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 8.8     | 26       |
| 4.04 Business impact of tuberculosis .....                    | 6.4     | 34       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.4     | 74       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.0     | 48       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.5     | 23       |
| 4.08 Life expectancy, years* .....                            | 82.0    | 10       |
| 4.09 Quality of primary education .....                       | 4.9     | 28       |
| 4.10 Primary education enrollment, net %* .....               | 98.5    | 13       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 109.7   | 13       |
| 5.02 Tertiary education enrollment, gross %* .....            | 58.3    | 43       |
| 5.03 Quality of the education system .....                    | 4.5     | 30       |
| 5.04 Quality of math and science education .....              | 5.1     | 19       |
| 5.05 Quality of management schools .....                      | 5.5     | 11       |
| 5.06 Internet access in schools .....                         | 4.9     | 40       |
| 5.07 Availability of specialized training services .....      | 5.4     | 18       |
| 5.08 Extent of staff training .....                           | 4.6     | 28       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.5     | 29       |
| 6.02 Extent of market dominance .....                         | 4.4     | 24       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.0     | 17       |
| 6.04 Effect of taxation on incentives to invest .....         | 2.9     | 122      |
| 6.05 Total tax rate, % profits* .....                         | 66.6    | 132      |

| INDICATOR                                                   | VALUE   | RANK/140 |
|-------------------------------------------------------------|---------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |          |
| 6.06 No. procedures to start a business* .....              | 5       | 38       |
| 6.07 No. days to start a business* .....                    | 4.5     | 14       |
| 6.08 Agricultural policy costs .....                        | 4.1     | 42       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.3     | 76       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2     | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 5.4     | 19       |
| 6.12 Business impact of rules on FDI .....                  | 4.5     | 70       |
| 6.13 Burden of customs procedures .....                     | 4.8     | 31       |
| 6.14 Imports as a percentage of GDP* .....                  | 32.5    | 102      |
| 6.15 Degree of customer orientation .....                   | 5.1     | 34       |
| 6.16 Buyer sophistication .....                             | 3.9     | 30       |
| <b>7th pillar: Labor market efficiency</b>                  |         |          |
| 7.01 Cooperation in labor-employer relations .....          | 3.8     | 116      |
| 7.02 Flexibility of wage determination .....                | 5.0     | 69       |
| 7.03 Hiring and firing practices .....                      | 2.9     | 127      |
| 7.04 Redundancy costs, weeks of salary* .....               | 11.9    | 46       |
| 7.05 Effect of taxation on incentives to work .....         | 3.0     | 122      |
| 7.06 Pay and productivity .....                             | 4.2     | 59       |
| 7.07 Reliance on professional management .....              | 4.9     | 29       |
| 7.08 Country capacity to retain talent .....                | 3.5     | 63       |
| 7.09 Country capacity to attract talent .....               | 3.8     | 42       |
| 7.10 Women in labor force, ratio to men* .....              | 0.88    | 35       |
| <b>8th pillar: Financial market development</b>             |         |          |
| 8.01 Availability of financial services .....               | 5.3     | 29       |
| 8.02 Affordability of financial services .....              | 5.2     | 27       |
| 8.03 Financing through local equity market .....            | 4.7     | 18       |
| 8.04 Ease of access to loans .....                          | 3.8     | 17       |
| 8.05 Venture capital availability .....                     | 3.4     | 29       |
| 8.06 Soundness of banks .....                               | 5.5     | 40       |
| 8.07 Regulation of securities exchanges .....               | 5.2     | 23       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 4       | 80       |
| <b>9th pillar: Technological readiness</b>                  |         |          |
| 9.01 Availability of latest technologies .....              | 6.0     | 21       |
| 9.02 Firm-level technology absorption .....                 | 5.5     | 26       |
| 9.03 FDI and technology transfer .....                      | 4.9     | 25       |
| 9.04 Individuals using Internet, %* .....                   | 83.8    | 23       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 40.2    | 4        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 221.7   | 12       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 66.2    | 36       |
| <b>10th pillar: Market size</b>                             |         |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.7     | 9        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 6.0     | 12       |
| 10.03 GDP (PPP\$ billions)* .....                           | 2,580.8 | 9        |
| 10.04 Exports as a percentage of GDP* .....                 | 29.8    | 100      |
| <b>11th pillar: Business sophistication</b>                 |         |          |
| 11.01 Local supplier quantity .....                         | 5.1     | 19       |
| 11.02 Local supplier quality .....                          | 5.4     | 14       |
| 11.03 State of cluster development .....                    | 4.5     | 26       |
| 11.04 Nature of competitive advantage .....                 | 5.5     | 18       |
| 11.05 Value chain breadth .....                             | 5.3     | 10       |
| 11.06 Control of international distribution .....           | 4.9     | 14       |
| 11.07 Production process sophistication .....               | 5.6     | 16       |
| 11.08 Extent of marketing .....                             | 5.4     | 10       |
| 11.09 Willingness to delegate authority .....               | 3.9     | 51       |
| <b>12th pillar: Innovation</b>                              |         |          |
| 12.01 Capacity for innovation .....                         | 5.1     | 20       |
| 12.02 Quality of scientific research institutions .....     | 5.6     | 13       |
| 12.03 Company spending on R&D .....                         | 4.9     | 16       |
| 12.04 University-industry collaboration in R&D .....        | 4.6     | 29       |
| 12.05 Gov't procurement of advanced tech products .....     | 4.0     | 19       |
| 12.06 Availability of scientists and engineers .....        | 4.9     | 19       |
| 12.07 PCT patents, applications/million pop.* .....         | 121.9   | 15       |

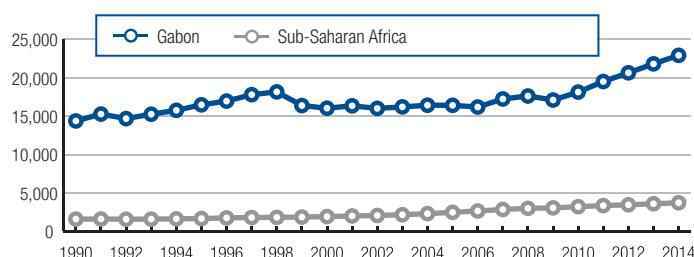
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Gabon

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 1.6    |
| GDP (US\$ billions).....                   | 17.2   |
| GDP per capita (US\$).....                 | 10,836 |
| GDP (PPP) as share (%) of world total..... | 0.03   |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>103</b>           | <b>3.8</b>     |
| GCI 2014–2015 (out of 144)..... | 106                  | 3.7            |
| GCI 2013–2014 (out of 148)..... | 112                  | 3.7            |
| GCI 2012–2013 (out of 144)..... | 99                   | 3.8            |

### Basic requirements (51.7%).....83.....4.3

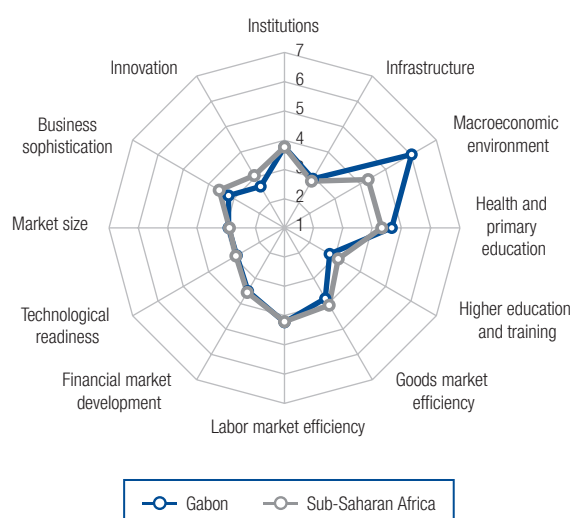
|                                               |     |     |
|-----------------------------------------------|-----|-----|
| 1st pillar: Institutions.....                 | 78  | 3.8 |
| 2nd pillar: Infrastructure.....               | 110 | 2.9 |
| 3rd pillar: Macroeconomic environment.....    | 18  | 6.0 |
| 4th pillar: Health and primary education..... | 111 | 4.7 |

### Efficiency enhancers (41.2%).....123.....3.3

|                                                |     |     |
|------------------------------------------------|-----|-----|
| 5th pillar: Higher education and training..... | 125 | 2.8 |
| 6th pillar: Goods market efficiency.....       | 124 | 3.8 |
| 7th pillar: Labor market efficiency.....       | 71  | 4.2 |
| 8th pillar: Financial market development.....  | 97  | 3.5 |
| 9th pillar: Technological readiness.....       | 112 | 2.9 |
| 10th pillar: Market size.....                  | 110 | 2.9 |

### Innovation and sophistication factors (7.1%).....129.....2.9

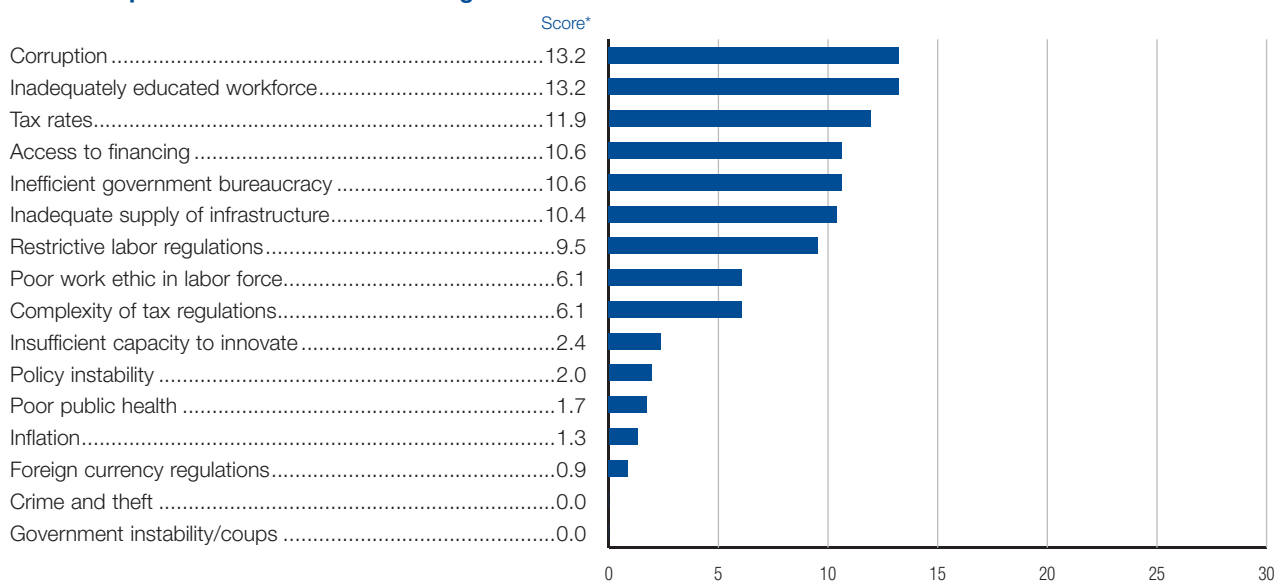
|                                           |     |     |
|-------------------------------------------|-----|-----|
| 11th pillar: Business sophistication..... | 129 | 3.2 |
| 12th pillar: Innovation.....              | 129 | 2.6 |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Gabon

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140  |
|---------------------------------------------------------------|----------|-----------|
| <b>1st pillar: Institutions</b>                               |          |           |
| 1.01 Property rights .....                                    | 4.2      | 71        |
| 1.02 Intellectual property protection .....                   | 3.5      | 94        |
| 1.03 Diversion of public funds .....                          | 3.0      | 87        |
| 1.04 Public trust in politicians .....                        | 3.0      | 68        |
| 1.05 Irregular payments and bribes .....                      | 3.7      | 83        |
| 1.06 Judicial independence .....                              | 3.0      | 104       |
| 1.07 Favoritism in decisions of government officials .....    | 3.0      | 73        |
| 1.08 Wastefulness of government spending .....                | 3.2      | 66        |
| 1.09 Burden of government regulation .....                    | 3.3      | 79        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.5      | 80        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.0      | 104       |
| 1.12 Transparency of government policymaking .....            | 3.9      | 78        |
| 1.13 Business costs of terrorism .....                        | 5.5      | 63        |
| 1.14 Business costs of crime and violence .....               | 4.7      | 65        |
| 1.15 Organized crime .....                                    | 4.9      | 63        |
| 1.16 Reliability of police services .....                     | 3.5      | 106       |
| 1.17 Ethical behavior of firms .....                          | 3.9      | 68        |
| 1.18 Strength of auditing and reporting standards .....       | 4.2      | 99        |
| 1.19 Efficacy of corporate boards .....                       | 5.4      | <b>25</b> |
| 1.20 Protection of minority shareholders' interests .....     | 4.2      | 58        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.3      | 116       |
| <b>2nd pillar: Infrastructure</b>                             |          |           |
| 2.01 Quality of overall infrastructure .....                  | 3.1      | 116       |
| 2.02 Quality of roads .....                                   | 2.6      | 130       |
| 2.03 Quality of railroad infrastructure .....                 | 2.5      | 76        |
| 2.04 Quality of port infrastructure .....                     | 3.2      | 106       |
| 2.05 Quality of air transport infrastructure .....            | 3.3      | 113       |
| 2.06 Available airline seat km/week, millions* .....          | 31.5     | 111       |
| 2.07 Quality of electricity supply .....                      | 2.5      | 125       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 210.4    | <b>3</b>  |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 1.0      | 121       |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |           |
| 3.01 Government budget balance, % GDP* .....                  | 3.0      | <b>8</b>  |
| 3.02 Gross national savings, % GDP* .....                     | 36.8     | <b>10</b> |
| 3.03 Inflation, annual % change* .....                        | 4.5      | 94        |
| 3.04 General government debt, % GDP* .....                    | 27.8     | <b>28</b> |
| 3.05 Country credit rating, 0–100 (best)* .....               | 37.8     | 82        |
| <b>4th pillar: Health and primary education</b>               |          |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 25,113.7 | 63        |
| 4.02 Business impact of malaria .....                         | 3.2      | 70        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 423.0    | 134       |
| 4.04 Business impact of tuberculosis .....                    | 4.4      | 106       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 3.9      | 127       |
| 4.06 Business impact of HIV/AIDS .....                        | 4.1      | 119       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 39.1     | 110       |
| 4.08 Life expectancy, years* .....                            | 63.4     | 114       |
| 4.09 Quality of primary education .....                       | 3.3      | 96        |
| 4.10 Primary education enrollment, net %* .....               | 92.1     | 83        |
| <b>5th pillar: Higher education and training</b>              |          |           |
| 5.01 Secondary education enrollment, gross %* .....           | 53.9     | 115       |
| 5.02 Tertiary education enrollment, gross %* .....            | 8.5      | 119       |
| 5.03 Quality of the education system .....                    | 2.8      | 120       |
| 5.04 Quality of math and science education .....              | 3.3      | 108       |
| 5.05 Quality of management schools .....                      | 3.6      | 110       |
| 5.06 Internet access in schools .....                         | 2.5      | 134       |
| 5.07 Availability of specialized training services .....      | 3.0      | 134       |
| 5.08 Extent of staff training .....                           | 3.6      | 99        |
| <b>6th pillar: Goods market efficiency</b>                    |          |           |
| 6.01 Intensity of local competition .....                     | 4.1      | 133       |
| 6.02 Extent of market dominance .....                         | 2.8      | 131       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.4      | 107       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.7      | 63        |
| 6.05 Total tax rate, % profits* .....                         | 40.6     | 84        |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 7     | 76        |
| 6.07 No. days to start a business* .....                 | 50.0  | 128       |
| 6.08 Agricultural policy costs .....                     | 3.0   | 125       |
| 6.09 Prevalence of non-tariff barriers .....             | 3.6   | 125       |
| 6.10 Trade tariffs, % duty* .....                        | 13.1  | 127       |
| 6.11 Prevalence of foreign ownership .....               | 5.3   | <b>23</b> |
| 6.12 Business impact of rules on FDI .....               | 4.4   | 73        |
| 6.13 Burden of customs procedures .....                  | 3.5   | 99        |
| 6.14 Imports as a percentage of GDP* .....               | 35.2  | 93        |
| 6.15 Degree of customer orientation .....                | 4.0   | 112       |
| 6.16 Buyer sophistication .....                          | 3.0   | 111       |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 4.1   | 96        |
| 7.02 Flexibility of wage determination .....             | 4.7   | 89        |
| 7.03 Hiring and firing practices .....                   | 3.5   | 95        |
| 7.04 Redundancy costs, weeks of salary* .....            | 18.8  | 83        |
| 7.05 Effect of taxation on incentives to work .....      | 4.4   | <b>23</b> |
| 7.06 Pay and productivity .....                          | 3.4   | 114       |
| 7.07 Reliance on professional management .....           | 3.8   | 91        |
| 7.08 Country capacity to retain talent .....             | 3.4   | 74        |
| 7.09 Country capacity to attract talent .....            | 3.3   | 74        |
| 7.10 Women in labor force, ratio to men* .....           | 0.86  | <b>49</b> |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 3.5   | 128       |
| 8.02 Affordability of financial services .....           | 3.3   | 127       |
| 8.03 Financing through local equity market .....         | 3.1   | 98        |
| 8.04 Ease of access to loans .....                       | 2.7   | 83        |
| 8.05 Venture capital availability .....                  | 2.2   | 117       |
| 8.06 Soundness of banks .....                            | 4.5   | 91        |
| 8.07 Regulation of securities exchanges .....            | 3.7   | 105       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 6     | <b>44</b> |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 3.9   | 116       |
| 9.02 Firm-level technology absorption .....              | 4.4   | 86        |
| 9.03 FDI and technology transfer .....                   | 4.0   | 107       |
| 9.04 Individuals using Internet, %* .....                | 9.8   | 125       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.6   | 111       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 19.7  | 87        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 0.0   | 138       |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.5   | 119       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.0   | 92        |
| 10.03 GDP (PPP\$ billions)* .....                        | 36.3  | 99        |
| 10.04 Exports as a percentage of GDP* .....              | 56.7  | <b>31</b> |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 3.6   | 134       |
| 11.02 Local supplier quality .....                       | 3.5   | 126       |
| 11.03 State of cluster development .....                 | 2.7   | 136       |
| 11.04 Nature of competitive advantage .....              | 3.3   | 84        |
| 11.05 Value chain breadth .....                          | 3.0   | 130       |
| 11.06 Control of international distribution .....        | 2.8   | 136       |
| 11.07 Production process sophistication .....            | 3.0   | 124       |
| 11.08 Extent of marketing .....                          | 3.5   | 125       |
| 11.09 Willingness to delegate authority .....            | 3.2   | 122       |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 3.4   | 116       |
| 12.02 Quality of scientific research institutions .....  | 3.0   | 113       |
| 12.03 Company spending on R&D .....                      | 2.4   | 131       |
| 12.04 University-industry collaboration in R&D .....     | 2.6   | 129       |
| 12.05 Gov't procurement of advanced tech products .....  | 2.7   | 126       |
| 12.06 Availability of scientists and engineers .....     | 3.0   | 131       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.3   | 87        |

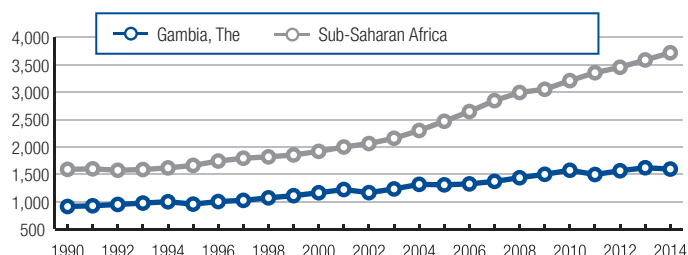
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Gambia, The

## Key indicators, 2014

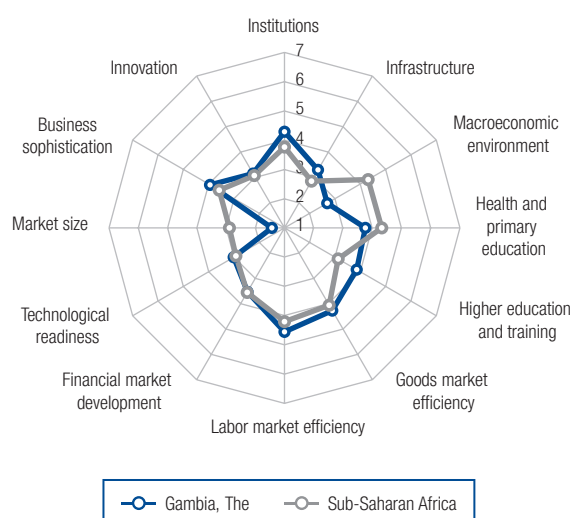
|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 1.9  |
| GDP (US\$ billions).....                   | 0.8  |
| GDP per capita (US\$).....                 | 428  |
| GDP (PPP) as share (%) of world total..... | 0.00 |

GDP (PPP) per capita (int'l \$), 1990–2014

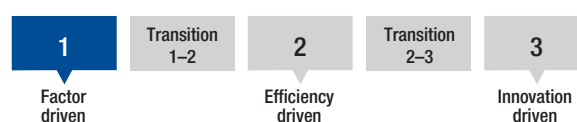


## Global Competitiveness Index

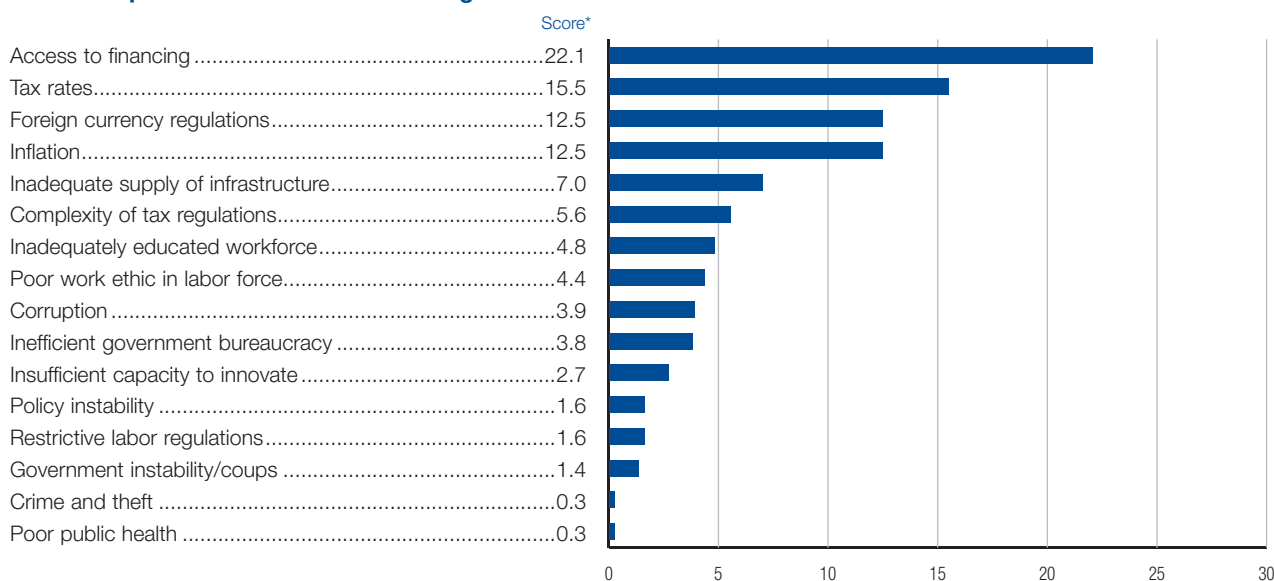
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>123</b>           | <b>3.5</b>     |
| GCI 2014–2015 (out of 144).....                           | 125                  | 3.5            |
| GCI 2013–2014 (out of 148).....                           | 116                  | 3.7            |
| GCI 2012–2013 (out of 144).....                           | 98                   | 3.8            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>126</b>           | <b>3.5</b>     |
| 1st pillar: Institutions.....                             | 42                   | 4.3            |
| 2nd pillar: Infrastructure.....                           | 95                   | 3.3            |
| 3rd pillar: Macroeconomic environment.....                | 138                  | 2.7            |
| 4th pillar: Health and primary education.....             | 131                  | 3.8            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>118</b>           | <b>3.4</b>     |
| 5th pillar: Higher education and training.....            | 91                   | 3.8            |
| 6th pillar: Goods market efficiency.....                  | 77                   | 4.3            |
| 7th pillar: Labor market efficiency.....                  | 33                   | 4.6            |
| 8th pillar: Financial market development.....             | 96                   | 3.5            |
| 9th pillar: Technological readiness.....                  | 107                  | 3.0            |
| 10th pillar: Market size.....                             | 139                  | 1.4            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>75</b>            | <b>3.5</b>     |
| 11th pillar: Business sophistication.....                 | 67                   | 3.9            |
| 12th pillar: Innovation.....                              | 88                   | 3.1            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Gambia, The

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 4.1      | 76       |
| 1.02 Intellectual property protection .....                   | 3.9      | 66       |
| 1.03 Diversion of public funds .....                          | 4.2      | 37       |
| 1.04 Public trust in politicians .....                        | 3.8      | 36       |
| 1.05 Irregular payments and bribes .....                      | 4.1      | 59       |
| 1.06 Judicial independence .....                              | 3.7      | 75       |
| 1.07 Favoritism in decisions of government officials .....    | 4.0      | 28       |
| 1.08 Wastefulness of government spending .....                | 4.0      | 27       |
| 1.09 Burden of government regulation .....                    | 4.0      | 22       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.4      | 35       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.7      | 54       |
| 1.12 Transparency of government policymaking .....            | 4.5      | 38       |
| 1.13 Business costs of terrorism .....                        | 5.6      | 51       |
| 1.14 Business costs of crime and violence .....               | 5.4      | 33       |
| 1.15 Organized crime .....                                    | 5.8      | 28       |
| 1.16 Reliability of police services .....                     | 4.6      | 48       |
| 1.17 Ethical behavior of firms .....                          | 4.2      | 49       |
| 1.18 Strength of auditing and reporting standards .....       | 4.6      | 68       |
| 1.19 Efficacy of corporate boards .....                       | 5.0      | 46       |
| 1.20 Protection of minority shareholders' interests .....     | 4.4      | 46       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 3.9      | 127      |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 3.9      | 79       |
| 2.02 Quality of roads .....                                   | 4.1      | 62       |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl.  | n/a      |
| 2.04 Quality of port infrastructure .....                     | 4.1      | 65       |
| 2.05 Quality of air transport infrastructure .....            | 4.3      | 67       |
| 2.06 Available airline seat km/week, millions* .....          | 6.1      | 134      |
| 2.07 Quality of electricity supply .....                      | 3.0      | 114      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 119.6    | 59       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 2.9      | 110      |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | –8.9     | 135      |
| 3.02 Gross national savings, % GDP* .....                     | 10.7     | 125      |
| 3.03 Inflation, annual % change* .....                        | 6.3      | 112      |
| 3.04 General government debt, % GDP* .....                    | 100.2    | 128      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 18.1     | 132      |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 29,030.4 | 73       |
| 4.02 Business impact of malaria .....                         | 3.8      | 57       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 173.0    | 114      |
| 4.04 Business impact of tuberculosis .....                    | 5.1      | 86       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.2      | 113      |
| 4.06 Business impact of HIV/AIDS .....                        | 5.3      | 78       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 49.4     | 120      |
| 4.08 Life expectancy, years* .....                            | 58.8     | 125      |
| 4.09 Quality of primary education .....                       | 4.1      | 65       |
| 4.10 Primary education enrollment, net %* .....               | 68.7     | 136      |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 57.5     | 113      |
| 5.02 Tertiary education enrollment, gross %* .....            | n/a      | n/a      |
| 5.03 Quality of the education system .....                    | 4.3      | 39       |
| 5.04 Quality of math and science education .....              | 3.6      | 93       |
| 5.05 Quality of management schools .....                      | 4.3      | 64       |
| 5.06 Internet access in schools .....                         | 3.8      | 93       |
| 5.07 Availability of specialized training services .....      | 4.2      | 64       |
| 5.08 Extent of staff training .....                           | 4.0      | 69       |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 4.7      | 93       |
| 6.02 Extent of market dominance .....                         | 3.9      | 49       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.1      | 42       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.4      | 89       |
| 6.05 Total tax rate, % profits* .....                         | 63.3     | 125      |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 7     | 76       |
| 6.07 No. days to start a business* .....                 | 26.0  | 106      |
| 6.08 Agricultural policy costs .....                     | 4.9   | 8        |
| 6.09 Prevalence of non-tariff barriers .....             | 4.5   | 53       |
| 6.10 Trade tariffs, % duty* .....                        | 14.6  | 135      |
| 6.11 Prevalence of foreign ownership .....               | 5.0   | 38       |
| 6.12 Business impact of rules on FDI .....               | 5.0   | 33       |
| 6.13 Burden of customs procedures .....                  | 4.5   | 45       |
| 6.14 Imports as a percentage of GDP* .....               | 54.9  | 52       |
| 6.15 Degree of customer orientation .....                | 4.7   | 65       |
| 6.16 Buyer sophistication .....                          | 3.2   | 88       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.6   | 43       |
| 7.02 Flexibility of wage determination .....             | 5.6   | 26       |
| 7.03 Hiring and firing practices .....                   | 4.2   | 41       |
| 7.04 Redundancy costs, weeks of salary* .....            | 26.0  | 111      |
| 7.05 Effect of taxation on incentives to work .....      | 3.9   | 54       |
| 7.06 Pay and productivity .....                          | 4.2   | 55       |
| 7.07 Reliance on professional management .....           | 4.7   | 31       |
| 7.08 Country capacity to retain talent .....             | 3.6   | 59       |
| 7.09 Country capacity to attract talent .....            | 4.0   | 31       |
| 7.10 Women in labor force, ratio to men* .....           | 0.88  | 39       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.1   | 95       |
| 8.02 Affordability of financial services .....           | 4.0   | 86       |
| 8.03 Financing through local equity market .....         | 2.8   | 107      |
| 8.04 Ease of access to loans .....                       | 2.5   | 95       |
| 8.05 Venture capital availability .....                  | 2.4   | 97       |
| 8.06 Soundness of banks .....                            | 4.8   | 72       |
| 8.07 Regulation of securities exchanges .....            | 3.9   | 88       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 4     | 80       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.5   | 81       |
| 9.02 Firm-level technology absorption .....              | 4.5   | 74       |
| 9.03 FDI and technology transfer .....                   | 4.2   | 80       |
| 9.04 Individuals using Internet, %* .....                | 15.6  | 114      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.1   | 125      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 10.9  | 97       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 8.0   | 117      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 1.1   | 139      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 2.4   | 138      |
| 10.03 GDP (PPP\$ billions)* .....                        | 3.1   | 139      |
| 10.04 Exports as a percentage of GDP* .....              | 40.2  | 64       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.6   | 63       |
| 11.02 Local supplier quality .....                       | 4.3   | 67       |
| 11.03 State of cluster development .....                 | 3.8   | 60       |
| 11.04 Nature of competitive advantage .....              | 3.5   | 63       |
| 11.05 Value chain breadth .....                          | 3.7   | 76       |
| 11.06 Control of international distribution .....        | 3.8   | 73       |
| 11.07 Production process sophistication .....            | 3.4   | 100      |
| 11.08 Extent of marketing .....                          | 4.1   | 86       |
| 11.09 Willingness to delegate authority .....            | 3.9   | 49       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.0   | 67       |
| 12.02 Quality of scientific research institutions .....  | 3.3   | 97       |
| 12.03 Company spending on R&D .....                      | 3.1   | 83       |
| 12.04 University-industry collaboration in R&D .....     | 3.3   | 87       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.8   | 30       |
| 12.06 Availability of scientists and engineers .....     | 3.1   | 126      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.1   | 96       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

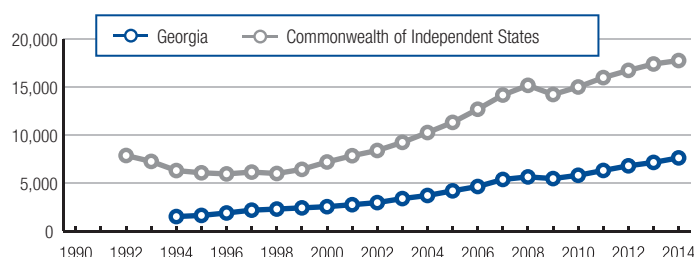


# Georgia

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 4.5   |
| GDP (US\$ billions).....                   | 16.5  |
| GDP per capita (US\$).....                 | 3,699 |
| GDP (PPP) as share (%) of world total..... | 0.03  |

GDP (PPP) per capita (int'l \$), 1990–2014



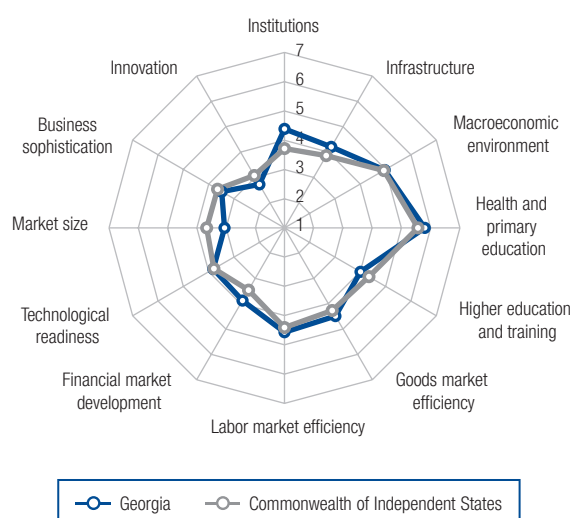
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016.....</b>       | <b>66</b>            | <b>4.2</b>     |
| GCI 2014–2015 (out of 144)..... | 69                   | 4.2            |
| GCI 2013–2014 (out of 148)..... | 72                   | 4.2            |
| GCI 2012–2013 (out of 144)..... | 77                   | 4.1            |

|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (40.0%).....</b>        | <b>50</b> | <b>4.8</b> |
| 1st pillar: Institutions.....                 | 40        | 4.4        |
| 2nd pillar: Infrastructure.....               | 61        | 4.2        |
| 3rd pillar: Macroeconomic environment.....    | 51        | 5.0        |
| 4th pillar: Health and primary education..... | 65        | 5.8        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%).....</b>       | <b>77</b> | <b>4.0</b> |
| 5th pillar: Higher education and training..... | 87        | 4.0        |
| 6th pillar: Goods market efficiency.....       | 48        | 4.5        |
| 7th pillar: Labor market efficiency.....       | 32        | 4.6        |
| 8th pillar: Financial market development.....  | 68        | 3.9        |
| 9th pillar: Technological readiness.....       | 72        | 3.8        |
| 10th pillar: Market size.....                  | 99        | 3.0        |

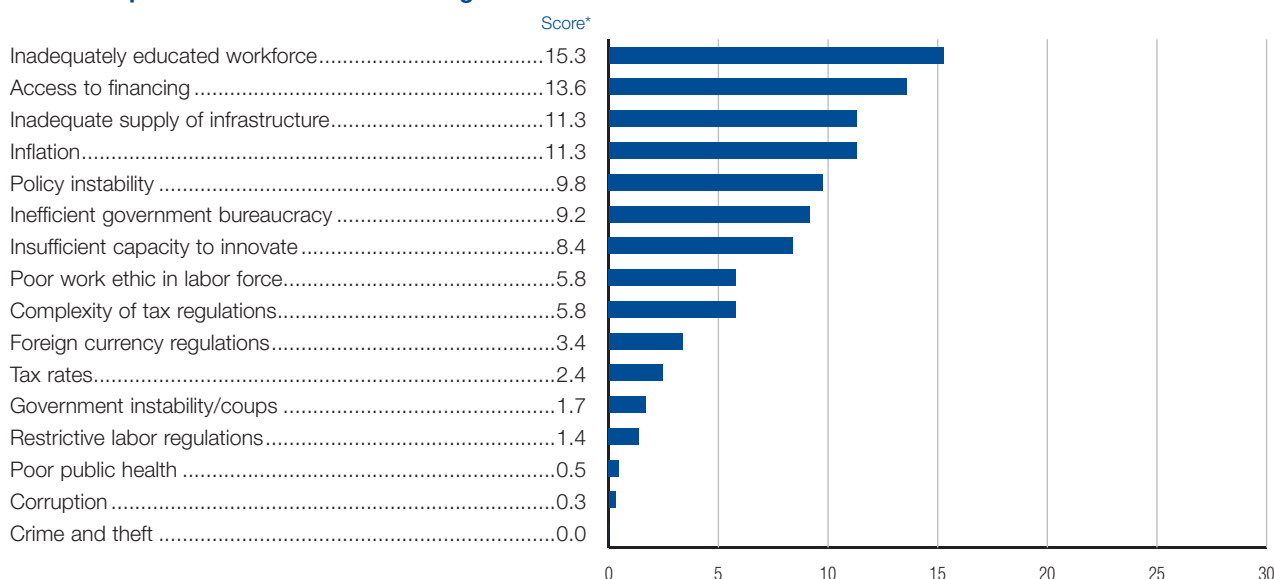
|                                                           |            |            |
|-----------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (10.0%).....</b> | <b>118</b> | <b>3.1</b> |
| 11th pillar: Business sophistication.....                 | 112        | 3.5        |
| 12th pillar: Innovation.....                              | 123        | 2.7        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Georgia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140 |
|---------------------------------------------------------------|-------|----------|
| <b>1st pillar: Institutions</b>                               |       |          |
| 1.01 Property rights .....                                    | 4.3   | 58       |
| 1.02 Intellectual property protection .....                   | 3.3   | 101      |
| 1.03 Diversion of public funds .....                          | 4.5   | 33       |
| 1.04 Public trust in politicians .....                        | 2.8   | 77       |
| 1.05 Irregular payments and bribes .....                      | 5.7   | 23       |
| 1.06 Judicial independence .....                              | 4.1   | 56       |
| 1.07 Favoritism in decisions of government officials .....    | 3.4   | 48       |
| 1.08 Wastefulness of government spending .....                | 3.2   | 69       |
| 1.09 Burden of government regulation .....                    | 4.7   | 7        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.9   | 54       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.7   | 55       |
| 1.12 Transparency of government policymaking .....            | 4.7   | 31       |
| 1.13 Business costs of terrorism .....                        | 6.2   | 14       |
| 1.14 Business costs of crime and violence .....               | 5.8   | 18       |
| 1.15 Organized crime .....                                    | 6.2   | 17       |
| 1.16 Reliability of police services .....                     | 5.4   | 28       |
| 1.17 Ethical behavior of firms .....                          | 4.1   | 51       |
| 1.18 Strength of auditing and reporting standards .....       | 4.6   | 65       |
| 1.19 Efficacy of corporate boards .....                       | 4.6   | 84       |
| 1.20 Protection of minority shareholders' interests .....     | 3.8   | 88       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.1   | 42       |
| <b>2nd pillar: Infrastructure</b>                             |       |          |
| 2.01 Quality of overall infrastructure .....                  | 4.2   | 61       |
| 2.02 Quality of roads .....                                   | 3.9   | 73       |
| 2.03 Quality of railroad infrastructure .....                 | 3.9   | 35       |
| 2.04 Quality of port infrastructure .....                     | 4.0   | 73       |
| 2.05 Quality of air transport infrastructure .....            | 3.9   | 90       |
| 2.06 Available airline seat km/week, millions* .....          | 44.7  | 99       |
| 2.07 Quality of electricity supply .....                      | 4.9   | 60       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 124.9 | 51       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 25.4  | 41       |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |          |
| 3.01 Government budget balance, % GDP* .....                  | –1.8  | 45       |
| 3.02 Gross national savings, % GDP* .....                     | 15.6  | 96       |
| 3.03 Inflation, annual % change* .....                        | 3.1   | 53       |
| 3.04 General government debt, % GDP* .....                    | 35.1  | 50       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 37.3  | 84       |
| <b>4th pillar: Health and primary education</b>               |       |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.0   | 1        |
| 4.02 Business impact of malaria .....                         | 6.3   | 6        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 116.0 | 95       |
| 4.04 Business impact of tuberculosis .....                    | 5.7   | 66       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.3   | 63       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.0   | 44       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 11.7  | 61       |
| 4.08 Life expectancy, years* .....                            | 74.1  | 73       |
| 4.09 Quality of primary education .....                       | 3.4   | 90       |
| 4.10 Primary education enrollment, net %* .....               | 96.5  | 47       |
| <b>5th pillar: Higher education and training</b>              |       |          |
| 5.01 Secondary education enrollment, gross %* .....           | 100.6 | 30       |
| 5.02 Tertiary education enrollment, gross %* .....            | 33.1  | 74       |
| 5.03 Quality of the education system .....                    | 3.1   | 101      |
| 5.04 Quality of math and science education .....              | 3.5   | 97       |
| 5.05 Quality of management schools .....                      | 3.8   | 97       |
| 5.06 Internet access in schools .....                         | 4.5   | 61       |
| 5.07 Availability of specialized training services .....      | 3.5   | 116      |
| 5.08 Extent of staff training .....                           | 3.4   | 119      |
| <b>6th pillar: Goods market efficiency</b>                    |       |          |
| 6.01 Intensity of local competition .....                     | 4.7   | 91       |
| 6.02 Extent of market dominance .....                         | 3.4   | 88       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.2   | 116      |
| 6.04 Effect of taxation on incentives to invest .....         | 4.8   | 13       |
| 6.05 Total tax rate, % profits* .....                         | 16.4  | 9        |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 2     | 3        |
| 6.07 No. days to start a business* .....                    | 2.0   | 2        |
| 6.08 Agricultural policy costs .....                        | 3.7   | 72       |
| 6.09 Prevalence of non-tariff barriers .....                | 5.2   | 6        |
| 6.10 Trade tariffs, % duty* .....                           | 0.8   | 4        |
| 6.11 Prevalence of foreign ownership .....                  | 4.0   | 106      |
| 6.12 Business impact of rules on FDI .....                  | 5.2   | 21       |
| 6.13 Burden of customs procedures .....                     | 5.5   | 9        |
| 6.14 Imports as a percentage of GDP* .....                  | 61.5  | 40       |
| 6.15 Degree of customer orientation .....                   | 4.0   | 114      |
| 6.16 Buyer sophistication .....                             | 3.0   | 104      |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.4   | 65       |
| 7.02 Flexibility of wage determination .....                | 5.9   | 10       |
| 7.03 Hiring and firing practices .....                      | 4.8   | 12       |
| 7.04 Redundancy costs, weeks of salary* .....               | 8.6   | 20       |
| 7.05 Effect of taxation on incentives to work .....         | 4.8   | 15       |
| 7.06 Pay and productivity .....                             | 4.1   | 63       |
| 7.07 Reliance on professional management .....              | 4.4   | 60       |
| 7.08 Country capacity to retain talent .....                | 2.9   | 102      |
| 7.09 Country capacity to attract talent .....               | 2.5   | 117      |
| 7.10 Women in labor force, ratio to men* .....              | 0.77  | 84       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.1   | 88       |
| 8.02 Affordability of financial services .....              | 4.1   | 73       |
| 8.03 Financing through local equity market .....            | 2.2   | 133      |
| 8.04 Ease of access to loans .....                          | 2.4   | 109      |
| 8.05 Venture capital availability .....                     | 2.2   | 119      |
| 8.06 Soundness of banks .....                               | 5.2   | 57       |
| 8.07 Regulation of securities exchanges .....               | 3.6   | 110      |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 9     | 11       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 4.3   | 97       |
| 9.02 Firm-level technology absorption .....                 | 4.2   | 103      |
| 9.03 FDI and technology transfer .....                      | 3.8   | 109      |
| 9.04 Individuals using Internet, %* .....                   | 48.9  | 72       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 12.2  | 60       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 71.0  | 42       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 21.8  | 97       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 2.8   | 98       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 3.7   | 107      |
| 10.03 GDP (PPP\$ billions)* .....                           | 34.2  | 103      |
| 10.04 Exports as a percentage of GDP* .....                 | 35.2  | 80       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 3.4   | 137      |
| 11.02 Local supplier quality .....                          | 3.7   | 117      |
| 11.03 State of cluster development .....                    | 3.0   | 120      |
| 11.04 Nature of competitive advantage .....                 | 3.4   | 75       |
| 11.05 Value chain breadth .....                             | 3.4   | 108      |
| 11.06 Control of international distribution .....           | 3.5   | 95       |
| 11.07 Production process sophistication .....               | 3.2   | 110      |
| 11.08 Extent of marketing .....                             | 4.1   | 89       |
| 11.09 Willingness to delegate authority .....               | 3.2   | 118      |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 3.4   | 121      |
| 12.02 Quality of scientific research institutions .....     | 2.8   | 119      |
| 12.03 Company spending on R&D .....                         | 2.5   | 127      |
| 12.04 University-industry collaboration in R&D .....        | 2.6   | 128      |
| 12.05 Gov't procurement of advanced tech products .....     | 3.0   | 95       |
| 12.06 Availability of scientists and engineers .....        | 3.3   | 113      |
| 12.07 PCT patents, applications/million pop.* .....         | 1.6   | 60       |

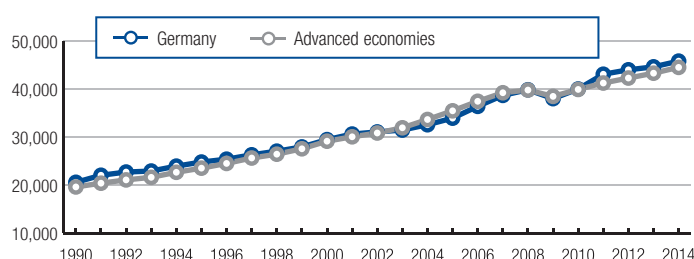
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Germany

## Key indicators, 2014

|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 81.1    |
| GDP (US\$ billions).....                   | 3,859.5 |
| GDP per capita (US\$).....                 | 47,590  |
| GDP (PPP) as share (%) of world total..... | 3.45    |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>4</b>             | <b>5.5</b>     |
| GCI 2014–2015 (out of 144)..... | 5                    | 5.5            |
| GCI 2013–2014 (out of 148)..... | 4                    | 5.5            |
| GCI 2012–2013 (out of 144)..... | 6                    | 5.5            |

### Basic requirements (20.0%).....8.....6.0

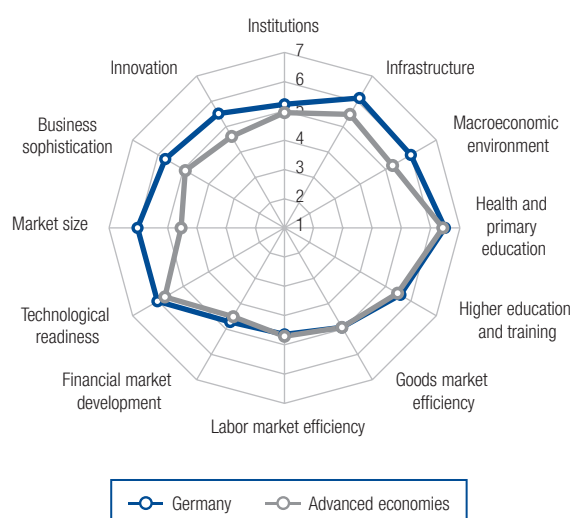
|                                               |    |     |
|-----------------------------------------------|----|-----|
| 1st pillar: Institutions.....                 | 20 | 5.2 |
| 2nd pillar: Infrastructure.....               | 7  | 6.1 |
| 3rd pillar: Macroeconomic environment.....    | 20 | 6.0 |
| 4th pillar: Health and primary education..... | 13 | 6.5 |

### Efficiency enhancers (50.0%).....10.....5.3

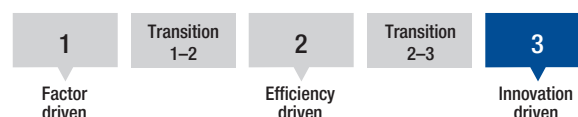
|                                                |    |     |
|------------------------------------------------|----|-----|
| 5th pillar: Higher education and training..... | 17 | 5.6 |
| 6th pillar: Goods market efficiency.....       | 23 | 4.9 |
| 7th pillar: Labor market efficiency.....       | 28 | 4.6 |
| 8th pillar: Financial market development.....  | 18 | 4.7 |
| 9th pillar: Technological readiness.....       | 12 | 6.0 |
| 10th pillar: Market size.....                  | 5  | 6.0 |

### Innovation and sophistication factors (30.0%).....3.....5.6

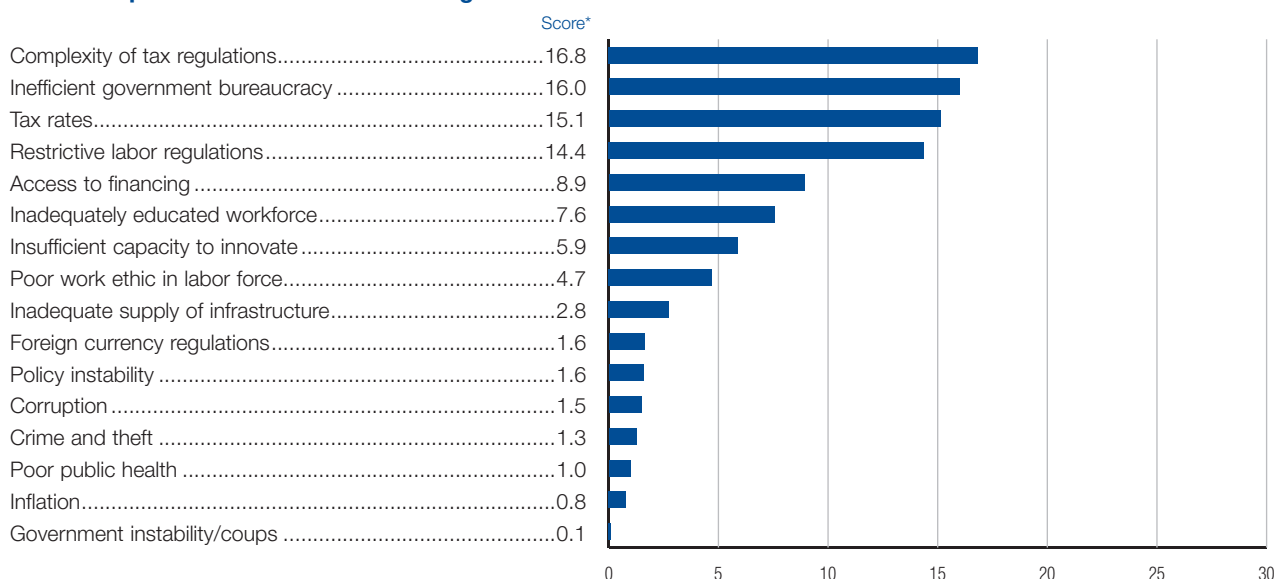
|                                           |   |     |
|-------------------------------------------|---|-----|
| 11th pillar: Business sophistication..... | 3 | 5.7 |
| 12th pillar: Innovation.....              | 6 | 5.5 |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Germany

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 5.8     | 17       |
| 1.02 Intellectual property protection .....                   | 5.7     | 20       |
| 1.03 Diversion of public funds .....                          | 5.1     | 22       |
| 1.04 Public trust in politicians .....                        | 4.7     | 15       |
| 1.05 Irregular payments and bribes .....                      | 5.5     | 27       |
| 1.06 Judicial independence .....                              | 5.8     | 17       |
| 1.07 Favoritism in decisions of government officials .....    | 4.5     | 17       |
| 1.08 Wastefulness of government spending .....                | 4.2     | 20       |
| 1.09 Burden of government regulation .....                    | 3.9     | 34       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.3     | 16       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.2     | 11       |
| 1.12 Transparency of government policymaking .....            | 5.1     | 19       |
| 1.13 Business costs of terrorism .....                        | 5.1     | 82       |
| 1.14 Business costs of crime and violence .....               | 5.0     | 55       |
| 1.15 Organized crime .....                                    | 5.3     | 50       |
| 1.16 Reliability of police services .....                     | 5.9     | 19       |
| 1.17 Ethical behavior of firms .....                          | 5.3     | 21       |
| 1.18 Strength of auditing and reporting standards .....       | 5.8     | 17       |
| 1.19 Efficacy of corporate boards .....                       | 5.6     | 19       |
| 1.20 Protection of minority shareholders' interests .....     | 4.7     | 33       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.9     | 50       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 5.9     | 11       |
| 2.02 Quality of roads .....                                   | 5.7     | 13       |
| 2.03 Quality of railroad infrastructure .....                 | 5.6     | 9        |
| 2.04 Quality of port infrastructure .....                     | 5.6     | 14       |
| 2.05 Quality of air transport infrastructure .....            | 6.0     | 11       |
| 2.06 Available airline seat km/week, millions* .....          | 5,119.1 | 6        |
| 2.07 Quality of electricity supply .....                      | 6.4     | 20       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 120.4   | 57       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 56.9    | 5        |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | 0.6     | 13       |
| 3.02 Gross national savings, % GDP* .....                     | 26.3    | 34       |
| 3.03 Inflation, annual % change* .....                        | 0.8     | 1        |
| 3.04 General government debt, % GDP* .....                    | 73.1    | 113      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 94.0    | 4        |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.    | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl.  | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 5.8     | 9        |
| 4.04 Business impact of tuberculosis .....                    | 6.5     | 26       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2     | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.3     | 30       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.2     | 16       |
| 4.08 Life expectancy, years* .....                            | 81.0    | 18       |
| 4.09 Quality of primary education .....                       | 5.2     | 19       |
| 4.10 Primary education enrollment, net %* .....               | 97.7    | 30       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 101.3   | 27       |
| 5.02 Tertiary education enrollment, gross %* .....            | 61.7    | 38       |
| 5.03 Quality of the education system .....                    | 5.4     | 10       |
| 5.04 Quality of math and science education .....              | 5.2     | 16       |
| 5.05 Quality of management schools .....                      | 5.2     | 25       |
| 5.06 Internet access in schools .....                         | 5.0     | 39       |
| 5.07 Availability of specialized training services .....      | 5.9     | 5        |
| 5.08 Extent of staff training .....                           | 5.1     | 13       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 6.0     | 7        |
| 6.02 Extent of market dominance .....                         | 5.4     | 3        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.1     | 14       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8     | 54       |
| 6.05 Total tax rate, % profits* .....                         | 48.8    | 107      |

| INDICATOR                                                   | VALUE   | RANK/140 |
|-------------------------------------------------------------|---------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |          |
| 6.06 No. procedures to start a business* .....              | 9       | 104      |
| 6.07 No. days to start a business* .....                    | 14.5    | 82       |
| 6.08 Agricultural policy costs .....                        | 4.3     | 27       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.3     | 64       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2     | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 4.9     | 48       |
| 6.12 Business impact of rules on FDI .....                  | 4.9     | 42       |
| 6.13 Burden of customs procedures .....                     | 4.7     | 33       |
| 6.14 Imports as a percentage of GDP* .....                  | 40.0    | 87       |
| 6.15 Degree of customer orientation .....                   | 5.3     | 27       |
| 6.16 Buyer sophistication .....                             | 4.1     | 22       |
| <b>7th pillar: Labor market efficiency</b>                  |         |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.2     | 20       |
| 7.02 Flexibility of wage determination .....                | 3.6     | 132      |
| 7.03 Hiring and firing practices .....                      | 3.4     | 107      |
| 7.04 Redundancy costs, weeks of salary* .....               | 21.6    | 97       |
| 7.05 Effect of taxation on incentives to work .....         | 3.6     | 95       |
| 7.06 Pay and productivity .....                             | 4.8     | 13       |
| 7.07 Reliance on professional management .....              | 5.7     | 15       |
| 7.08 Country capacity to retain talent .....                | 4.9     | 13       |
| 7.09 Country capacity to attract talent .....               | 4.7     | 19       |
| 7.10 Women in labor force, ratio to men* .....              | 0.87    | 43       |
| <b>8th pillar: Financial market development</b>             |         |          |
| 8.01 Availability of financial services .....               | 5.6     | 18       |
| 8.02 Affordability of financial services .....              | 5.5     | 14       |
| 8.03 Financing through local equity market .....            | 4.8     | 17       |
| 8.04 Ease of access to loans .....                          | 3.3     | 35       |
| 8.05 Venture capital availability .....                     | 3.5     | 25       |
| 8.06 Soundness of banks .....                               | 5.4     | 46       |
| 8.07 Regulation of securities exchanges .....               | 5.2     | 26       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 6       | 44       |
| <b>9th pillar: Technological readiness</b>                  |         |          |
| 9.01 Availability of latest technologies .....              | 6.2     | 12       |
| 9.02 Firm-level technology absorption .....                 | 5.7     | 13       |
| 9.03 FDI and technology transfer .....                      | 5.0     | 24       |
| 9.04 Individuals using Internet, %* .....                   | 86.2    | 16       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 35.8    | 10       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 146.0   | 20       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 63.6    | 38       |
| <b>10th pillar: Market size</b>                             |         |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.9     | 5        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 6.5     | 4        |
| 10.03 GDP (PPP\$ billions)* .....                           | 3,721.6 | 5        |
| 10.04 Exports as a percentage of GDP* .....                 | 46.0    | 49       |
| <b>11th pillar: Business sophistication</b>                 |         |          |
| 11.01 Local supplier quantity .....                         | 5.8     | 2        |
| 11.02 Local supplier quality .....                          | 6.0     | 4        |
| 11.03 State of cluster development .....                    | 5.5     | 3        |
| 11.04 Nature of competitive advantage .....                 | 6.1     | 7        |
| 11.05 Value chain breadth .....                             | 5.9     | 3        |
| 11.06 Control of international distribution .....           | 5.5     | 3        |
| 11.07 Production process sophistication .....               | 6.2     | 3        |
| 11.08 Extent of marketing .....                             | 5.5     | 7        |
| 11.09 Willingness to delegate authority .....               | 4.9     | 19       |
| <b>12th pillar: Innovation</b>                              |         |          |
| 12.01 Capacity for innovation .....                         | 5.6     | 5        |
| 12.02 Quality of scientific research institutions .....     | 5.8     | 9        |
| 12.03 Company spending on R&D .....                         | 5.5     | 6        |
| 12.04 University-industry collaboration in R&D .....        | 5.3     | 10       |
| 12.05 Gov't procurement of advanced tech products .....     | 4.3     | 10       |
| 12.06 Availability of scientists and engineers .....        | 5.0     | 15       |
| 12.07 PCT patents, applications/million pop.* .....         | 225.2   | 6        |

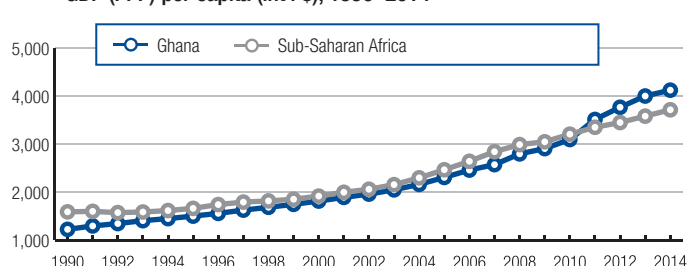
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Ghana

## Key indicators, 2014

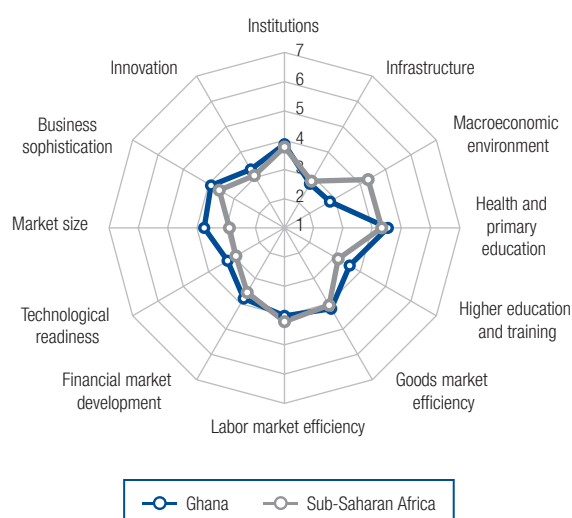
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 26.2  |
| GDP (US\$ billions).....                   | 38.6  |
| GDP per capita (US\$).....                 | 1,474 |
| GDP (PPP) as share (%) of world total..... | 0.10  |

GDP (PPP) per capita (int'l \$), 1990–2014

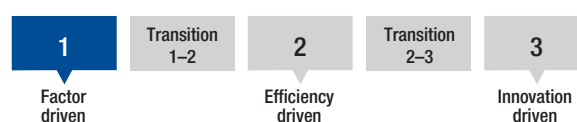


## Global Competitiveness Index

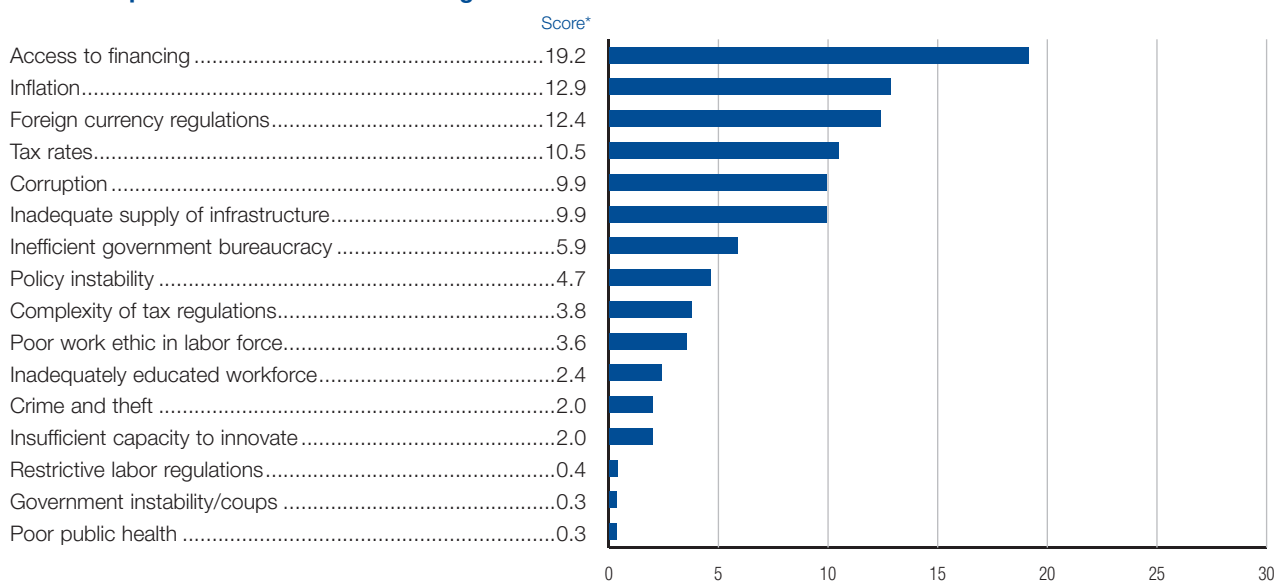
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>119</b>           | <b>3.6</b>     |
| GCI 2014–2015 (out of 144).....                           | 111                  | 3.7            |
| GCI 2013–2014 (out of 148).....                           | 114                  | 3.7            |
| GCI 2012–2013 (out of 144).....                           | 103                  | 3.8            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>127</b>           | <b>3.5</b>     |
| 1st pillar: Institutions.....                             | 72                   | 3.9            |
| 2nd pillar: Infrastructure.....                           | 115                  | 2.7            |
| 3rd pillar: Macroeconomic environment.....                | 136                  | 2.8            |
| 4th pillar: Health and primary education.....             | 118                  | 4.5            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>95</b>            | <b>3.8</b>     |
| 5th pillar: Higher education and training.....            | 104                  | 3.6            |
| 6th pillar: Goods market efficiency.....                  | 87                   | 4.2            |
| 7th pillar: Labor market efficiency.....                  | 94                   | 4.0            |
| 8th pillar: Financial market development.....             | 76                   | 3.8            |
| 9th pillar: Technological readiness.....                  | 96                   | 3.2            |
| 10th pillar: Market size.....                             | 74                   | 3.7            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>65</b>            | <b>3.6</b>     |
| 11th pillar: Business sophistication.....                 | 70                   | 3.9            |
| 12th pillar: Innovation.....                              | 65                   | 3.3            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Ghana

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE          | RANK/140 |
|---------------------------------------------------------------|----------------|----------|
| <b>1st pillar: Institutions</b>                               |                |          |
| 1.01 Property rights .....                                    | 4.2 .....      | 72       |
| 1.02 Intellectual property protection .....                   | 3.9 .....      | 74       |
| 1.03 Diversion of public funds .....                          | 3.3 .....      | 72       |
| 1.04 Public trust in politicians .....                        | 3.1 .....      | 61       |
| 1.05 Irregular payments and bribes .....                      | 3.1 .....      | 109      |
| 1.06 Judicial independence .....                              | 4.3 .....      | 49       |
| 1.07 Favoritism in decisions of government officials .....    | 3.0 .....      | 77       |
| 1.08 Wastefulness of government spending .....                | 3.5 .....      | 49       |
| 1.09 Burden of government regulation .....                    | 3.5 .....      | 67       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.2 .....      | 43       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.8 .....      | 47       |
| 1.12 Transparency of government policymaking .....            | 3.9 .....      | 87       |
| 1.13 Business costs of terrorism .....                        | 4.6 .....      | 101      |
| 1.14 Business costs of crime and violence .....               | 4.1 .....      | 95       |
| 1.15 Organized crime .....                                    | 4.3 .....      | 98       |
| 1.16 Reliability of police services .....                     | 4.1 .....      | 71       |
| 1.17 Ethical behavior of firms .....                          | 3.9 .....      | 71       |
| 1.18 Strength of auditing and reporting standards .....       | 4.0 .....      | 108      |
| 1.19 Efficacy of corporate boards .....                       | 4.6 .....      | 81       |
| 1.20 Protection of minority shareholders' interests .....     | 4.1 .....      | 68       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8 .....      | 55       |
| <b>2nd pillar: Infrastructure</b>                             |                |          |
| 2.01 Quality of overall infrastructure .....                  | 3.0 .....      | 120      |
| 2.02 Quality of roads .....                                   | 3.2 .....      | 101      |
| 2.03 Quality of railroad infrastructure .....                 | 2.2 .....      | 86       |
| 2.04 Quality of port infrastructure .....                     | 3.5 .....      | 94       |
| 2.05 Quality of air transport infrastructure .....            | 3.9 .....      | 88       |
| 2.06 Available airline seat km/week, millions* .....          | 110.9 .....    | 78       |
| 2.07 Quality of electricity supply .....                      | 2.2 .....      | 127      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 114.8 .....    | 67       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 1.0 .....      | 123      |
| <b>3rd pillar: Macroeconomic environment</b>                  |                |          |
| 3.01 Government budget balance, % GDP* .....                  | –9.8 .....     | 136      |
| 3.02 Gross national savings, % GDP* .....                     | 15.5 .....     | 97       |
| 3.03 Inflation, annual % change* .....                        | 15.5 .....     | 136      |
| 3.04 General government debt, % GDP* .....                    | 67.6 .....     | 106      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 32.4 .....     | 95       |
| <b>4th pillar: Health and primary education</b>               |                |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 27,201.3 ..... | 66       |
| 4.02 Business impact of malaria .....                         | 3.7 .....      | 59       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 66.0 .....     | 78       |
| 4.04 Business impact of tuberculosis .....                    | 4.6 .....      | 100      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.3 .....      | 115      |
| 4.06 Business impact of HIV/AIDS .....                        | 4.9 .....      | 90       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 52.3 .....     | 121      |
| 4.08 Life expectancy, years* .....                            | 61.1 .....     | 120      |
| 4.09 Quality of primary education .....                       | 3.2 .....      | 104      |
| 4.10 Primary education enrollment, net %* .....               | 88.9 .....     | 106      |
| <b>5th pillar: Higher education and training</b>              |                |          |
| 5.01 Secondary education enrollment, gross %* .....           | 67.1 .....     | 107      |
| 5.02 Tertiary education enrollment, gross %* .....            | 12.2 .....     | 108      |
| 5.03 Quality of the education system .....                    | 3.6 .....      | 76       |
| 5.04 Quality of math and science education .....              | 4.0 .....      | 72       |
| 5.05 Quality of management schools .....                      | 4.5 .....      | 48       |
| 5.06 Internet access in schools .....                         | 3.5 .....      | 105      |
| 5.07 Availability of specialized training services .....      | 4.1 .....      | 72       |
| 5.08 Extent of staff training .....                           | 4.0 .....      | 64       |
| <b>6th pillar: Goods market efficiency</b>                    |                |          |
| 6.01 Intensity of local competition .....                     | 4.8 .....      | 86       |
| 6.02 Extent of market dominance .....                         | 3.8 .....      | 59       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.6 .....      | 86       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8 .....      | 53       |
| 6.05 Total tax rate, % profits* .....                         | 33.3 .....     | 54       |

| INDICATOR                                                | VALUE       | RANK/140 |
|----------------------------------------------------------|-------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |             |          |
| 6.06 No. procedures to start a business* .....           | 8 .....     | 93       |
| 6.07 No. days to start a business* .....                 | 14.0 .....  | 79       |
| 6.08 Agricultural policy costs .....                     | 3.5 .....   | 97       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.2 .....   | 84       |
| 6.10 Trade tariffs, % duty* .....                        | 9.7 .....   | 104      |
| 6.11 Prevalence of foreign ownership .....               | 4.5 .....   | 66       |
| 6.12 Business impact of rules on FDI .....               | 4.3 .....   | 84       |
| 6.13 Burden of customs procedures .....                  | 3.6 .....   | 93       |
| 6.14 Imports as a percentage of GDP* .....               | 47.6 .....  | 68       |
| 6.15 Degree of customer orientation .....                | 4.3 .....   | 86       |
| 6.16 Buyer sophistication .....                          | 3.1 .....   | 92       |
| <b>7th pillar: Labor market efficiency</b>               |             |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.1 .....   | 91       |
| 7.02 Flexibility of wage determination .....             | 3.9 .....   | 128      |
| 7.03 Hiring and firing practices .....                   | 4.0 .....   | 59       |
| 7.04 Redundancy costs, weeks of salary* .....            | 49.8 .....  | 133      |
| 7.05 Effect of taxation on incentives to work .....      | 4.3 .....   | 31       |
| 7.06 Pay and productivity .....                          | 3.7 .....   | 90       |
| 7.07 Reliance on professional management .....           | 4.4 .....   | 51       |
| 7.08 Country capacity to retain talent .....             | 3.6 .....   | 54       |
| 7.09 Country capacity to attract talent .....            | 3.3 .....   | 73       |
| 7.10 Women in labor force, ratio to men* .....           | 0.96 .....  | 10       |
| <b>8th pillar: Financial market development</b>          |             |          |
| 8.01 Availability of financial services .....            | 4.0 .....   | 98       |
| 8.02 Affordability of financial services .....           | 3.8 .....   | 96       |
| 8.03 Financing through local equity market .....         | 3.8 .....   | 53       |
| 8.04 Ease of access to loans .....                       | 2.9 .....   | 59       |
| 8.05 Venture capital availability .....                  | 2.6 .....   | 81       |
| 8.06 Soundness of banks .....                            | 4.2 .....   | 106      |
| 8.07 Regulation of securities exchanges .....            | 3.7 .....   | 104      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 7 .....     | 24       |
| <b>9th pillar: Technological readiness</b>               |             |          |
| 9.01 Availability of latest technologies .....           | 3.9 .....   | 121      |
| 9.02 Firm-level technology absorption .....              | 4.3 .....   | 95       |
| 9.03 FDI and technology transfer .....                   | 4.1 .....   | 90       |
| 9.04 Individuals using Internet, %* .....                | 18.9 .....  | 104      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.3 .....   | 117      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 3.6 .....   | 125      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 59.8 .....  | 45       |
| <b>10th pillar: Market size</b>                          |             |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.5 .....   | 74       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.4 .....   | 75       |
| 10.03 GDP (PPP\$ billions)* .....                        | 108.3 ..... | 74       |
| 10.04 Exports as a percentage of GDP* .....              | 39.3 .....  | 70       |
| <b>11th pillar: Business sophistication</b>              |             |          |
| 11.01 Local supplier quantity .....                      | 4.2 .....   | 92       |
| 11.02 Local supplier quality .....                       | 3.8 .....   | 103      |
| 11.03 State of cluster development .....                 | 3.6 .....   | 76       |
| 11.04 Nature of competitive advantage .....              | 3.4 .....   | 68       |
| 11.05 Value chain breadth .....                          | 3.9 .....   | 54       |
| 11.06 Control of international distribution .....        | 3.7 .....   | 76       |
| 11.07 Production process sophistication .....            | 3.7 .....   | 74       |
| 11.08 Extent of marketing .....                          | 4.4 .....   | 61       |
| 11.09 Willingness to delegate authority .....            | 3.9 .....   | 57       |
| <b>12th pillar: Innovation</b>                           |             |          |
| 12.01 Capacity for innovation .....                      | 4.1 .....   | 56       |
| 12.02 Quality of scientific research institutions .....  | 3.6 .....   | 77       |
| 12.03 Company spending on R&D .....                      | 3.6 .....   | 44       |
| 12.04 University-industry collaboration in R&D .....     | 3.5 .....   | 77       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.5 .....   | 56       |
| 12.06 Availability of scientists and engineers .....     | 3.6 .....   | 97       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.1 .....   | 103      |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

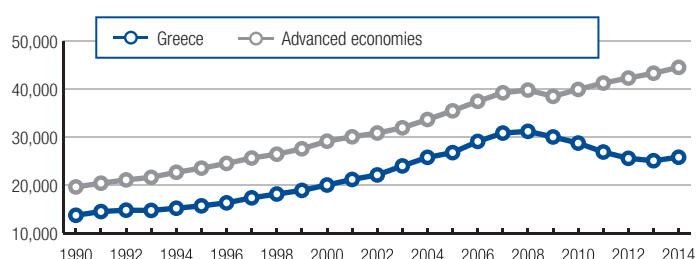


# Greece

## Key indicators, 2014

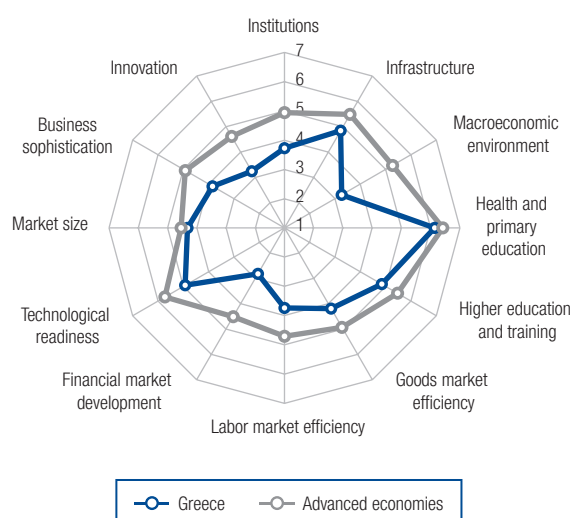
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 11.0   |
| GDP (US\$ billions).....                   | 238.0  |
| GDP per capita (US\$).....                 | 21,653 |
| GDP (PPP) as share (%) of world total..... | 0.26   |

GDP (PPP) per capita (int'l \$), 1990–2014

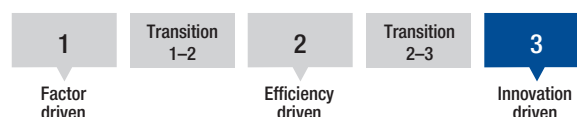


## Global Competitiveness Index

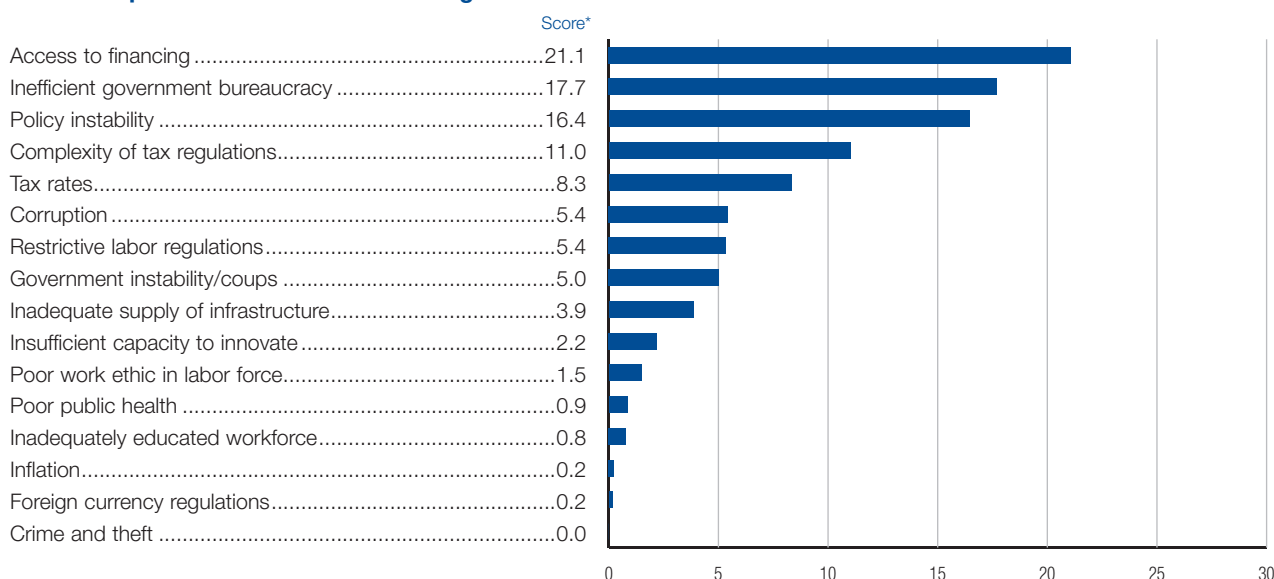
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>81</b>            | <b>4.0</b>     |
| GCI 2014–2015 (out of 144).....                            | 81                   | 4.0            |
| GCI 2013–2014 (out of 148).....                            | 91                   | 3.9            |
| GCI 2012–2013 (out of 144).....                            | 96                   | 3.9            |
| <b>Basic requirements (20.0%)</b> .....                    | <b>74</b>            | <b>4.5</b>     |
| 1st pillar: Institutions.....                              | 81                   | 3.7            |
| 2nd pillar: Infrastructure.....                            | 34                   | 4.8            |
| 3rd pillar: Macroeconomic environment.....                 | 132                  | 3.3            |
| 4th pillar: Health and primary education.....              | 41                   | 6.1            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>62</b>            | <b>4.1</b>     |
| 5th pillar: Higher education and training.....             | 43                   | 4.8            |
| 6th pillar: Goods market efficiency.....                   | 89                   | 4.2            |
| 7th pillar: Labor market efficiency.....                   | 116                  | 3.7            |
| 8th pillar: Financial market development.....              | 131                  | 2.8            |
| 9th pillar: Technological readiness.....                   | 36                   | 4.9            |
| 10th pillar: Market size.....                              | 52                   | 4.3            |
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>77</b>            | <b>3.5</b>     |
| 11th pillar: Business sophistication.....                  | 74                   | 3.8            |
| 12th pillar: Innovation.....                               | 77                   | 3.2            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Greece

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.0    | 86       |
| 1.02 Intellectual property protection .....                   | 4.1    | 60       |
| 1.03 Diversion of public funds .....                          | 3.2    | 78       |
| 1.04 Public trust in politicians .....                        | 2.4    | 101      |
| 1.05 Irregular payments and bribes .....                      | 3.9    | 71       |
| 1.06 Judicial independence .....                              | 3.8    | 70       |
| 1.07 Favoritism in decisions of government officials .....    | 2.8    | 88       |
| 1.08 Wastefulness of government spending .....                | 2.2    | 128      |
| 1.09 Burden of government regulation .....                    | 2.4    | 131      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.6    | 132      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.3    | 86       |
| 1.12 Transparency of government policymaking .....            | 3.4    | 118      |
| 1.13 Business costs of terrorism .....                        | 5.4    | 70       |
| 1.14 Business costs of crime and violence .....               | 5.0    | 52       |
| 1.15 Organized crime .....                                    | 5.3    | 52       |
| 1.16 Reliability of police services .....                     | 4.4    | 57       |
| 1.17 Ethical behavior of firms .....                          | 3.7    | 90       |
| 1.18 Strength of auditing and reporting standards .....       | 4.1    | 101      |
| 1.19 Efficacy of corporate boards .....                       | 4.0    | 128      |
| 1.20 Protection of minority shareholders' interests .....     | 4.1    | 74       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8    | 55       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.3    | 57       |
| 2.02 Quality of roads .....                                   | 4.3    | 56       |
| 2.03 Quality of railroad infrastructure .....                 | 2.8    | 59       |
| 2.04 Quality of port infrastructure .....                     | 4.6    | 48       |
| 2.05 Quality of air transport infrastructure .....            | 5.1    | 37       |
| 2.06 Available airline seat km/week, millions* .....          | 689.7  | 34       |
| 2.07 Quality of electricity supply .....                      | 5.2    | 57       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 115.0  | 66       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 46.9   | 12       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –2.7   | 63       |
| 3.02 Gross national savings, % GDP* .....                     | 11.5   | 121      |
| 3.03 Inflation, annual % change* .....                        | –1.4   | 96       |
| 3.04 General government debt, % GDP* .....                    | 177.2  | 139      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 32.8   | 91       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 5.0    | 4        |
| 4.04 Business impact of tuberculosis .....                    | 6.3    | 36       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.1    | 42       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.7    | 28       |
| 4.08 Life expectancy, years* .....                            | 80.6   | 24       |
| 4.09 Quality of primary education .....                       | 3.8    | 80       |
| 4.10 Primary education enrollment, net %* .....               | 99.8   | 4        |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 108.5  | 15       |
| 5.02 Tertiary education enrollment, gross %* .....            | 116.6  | 1        |
| 5.03 Quality of the education system .....                    | 2.9    | 114      |
| 5.04 Quality of math and science education .....              | 4.3    | 61       |
| 5.05 Quality of management schools .....                      | 3.9    | 88       |
| 5.06 Internet access in schools .....                         | 3.9    | 86       |
| 5.07 Availability of specialized training services .....      | 3.8    | 97       |
| 5.08 Extent of staff training .....                           | 3.7    | 91       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.1    | 68       |
| 6.02 Extent of market dominance .....                         | 3.8    | 62       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.4    | 104      |
| 6.04 Effect of taxation on incentives to invest .....         | 2.5    | 136      |
| 6.05 Total tax rate, % profits* .....                         | 49.9   | 113      |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 5     | 38       |
| 6.07 No. days to start a business* .....                    | 13.0  | 74       |
| 6.08 Agricultural policy costs .....                        | 3.1   | 119      |
| 6.09 Prevalence of non-tariff barriers .....                | 4.6   | 31       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 4.3   | 88       |
| 6.12 Business impact of rules on FDI .....                  | 3.4   | 126      |
| 6.13 Burden of customs procedures .....                     | 4.1   | 62       |
| 6.14 Imports as a percentage of GDP* .....                  | 33.0  | 99       |
| 6.15 Degree of customer orientation .....                   | 4.8   | 52       |
| 6.16 Buyer sophistication .....                             | 3.3   | 73       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.0   | 107      |
| 7.02 Flexibility of wage determination .....                | 4.1   | 115      |
| 7.03 Hiring and firing practices .....                      | 3.6   | 91       |
| 7.04 Redundancy costs, weeks of salary* .....               | 15.9  | 72       |
| 7.05 Effect of taxation on incentives to work .....         | 2.8   | 128      |
| 7.06 Pay and productivity .....                             | 3.5   | 103      |
| 7.07 Reliance on professional management .....              | 3.7   | 101      |
| 7.08 Country capacity to retain talent .....                | 2.8   | 111      |
| 7.09 Country capacity to attract talent .....               | 2.2   | 131      |
| 7.10 Women in labor force, ratio to men* .....              | 0.76  | 89       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 3.8   | 110      |
| 8.02 Affordability of financial services .....              | 3.6   | 118      |
| 8.03 Financing through local equity market .....            | 2.4   | 128      |
| 8.04 Ease of access to loans .....                          | 1.7   | 134      |
| 8.05 Venture capital availability .....                     | 1.9   | 136      |
| 8.06 Soundness of banks .....                               | 3.0   | 134      |
| 8.07 Regulation of securities exchanges .....               | 3.5   | 116      |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 3     | 93       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 5.0   | 56       |
| 9.02 Firm-level technology absorption .....                 | 4.5   | 72       |
| 9.03 FDI and technology transfer .....                      | 4.1   | 96       |
| 9.04 Individuals using Internet, %* .....                   | 63.2  | 51       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 28.4  | 22       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 99.5  | 28       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 41.0  | 72       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.1   | 49       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.8   | 57       |
| 10.03 GDP (PPP\$ billions)* .....                           | 284.3 | 51       |
| 10.04 Exports as a percentage of GDP* .....                 | 32.5  | 89       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.5   | 72       |
| 11.02 Local supplier quality .....                          | 4.3   | 69       |
| 11.03 State of cluster development .....                    | 2.9   | 125      |
| 11.04 Nature of competitive advantage .....                 | 3.9   | 44       |
| 11.05 Value chain breadth .....                             | 3.7   | 75       |
| 11.06 Control of international distribution .....           | 3.8   | 74       |
| 11.07 Production process sophistication .....               | 3.8   | 65       |
| 11.08 Extent of marketing .....                             | 4.1   | 84       |
| 11.09 Willingness to delegate authority .....               | 3.6   | 91       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 3.5   | 111      |
| 12.02 Quality of scientific research institutions .....     | 3.8   | 66       |
| 12.03 Company spending on R&D .....                         | 2.8   | 113      |
| 12.04 University-industry collaboration in R&D .....        | 3.1   | 110      |
| 12.05 Gov't procurement of advanced tech products .....     | 2.6   | 133      |
| 12.06 Availability of scientists and engineers .....        | 5.3   | 6        |
| 12.07 PCT patents, applications/million pop.* .....         | 9.2   | 38       |

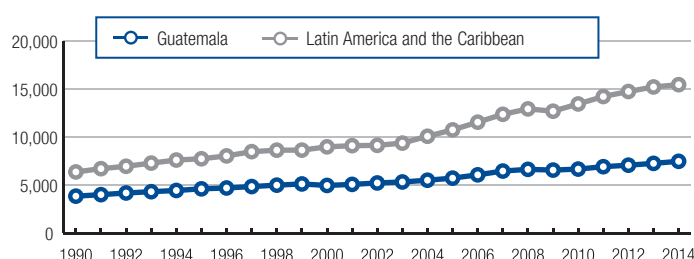
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Guatemala

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 15.9  |
| GDP (US\$ billions).....                   | 60.4  |
| GDP per capita (US\$).....                 | 3,807 |
| GDP (PPP) as share (%) of world total..... | 0.11  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

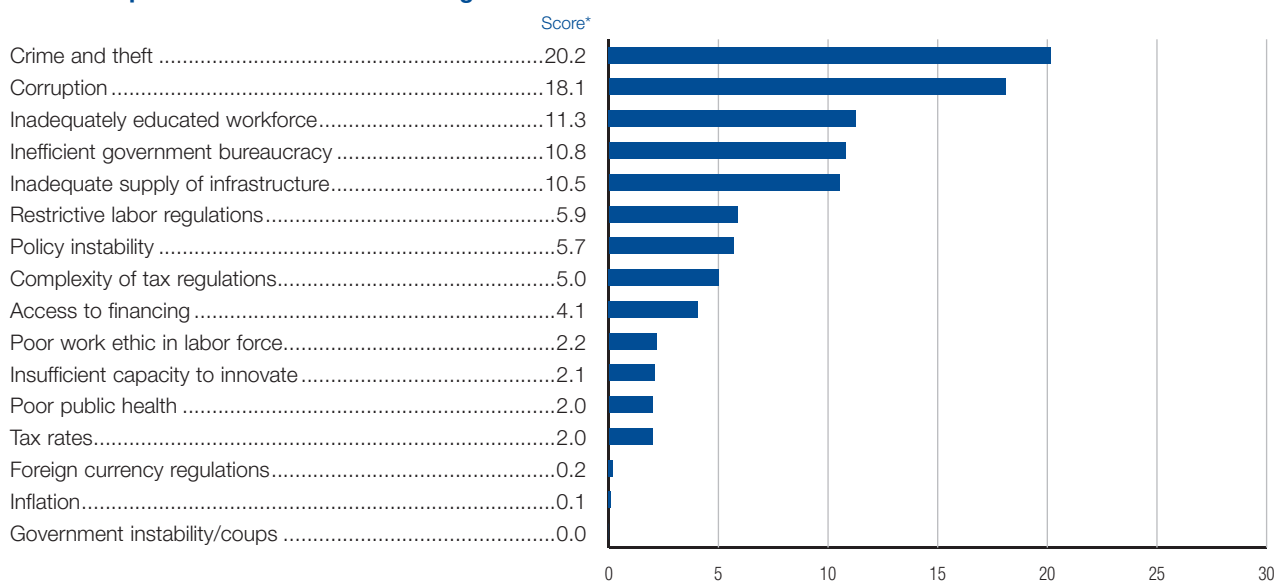
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>78</b>            | <b>4.1</b>     |
| GCI 2014–2015 (out of 144).....                            | 78                   | 4.1            |
| GCI 2013–2014 (out of 148).....                            | 86                   | 4.0            |
| GCI 2012–2013 (out of 144).....                            | 83                   | 4.0            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>91</b>            | <b>4.2</b>     |
| 1st pillar: Institutions.....                              | 113                  | 3.3            |
| 2nd pillar: Infrastructure.....                            | 77                   | 3.8            |
| 3rd pillar: Macroeconomic environment.....                 | 59                   | 4.8            |
| 4th pillar: Health and primary education.....              | 105                  | 4.9            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>74</b>            | <b>4.0</b>     |
| 5th pillar: Higher education and training.....             | 102                  | 3.6            |
| 6th pillar: Goods market efficiency.....                   | 43                   | 4.6            |
| 7th pillar: Labor market efficiency.....                   | 90                   | 4.1            |
| 8th pillar: Financial market development.....              | 27                   | 4.6            |
| 9th pillar: Technological readiness.....                   | 90                   | 3.4            |
| 10th pillar: Market size.....                              | 73                   | 3.7            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>60</b>            | <b>3.7</b>     |
| 11th pillar: Business sophistication.....                  | 49                   | 4.2            |
| 12th pillar: Innovation.....                               | 91                   | 3.1            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Guatemala

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE        | RANK/140 |
|---------------------------------------------------------------|--------------|----------|
| <b>1st pillar: Institutions</b>                               |              |          |
| 1.01 Property rights .....                                    | 4.2 .....    | 68       |
| 1.02 Intellectual property protection .....                   | 3.5 .....    | 91       |
| 1.03 Diversion of public funds .....                          | 2.2 .....    | 128      |
| 1.04 Public trust in politicians .....                        | 1.7 .....    | 133      |
| 1.05 Irregular payments and bribes .....                      | 3.7 .....    | 78       |
| 1.06 Judicial independence .....                              | 3.0 .....    | 105      |
| 1.07 Favoritism in decisions of government officials .....    | 2.3 .....    | 121      |
| 1.08 Wastefulness of government spending .....                | 2.3 .....    | 125      |
| 1.09 Burden of government regulation .....                    | 3.6 .....    | 52       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.0 .....    | 110      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.3 .....    | 82       |
| 1.12 Transparency of government policymaking .....            | 4.2 .....    | 63       |
| 1.13 Business costs of terrorism .....                        | 4.7 .....    | 99       |
| 1.14 Business costs of crime and violence .....               | 2.1 .....    | 138      |
| 1.15 Organized crime .....                                    | 2.5 .....    | 138      |
| 1.16 Reliability of police services .....                     | 2.9 .....    | 123      |
| 1.17 Ethical behavior of firms .....                          | 3.7 .....    | 86       |
| 1.18 Strength of auditing and reporting standards .....       | 4.9 .....    | 55       |
| 1.19 Efficacy of corporate boards .....                       | 5.2 .....    | 36       |
| 1.20 Protection of minority shareholders' interests .....     | 3.7 .....    | 101      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 3.2 .....    | 133      |
| <b>2nd pillar: Infrastructure</b>                             |              |          |
| 2.01 Quality of overall infrastructure .....                  | 4.0 .....    | 70       |
| 2.02 Quality of roads .....                                   | 3.6 .....    | 87       |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. .... | n/a      |
| 2.04 Quality of port infrastructure .....                     | 3.9 .....    | 79       |
| 2.05 Quality of air transport infrastructure .....            | 4.1 .....    | 80       |
| 2.06 Available airline seat km/week, millions* .....          | 43.7 .....   | 101      |
| 2.07 Quality of electricity supply .....                      | 5.4 .....    | 49       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 106.6 .....  | 82       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 10.8 .....   | 83       |
| <b>3rd pillar: Macroeconomic environment</b>                  |              |          |
| 3.01 Government budget balance, % GDP* .....                  | –1.9 .....   | 47       |
| 3.02 Gross national savings, % GDP* .....                     | 11.7 .....   | 119      |
| 3.03 Inflation, annual % change* .....                        | 3.4 .....    | 65       |
| 3.04 General government debt, % GDP* .....                    | 23.7 .....   | 19       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 42.8 .....   | 72       |
| <b>4th pillar: Health and primary education</b>               |              |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 57.7 .....   | 32       |
| 4.02 Business impact of malaria .....                         | 5.9 .....    | 13       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 60.0 .....   | 74       |
| 4.04 Business impact of tuberculosis .....                    | 6.0 .....    | 53       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.6 .....    | 92       |
| 4.06 Business impact of HIV/AIDS .....                        | 5.7 .....    | 66       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 25.8 .....   | 95       |
| 4.08 Life expectancy, years* .....                            | 72.0 .....   | 85       |
| 4.09 Quality of primary education .....                       | 2.5 .....    | 129      |
| 4.10 Primary education enrollment, net %* .....               | 85.5 .....   | 119      |
| <b>5th pillar: Higher education and training</b>              |              |          |
| 5.01 Secondary education enrollment, gross %* .....           | 65.3 .....   | 110      |
| 5.02 Tertiary education enrollment, gross %* .....            | 18.7 .....   | 95       |
| 5.03 Quality of the education system .....                    | 2.7 .....    | 123      |
| 5.04 Quality of math and science education .....              | 2.4 .....    | 135      |
| 5.05 Quality of management schools .....                      | 4.6 .....    | 41       |
| 5.06 Internet access in schools .....                         | 3.6 .....    | 98       |
| 5.07 Availability of specialized training services .....      | 4.8 .....    | 34       |
| 5.08 Extent of staff training .....                           | 4.4 .....    | 34       |
| <b>6th pillar: Goods market efficiency</b>                    |              |          |
| 6.01 Intensity of local competition .....                     | 5.5 .....    | 28       |
| 6.02 Extent of market dominance .....                         | 4.2 .....    | 29       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.5 .....    | 97       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.0 .....    | 36       |
| 6.05 Total tax rate, % profits* .....                         | 39.9 .....   | 80       |

| INDICATOR                                                | VALUE       | RANK/140 |
|----------------------------------------------------------|-------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |             |          |
| 6.06 No. procedures to start a business* .....           | 6 .....     | 57       |
| 6.07 No. days to start a business* .....                 | 18.5 .....  | 92       |
| 6.08 Agricultural policy costs .....                     | 4.1 .....   | 43       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.3 .....   | 67       |
| 6.10 Trade tariffs, % duty* .....                        | 3.4 .....   | 49       |
| 6.11 Prevalence of foreign ownership .....               | 4.8 .....   | 55       |
| 6.12 Business impact of rules on FDI .....               | 4.8 .....   | 45       |
| 6.13 Burden of customs procedures .....                  | 3.5 .....   | 104      |
| 6.14 Imports as a percentage of GDP* .....               | 35.2 .....  | 94       |
| 6.15 Degree of customer orientation .....                | 5.2 .....   | 28       |
| 6.16 Buyer sophistication .....                          | 3.6 .....   | 51       |
| <b>7th pillar: Labor market efficiency</b>               |             |          |
| 7.01 Cooperation in labor-employer relations .....       | 5.1 .....   | 24       |
| 7.02 Flexibility of wage determination .....             | 5.6 .....   | 24       |
| 7.03 Hiring and firing practices .....                   | 4.4 .....   | 31       |
| 7.04 Redundancy costs, weeks of salary* .....            | 27.0 .....  | 114      |
| 7.05 Effect of taxation on incentives to work .....      | 4.1 .....   | 41       |
| 7.06 Pay and productivity .....                          | 4.2 .....   | 48       |
| 7.07 Reliance on professional management .....           | 4.4 .....   | 59       |
| 7.08 Country capacity to retain talent .....             | 4.0 .....   | 35       |
| 7.09 Country capacity to attract talent .....            | 3.3 .....   | 71       |
| 7.10 Women in labor force, ratio to men* .....           | 0.57 .....  | 120      |
| <b>8th pillar: Financial market development</b>          |             |          |
| 8.01 Availability of financial services .....            | 5.3 .....   | 28       |
| 8.02 Affordability of financial services .....           | 5.0 .....   | 32       |
| 8.03 Financing through local equity market .....         | 2.6 .....   | 119      |
| 8.04 Ease of access to loans .....                       | 3.1 .....   | 48       |
| 8.05 Venture capital availability .....                  | 2.9 .....   | 56       |
| 8.06 Soundness of banks .....                            | 6.0 .....   | 17       |
| 8.07 Regulation of securities exchanges .....            | 4.6 .....   | 50       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 9 .....     | 11       |
| <b>9th pillar: Technological readiness</b>               |             |          |
| 9.01 Availability of latest technologies .....           | 5.3 .....   | 42       |
| 9.02 Firm-level technology absorption .....              | 5.0 .....   | 45       |
| 9.03 FDI and technology transfer .....                   | 4.7 .....   | 46       |
| 9.04 Individuals using Internet, %* .....                | 23.4 .....  | 101      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 2.4 .....   | 97       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 8.1 .....   | 106      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 9.4 .....   | 115      |
| <b>10th pillar: Market size</b>                          |             |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.6 .....   | 71       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.1 .....   | 87       |
| 10.03 GDP (PPP\$ billions)* .....                        | 119.1 ..... | 73       |
| 10.04 Exports as a percentage of GDP* .....              | 22.2 .....  | 119      |
| <b>11th pillar: Business sophistication</b>              |             |          |
| 11.01 Local supplier quantity .....                      | 4.8 .....   | 36       |
| 11.02 Local supplier quality .....                       | 4.8 .....   | 37       |
| 11.03 State of cluster development .....                 | 3.8 .....   | 58       |
| 11.04 Nature of competitive advantage .....              | 3.5 .....   | 66       |
| 11.05 Value chain breadth .....                          | 4.1 .....   | 45       |
| 11.06 Control of international distribution .....        | 3.8 .....   | 66       |
| 11.07 Production process sophistication .....            | 4.1 .....   | 54       |
| 11.08 Extent of marketing .....                          | 4.7 .....   | 36       |
| 11.09 Willingness to delegate authority .....            | 4.0 .....   | 43       |
| <b>12th pillar: Innovation</b>                           |             |          |
| 12.01 Capacity for innovation .....                      | 4.3 .....   | 43       |
| 12.02 Quality of scientific research institutions .....  | 3.3 .....   | 100      |
| 12.03 Company spending on R&D .....                      | 3.2 .....   | 67       |
| 12.04 University-industry collaboration in R&D .....     | 3.6 .....   | 68       |
| 12.05 Gov't procurement of advanced tech products .....  | 2.6 .....   | 131      |
| 12.06 Availability of scientists and engineers .....     | 3.7 .....   | 94       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.1 .....   | 98       |

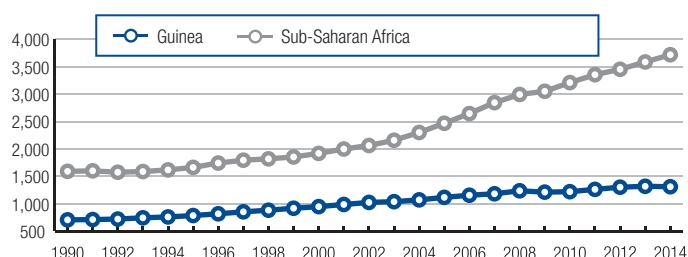
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Guinea

## Key indicators, 2014

|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 11.4 |
| GDP (US\$ billions).....                   | 6.5  |
| GDP per capita (US\$).....                 | 573  |
| GDP (PPP) as share (%) of world total..... | 0.01 |

GDP (PPP) per capita (int'l \$), 1990–2014



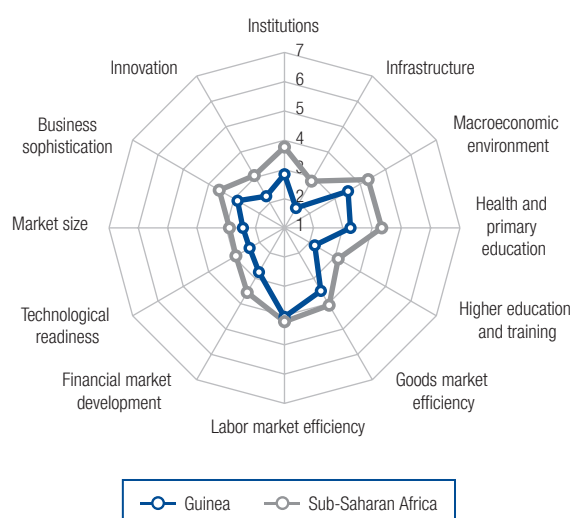
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>140</b>           | <b>2.8</b>     |
| GCI 2014–2015 (out of 144)..... | 144                  | 2.8            |
| GCI 2013–2014 (out of 148)..... | 147                  | 2.9            |
| GCI 2012–2013 (out of 144)..... | 141                  | 2.9            |

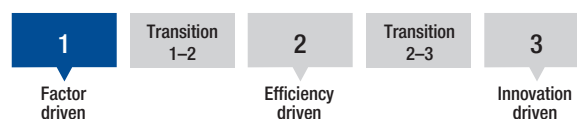
|                                               |            |            |
|-----------------------------------------------|------------|------------|
| <b>Basic requirements (60.0%)</b> .....       | <b>140</b> | <b>2.8</b> |
| 1st pillar: Institutions.....                 | 136        | 2.8        |
| 2nd pillar: Infrastructure.....               | 139        | 1.8        |
| 3rd pillar: Macroeconomic environment.....    | 129        | 3.5        |
| 4th pillar: Health and primary education..... | 138        | 3.3        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (35.0%)</b> .....      | <b>137</b> | <b>2.9</b> |
| 5th pillar: Higher education and training..... | 137        | 2.2        |
| 6th pillar: Goods market efficiency.....       | 135        | 3.5        |
| 7th pillar: Labor market efficiency.....       | 91         | 4.0        |
| 8th pillar: Financial market development.....  | 137        | 2.7        |
| 9th pillar: Technological readiness.....       | 134        | 2.4        |
| 10th pillar: Market size.....                  | 128        | 2.4        |

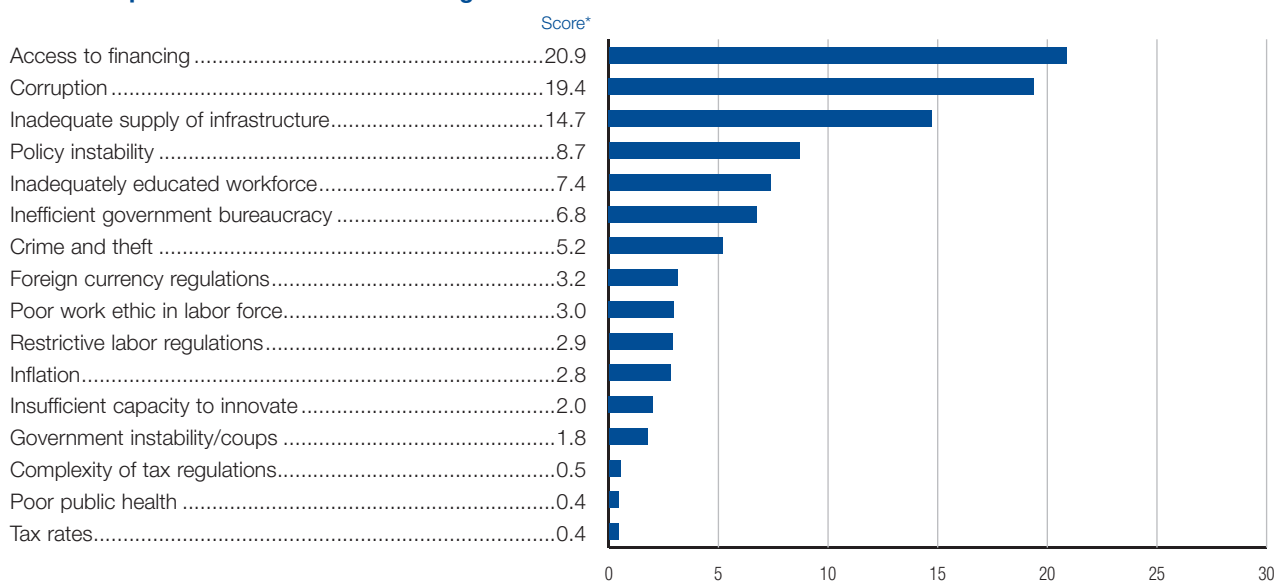
|                                                           |            |            |
|-----------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>138</b> | <b>2.6</b> |
| 11th pillar: Business sophistication.....                 | 137        | 2.9        |
| 12th pillar: Innovation.....                              | 139        | 2.2        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Guinea

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 2.6      | 136      |
| 1.02 Intellectual property protection .....                   | 2.2      | 138      |
| 1.03 Diversion of public funds .....                          | 2.0      | 135      |
| 1.04 Public trust in politicians .....                        | 2.3      | 104      |
| 1.05 Irregular payments and bribes .....                      | 2.1      | 138      |
| 1.06 Judicial independence .....                              | 2.0      | 136      |
| 1.07 Favoritism in decisions of government officials .....    | 2.0      | 134      |
| 1.08 Wastefulness of government spending .....                | 2.6      | 96       |
| 1.09 Burden of government regulation .....                    | 3.5      | 62       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.3      | 136      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.4      | 131      |
| 1.12 Transparency of government policymaking .....            | 3.0      | 132      |
| 1.13 Business costs of terrorism .....                        | 5.5      | 62       |
| 1.14 Business costs of crime and violence .....               | 3.6      | 112      |
| 1.15 Organized crime .....                                    | 4.1      | 106      |
| 1.16 Reliability of police services .....                     | 3.0      | 118      |
| 1.17 Ethical behavior of firms .....                          | 3.1      | 131      |
| 1.18 Strength of auditing and reporting standards .....       | 3.1      | 137      |
| 1.19 Efficacy of corporate boards .....                       | 4.2      | 113      |
| 1.20 Protection of minority shareholders' interests .....     | 3.0      | 133      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 3.9      | 127      |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 2.1      | 140      |
| 2.02 Quality of roads .....                                   | 1.9      | 140      |
| 2.03 Quality of railroad infrastructure .....                 | 1.4      | 105      |
| 2.04 Quality of port infrastructure .....                     | 2.9      | 113      |
| 2.05 Quality of air transport infrastructure .....            | 2.5      | 136      |
| 2.06 Available airline seat km/week, millions* .....          | 8.5      | 132      |
| 2.07 Quality of electricity supply .....                      | 1.3      | 140      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 72.1     | 126      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.0      | 140      |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | –4.3     | 101      |
| 3.02 Gross national savings, % GDP* .....                     | –8.8     | 138      |
| 3.03 Inflation, annual % change* .....                        | 9.7      | 131      |
| 3.04 General government debt, % GDP* .....                    | 37.4     | 55       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 10.8     | 139      |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 38,423.7 | 74       |
| 4.02 Business impact of malaria .....                         | 3.2      | 68       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 177.0    | 115      |
| 4.04 Business impact of tuberculosis .....                    | 4.5      | 102      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.7      | 119      |
| 4.06 Business impact of HIV/AIDS .....                        | 4.6      | 104      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 64.9     | 132      |
| 4.08 Life expectancy, years* .....                            | 56.1     | 128      |
| 4.09 Quality of primary education .....                       | 2.3      | 135      |
| 4.10 Primary education enrollment, net %* .....               | 75.1     | 131      |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 38.1     | 130      |
| 5.02 Tertiary education enrollment, gross %* .....            | 9.9      | 114      |
| 5.03 Quality of the education system .....                    | 2.4      | 133      |
| 5.04 Quality of math and science education .....              | 3.1      | 115      |
| 5.05 Quality of management schools .....                      | 2.3      | 140      |
| 5.06 Internet access in schools .....                         | 1.8      | 138      |
| 5.07 Availability of specialized training services .....      | 2.8      | 138      |
| 5.08 Extent of staff training .....                           | 3.2      | 128      |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 4.2      | 130      |
| 6.02 Extent of market dominance .....                         | 3.3      | 102      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 2.9      | 131      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.5      | 75       |
| 6.05 Total tax rate, % profits* .....                         | 68.3     | 133      |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 6     | 57       |
| 6.07 No. days to start a business* .....                 | 8.0   | 42       |
| 6.08 Agricultural policy costs .....                     | 3.3   | 110      |
| 6.09 Prevalence of non-tariff barriers .....             | 4.0   | 103      |
| 6.10 Trade tariffs, % duty* .....                        | 11.3  | 119      |
| 6.11 Prevalence of foreign ownership .....               | 3.5   | 118      |
| 6.12 Business impact of rules on FDI .....               | 3.4   | 127      |
| 6.13 Burden of customs procedures .....                  | 3.3   | 114      |
| 6.14 Imports as a percentage of GDP* .....               | 43.6  | 79       |
| 6.15 Degree of customer orientation .....                | 3.4   | 136      |
| 6.16 Buyer sophistication .....                          | 1.9   | 140      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 3.7   | 120      |
| 7.02 Flexibility of wage determination .....             | 5.3   | 39       |
| 7.03 Hiring and firing practices .....                   | 3.4   | 105      |
| 7.04 Redundancy costs, weeks of salary* .....            | 7.9   | 18       |
| 7.05 Effect of taxation on incentives to work .....      | 3.8   | 68       |
| 7.06 Pay and productivity .....                          | 2.8   | 134      |
| 7.07 Reliance on professional management .....           | 2.8   | 136      |
| 7.08 Country capacity to retain talent .....             | 2.5   | 124      |
| 7.09 Country capacity to attract talent .....            | 2.7   | 107      |
| 7.10 Women in labor force, ratio to men* .....           | 0.85  | 58       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 2.9   | 136      |
| 8.02 Affordability of financial services .....           | 2.8   | 139      |
| 8.03 Financing through local equity market .....         | 1.6   | 139      |
| 8.04 Ease of access to loans .....                       | 2.4   | 104      |
| 8.05 Venture capital availability .....                  | 1.9   | 132      |
| 8.06 Soundness of banks .....                            | 3.6   | 127      |
| 8.07 Regulation of securities exchanges .....            | 1.9   | 139      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 6     | 44       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 3.3   | 135      |
| 9.02 Firm-level technology absorption .....              | 3.7   | 133      |
| 9.03 FDI and technology transfer .....                   | 3.8   | 113      |
| 9.04 Individuals using Internet, %* .....                | 1.7   | 139      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.0   | 138      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 2.4   | 132      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 2.2   | 132      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.2   | 127      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.0   | 130      |
| 10.03 GDP (PPP\$ billions)* .....                        | 15.0  | 126      |
| 10.04 Exports as a percentage of GDP* .....              | 22.5  | 116      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 3.8   | 123      |
| 11.02 Local supplier quality .....                       | 3.1   | 139      |
| 11.03 State of cluster development .....                 | 3.0   | 119      |
| 11.04 Nature of competitive advantage .....              | 2.6   | 128      |
| 11.05 Value chain breadth .....                          | 2.9   | 132      |
| 11.06 Control of international distribution .....        | 3.0   | 132      |
| 11.07 Production process sophistication .....            | 2.3   | 138      |
| 11.08 Extent of marketing .....                          | 2.7   | 138      |
| 11.09 Willingness to delegate authority .....            | 2.3   | 140      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 2.7   | 139      |
| 12.02 Quality of scientific research institutions .....  | 2.3   | 136      |
| 12.03 Company spending on R&D .....                      | 2.0   | 140      |
| 12.04 University-industry collaboration in R&D .....     | 2.2   | 139      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.6   | 128      |
| 12.06 Availability of scientists and engineers .....     | 2.9   | 133      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119      |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

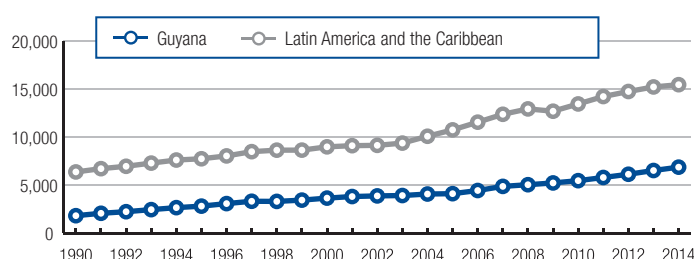


# Guyana

## Key indicators, 2014

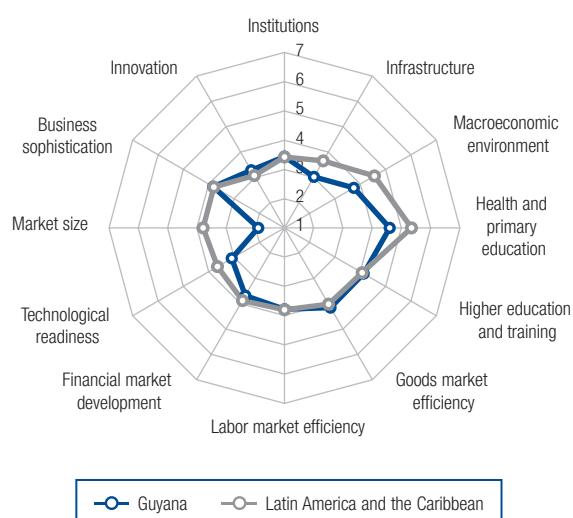
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 0.8   |
| GDP (US\$ billions).....                   | 3.0   |
| GDP per capita (US\$).....                 | 3,748 |
| GDP (PPP) as share (%) of world total..... | 0.01  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

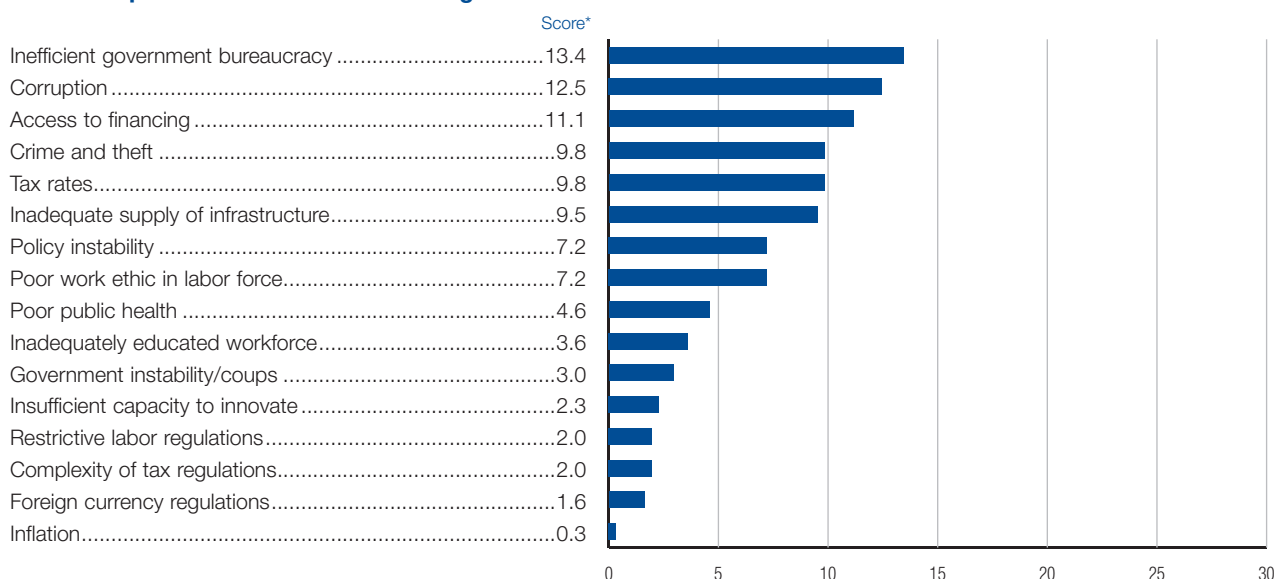
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>121</b>           | <b>3.6</b>     |
| GCI 2014–2015 (out of 144).....                            | 117                  | 3.6            |
| GCI 2013–2014 (out of 148).....                            | 102                  | 3.8            |
| GCI 2012–2013 (out of 144).....                            | 109                  | 3.7            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>122</b>           | <b>3.7</b>     |
| 1st pillar: Institutions.....                              | 102                  | 3.4            |
| 2nd pillar: Infrastructure.....                            | 108                  | 3.0            |
| 3rd pillar: Macroeconomic environment.....                 | 120                  | 3.7            |
| 4th pillar: Health and primary education.....              | 115                  | 4.6            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>115</b>           | <b>3.4</b>     |
| 5th pillar: Higher education and training.....             | 74                   | 4.1            |
| 6th pillar: Goods market efficiency.....                   | 94                   | 4.1            |
| 7th pillar: Labor market efficiency.....                   | 111                  | 3.8            |
| 8th pillar: Financial market development.....              | 83                   | 3.7            |
| 9th pillar: Technological readiness.....                   | 104                  | 3.1            |
| 10th pillar: Market size.....                              | 134                  | 1.9            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>74</b>            | <b>3.5</b>     |
| 11th pillar: Business sophistication.....                  | 75                   | 3.8            |
| 12th pillar: Innovation.....                               | 71                   | 3.3            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 3.7     | 109      |
| 1.02 Intellectual property protection .....                   | 3.3     | 106      |
| 1.03 Diversion of public funds .....                          | 3.1     | 81       |
| 1.04 Public trust in politicians .....                        | 3.1     | 60       |
| 1.05 Irregular payments and bribes .....                      | 2.9     | 119      |
| 1.06 Judicial independence .....                              | 3.3     | 97       |
| 1.07 Favoritism in decisions of government officials .....    | 2.7     | 104      |
| 1.08 Wastefulness of government spending .....                | 3.1     | 73       |
| 1.09 Burden of government regulation .....                    | 3.4     | 73       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.5     | 77       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.4     | 69       |
| 1.12 Transparency of government policymaking .....            | 3.7     | 102      |
| 1.13 Business costs of terrorism .....                        | 5.0     | 88       |
| 1.14 Business costs of crime and violence .....               | 3.6     | 111      |
| 1.15 Organized crime .....                                    | 4.2     | 104      |
| 1.16 Reliability of police services .....                     | 2.8     | 129      |
| 1.17 Ethical behavior of firms .....                          | 3.3     | 121      |
| 1.18 Strength of auditing and reporting standards .....       | 3.8     | 119      |
| 1.19 Efficacy of corporate boards .....                       | 4.3     | 106      |
| 1.20 Protection of minority shareholders' interests .....     | 3.7     | 99       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.4     | 113      |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 3.6     | 94       |
| 2.02 Quality of roads .....                                   | 3.2     | 104      |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 3.6     | 87       |
| 2.05 Quality of air transport infrastructure .....            | 3.8     | 93       |
| 2.06 Available airline seat km/week, millions* .....          | 12.6    | 127      |
| 2.07 Quality of electricity supply .....                      | 3.0     | 113      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 70.5    | 127      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 19.9    | 54       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –5.2    | 113      |
| 3.02 Gross national savings, % GDP* .....                     | 3.5     | 133      |
| 3.03 Inflation, annual % change* .....                        | 1.0     | 1        |
| 3.04 General government debt, % GDP* .....                    | 65.8    | 105      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 28.2    | 111      |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 7,920.9 | 52       |
| 4.02 Business impact of malaria .....                         | 4.9     | 35       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 109.0   | 93       |
| 4.04 Business impact of tuberculosis .....                    | 4.8     | 94       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.4     | 117      |
| 4.06 Business impact of HIV/AIDS .....                        | 4.7     | 101      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 29.9    | 99       |
| 4.08 Life expectancy, years* .....                            | 66.2    | 108      |
| 4.09 Quality of primary education .....                       | 4.6     | 41       |
| 4.10 Primary education enrollment, net %* .....               | 71.5    | 135      |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 101.0   | 28       |
| 5.02 Tertiary education enrollment, gross %* .....            | 12.9    | 106      |
| 5.03 Quality of the education system .....                    | 3.9     | 59       |
| 5.04 Quality of math and science education .....              | 4.1     | 70       |
| 5.05 Quality of management schools .....                      | 4.6     | 44       |
| 5.06 Internet access in schools .....                         | 4.1     | 78       |
| 5.07 Availability of specialized training services .....      | 4.2     | 67       |
| 5.08 Extent of staff training .....                           | 4.2     | 49       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 4.5     | 110      |
| 6.02 Extent of market dominance .....                         | 3.5     | 82       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.5     | 101      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8     | 51       |
| 6.05 Total tax rate, % profits* .....                         | 32.3    | 47       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 8     | 93       |
| 6.07 No. days to start a business* .....                 | 19.0  | 94       |
| 6.08 Agricultural policy costs .....                     | 3.7   | 80       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.2   | 80       |
| 6.10 Trade tariffs, % duty* .....                        | 12.0  | 123      |
| 6.11 Prevalence of foreign ownership .....               | 4.4   | 75       |
| 6.12 Business impact of rules on FDI .....               | 4.4   | 72       |
| 6.13 Burden of customs procedures .....                  | 3.6   | 91       |
| 6.14 Imports as a percentage of GDP* .....               | 74.7  | 27       |
| 6.15 Degree of customer orientation .....                | 3.9   | 117      |
| 6.16 Buyer sophistication .....                          | 3.4   | 62       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.2   | 83       |
| 7.02 Flexibility of wage determination .....             | 4.8   | 86       |
| 7.03 Hiring and firing practices .....                   | 4.0   | 54       |
| 7.04 Redundancy costs, weeks of salary* .....            | 16.6  | 73       |
| 7.05 Effect of taxation on incentives to work .....      | 3.8   | 72       |
| 7.06 Pay and productivity .....                          | 3.6   | 100      |
| 7.07 Reliance on professional management .....           | 3.6   | 108      |
| 7.08 Country capacity to retain talent .....             | 3.6   | 53       |
| 7.09 Country capacity to attract talent .....            | 3.9   | 38       |
| 7.10 Women in labor force, ratio to men* .....           | 0.54  | 121      |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.1   | 87       |
| 8.02 Affordability of financial services .....           | 4.1   | 74       |
| 8.03 Financing through local equity market .....         | 3.6   | 65       |
| 8.04 Ease of access to loans .....                       | 3.3   | 38       |
| 8.05 Venture capital availability .....                  | 3.3   | 34       |
| 8.06 Soundness of banks .....                            | 4.8   | 73       |
| 8.07 Regulation of securities exchanges .....            | 3.7   | 96       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 3     | 93       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.5   | 86       |
| 9.02 Firm-level technology absorption .....              | 4.4   | 79       |
| 9.03 FDI and technology transfer .....                   | 4.0   | 100      |
| 9.04 Individuals using Internet, %* .....                | 37.4  | 92       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 5.6   | 82       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 10.0  | 99       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 0.2   | 136      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 1.6   | 135      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 2.8   | 133      |
| 10.03 GDP (PPP\$ billions)* .....                        | 5.5   | 135      |
| 10.04 Exports as a percentage of GDP* .....              | 43.9  | 54       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.6   | 60       |
| 11.02 Local supplier quality .....                       | 4.4   | 56       |
| 11.03 State of cluster development .....                 | 3.6   | 80       |
| 11.04 Nature of competitive advantage .....              | 3.3   | 81       |
| 11.05 Value chain breadth .....                          | 3.4   | 103      |
| 11.06 Control of international distribution .....        | 3.8   | 67       |
| 11.07 Production process sophistication .....            | 3.7   | 77       |
| 11.08 Extent of marketing .....                          | 3.8   | 110      |
| 11.09 Willingness to delegate authority .....            | 3.7   | 68       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.9   | 76       |
| 12.02 Quality of scientific research institutions .....  | 3.5   | 83       |
| 12.03 Company spending on R&D .....                      | 3.6   | 41       |
| 12.04 University-industry collaboration in R&D .....     | 3.8   | 58       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.4   | 62       |
| 12.06 Availability of scientists and engineers .....     | 3.8   | 89       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119      |

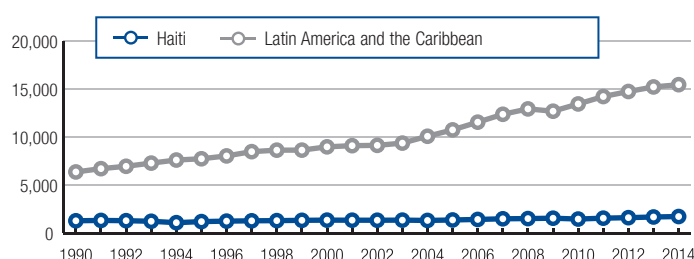
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Haiti

## Key indicators, 2014

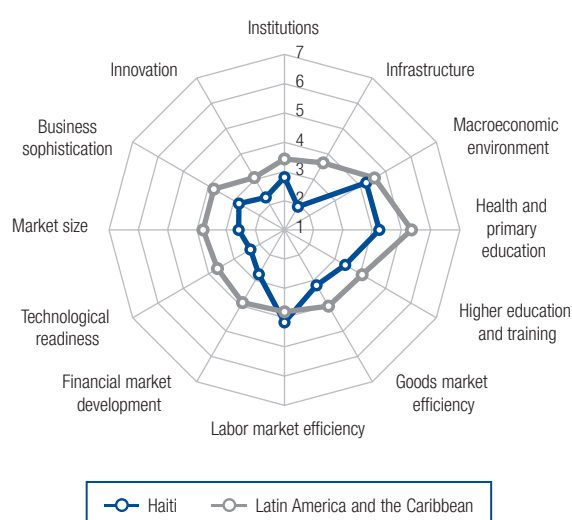
|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 10.5 |
| GDP (US\$ billions).....                   | 8.7  |
| GDP per capita (US\$).....                 | 833  |
| GDP (PPP) as share (%) of world total..... | 0.02 |

GDP (PPP) per capita (int'l \$), 1990–2014

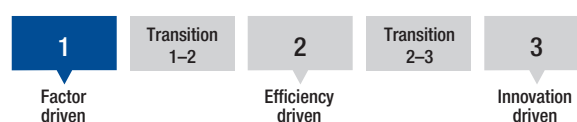


## Global Competitiveness Index

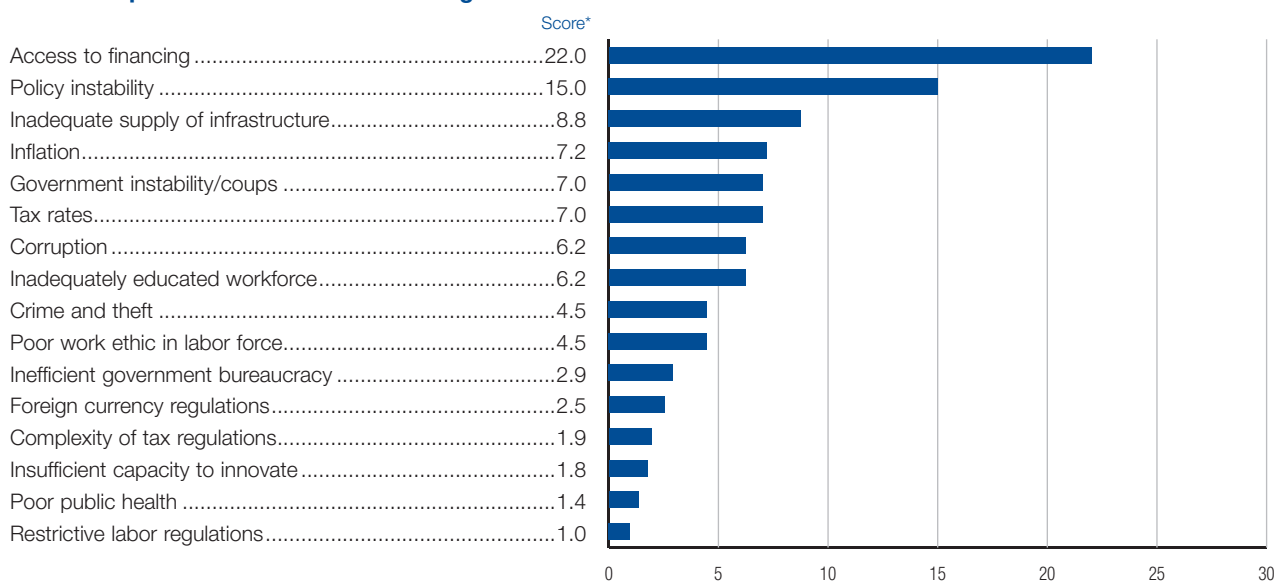
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>134</b>           | <b>3.2</b>     |
| GCI 2014–2015 (out of 144).....                           | 137                  | 3.1            |
| GCI 2013–2014 (out of 148).....                           | 143                  | 3.1            |
| GCI 2012–2013 (out of 144).....                           | 142                  | 2.9            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>132</b>           | <b>3.3</b>     |
| 1st pillar: Institutions.....                             | 138                  | 2.8            |
| 2nd pillar: Infrastructure.....                           | 137                  | 1.9            |
| 3rd pillar: Macroeconomic environment.....                | 102                  | 4.2            |
| 4th pillar: Health and primary education.....             | 125                  | 4.2            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>135</b>           | <b>3.1</b>     |
| 5th pillar: Higher education and training.....            | 107                  | 3.4            |
| 6th pillar: Goods market efficiency.....                  | 137                  | 3.2            |
| 7th pillar: Labor market efficiency.....                  | 76                   | 4.2            |
| 8th pillar: Financial market development.....             | 136                  | 2.8            |
| 9th pillar: Technological readiness.....                  | 136                  | 2.3            |
| 10th pillar: Market size.....                             | 125                  | 2.6            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>139</b>           | <b>2.5</b>     |
| 11th pillar: Business sophistication.....                 | 138                  | 2.8            |
| 12th pillar: Innovation.....                              | 138                  | 2.3            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 2.6     | 137      |
| 1.02 Intellectual property protection .....                   | 2.3     | 137      |
| 1.03 Diversion of public funds .....                          | 2.4     | 120      |
| 1.04 Public trust in politicians .....                        | 1.9     | 126      |
| 1.05 Irregular payments and bribes .....                      | 2.6     | 131      |
| 1.06 Judicial independence .....                              | 2.7     | 118      |
| 1.07 Favoritism in decisions of government officials .....    | 2.4     | 116      |
| 1.08 Wastefulness of government spending .....                | 2.5     | 107      |
| 1.09 Burden of government regulation .....                    | 3.1     | 102      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.7     | 127      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.2     | 137      |
| 1.12 Transparency of government policymaking .....            | 2.7     | 138      |
| 1.13 Business costs of terrorism .....                        | 5.2     | 79       |
| 1.14 Business costs of crime and violence .....               | 3.0     | 126      |
| 1.15 Organized crime .....                                    | 3.2     | 131      |
| 1.16 Reliability of police services .....                     | 3.0     | 119      |
| 1.17 Ethical behavior of firms .....                          | 2.9     | 136      |
| 1.18 Strength of auditing and reporting standards .....       | 3.6     | 125      |
| 1.19 Efficacy of corporate boards .....                       | 4.1     | 124      |
| 1.20 Protection of minority shareholders' interests .....     | 2.9     | 136      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 2.0     | 140      |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 2.2     | 139      |
| 2.02 Quality of roads .....                                   | 2.3     | 135      |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 2.6     | 124      |
| 2.05 Quality of air transport infrastructure .....            | 2.9     | 127      |
| 2.06 Available airline seat km/week, millions* .....          | 24.3    | 115      |
| 2.07 Quality of electricity supply .....                      | 1.6     | 138      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 64.7    | 131      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.4     | 131      |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –6.4    | 128      |
| 3.02 Gross national savings, % GDP* .....                     | 25.4    | 40       |
| 3.03 Inflation, annual % change* .....                        | 3.9     | 83       |
| 3.04 General government debt, % GDP* .....                    | 26.7    | 26       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 14.8    | 138      |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 1,277.8 | 43       |
| 4.02 Business impact of malaria .....                         | 4.1     | 50       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 206.0   | 119      |
| 4.04 Business impact of tuberculosis .....                    | 4.2     | 118      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 2.0     | 122      |
| 4.06 Business impact of HIV/AIDS .....                        | 4.3     | 113      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 54.7    | 124      |
| 4.08 Life expectancy, years* .....                            | 63.1    | 116      |
| 4.09 Quality of primary education .....                       | 2.9     | 118      |
| 4.10 Primary education enrollment, net %* .....               | 77.2    | 128      |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 68.1    | 106      |
| 5.02 Tertiary education enrollment, gross %* .....            | n/a     | n/a      |
| 5.03 Quality of the education system .....                    | 2.4     | 134      |
| 5.04 Quality of math and science education .....              | 2.8     | 124      |
| 5.05 Quality of management schools .....                      | 2.9     | 135      |
| 5.06 Internet access in schools .....                         | 2.7     | 130      |
| 5.07 Availability of specialized training services .....      | 2.7     | 140      |
| 5.08 Extent of staff training .....                           | 3.0     | 133      |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 3.9     | 137      |
| 6.02 Extent of market dominance .....                         | 2.3     | 139      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 2.4     | 139      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.3     | 98       |
| 6.05 Total tax rate, % profits* .....                         | 40.3    | 83       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 12    | 130      |
| 6.07 No. days to start a business* .....                 | 97.0  | 138      |
| 6.08 Agricultural policy costs .....                     | 2.8   | 136      |
| 6.09 Prevalence of non-tariff barriers .....             | 3.4   | 134      |
| 6.10 Trade tariffs, % duty* .....                        | 5.6   | 74       |
| 6.11 Prevalence of foreign ownership .....               | 3.0   | 134      |
| 6.12 Business impact of rules on FDI .....               | 3.7   | 117      |
| 6.13 Burden of customs procedures .....                  | 2.4   | 138      |
| 6.14 Imports as a percentage of GDP* .....               | 50.3  | 61       |
| 6.15 Degree of customer orientation .....                | 3.2   | 140      |
| 6.16 Buyer sophistication .....                          | 2.4   | 132      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 3.7   | 121      |
| 7.02 Flexibility of wage determination .....             | 5.3   | 48       |
| 7.03 Hiring and firing practices .....                   | 4.1   | 49       |
| 7.04 Redundancy costs, weeks of salary* .....            | 10.1  | 34       |
| 7.05 Effect of taxation on incentives to work .....      | 4.1   | 39       |
| 7.06 Pay and productivity .....                          | 2.9   | 133      |
| 7.07 Reliance on professional management .....           | 3.2   | 132      |
| 7.08 Country capacity to retain talent .....             | 2.1   | 132      |
| 7.09 Country capacity to attract talent .....            | 2.7   | 106      |
| 7.10 Women in labor force, ratio to men* .....           | 0.88  | 41       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.0   | 134      |
| 8.02 Affordability of financial services .....           | 2.9   | 136      |
| 8.03 Financing through local equity market .....         | 2.2   | 132      |
| 8.04 Ease of access to loans .....                       | 2.3   | 110      |
| 8.05 Venture capital availability .....                  | 1.9   | 135      |
| 8.06 Soundness of banks .....                            | 4.2   | 107      |
| 8.07 Regulation of securities exchanges .....            | 2.8   | 128      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 2     | 106      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 3.4   | 133      |
| 9.02 Firm-level technology absorption .....              | 3.5   | 134      |
| 9.03 FDI and technology transfer .....                   | 3.4   | 133      |
| 9.04 Individuals using Internet, %* .....                | 11.4  | 120      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.0   | 139      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 0.1   | 140      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 0.2   | 137      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.4   | 121      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.0   | 131      |
| 10.03 GDP (PPP\$ billions)* .....                        | 18.3  | 123      |
| 10.04 Exports as a percentage of GDP* .....              | 17.9  | 124      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 3.1   | 139      |
| 11.02 Local supplier quality .....                       | 3.2   | 135      |
| 11.03 State of cluster development .....                 | 2.5   | 137      |
| 11.04 Nature of competitive advantage .....              | 2.3   | 136      |
| 11.05 Value chain breadth .....                          | 2.7   | 140      |
| 11.06 Control of international distribution .....        | 2.9   | 134      |
| 11.07 Production process sophistication .....            | 2.2   | 139      |
| 11.08 Extent of marketing .....                          | 3.5   | 128      |
| 11.09 Willingness to delegate authority .....            | 2.6   | 137      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.2   | 128      |
| 12.02 Quality of scientific research institutions .....  | 2.2   | 139      |
| 12.03 Company spending on R&D .....                      | 2.2   | 138      |
| 12.04 University-industry collaboration in R&D .....     | 2.3   | 135      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.5   | 136      |
| 12.06 Availability of scientists and engineers .....     | 2.6   | 139      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119      |

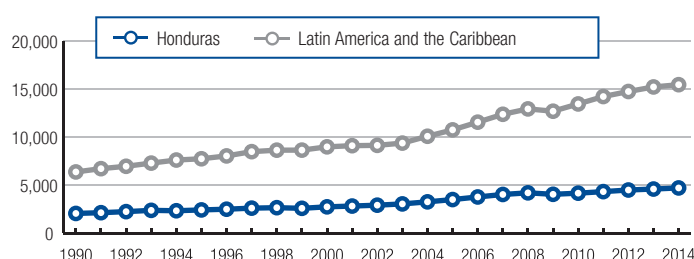
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Honduras

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 8.3   |
| GDP (US\$ billions).....                   | 19.5  |
| GDP per capita (US\$).....                 | 2,361 |
| GDP (PPP) as share (%) of world total..... | 0.04  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

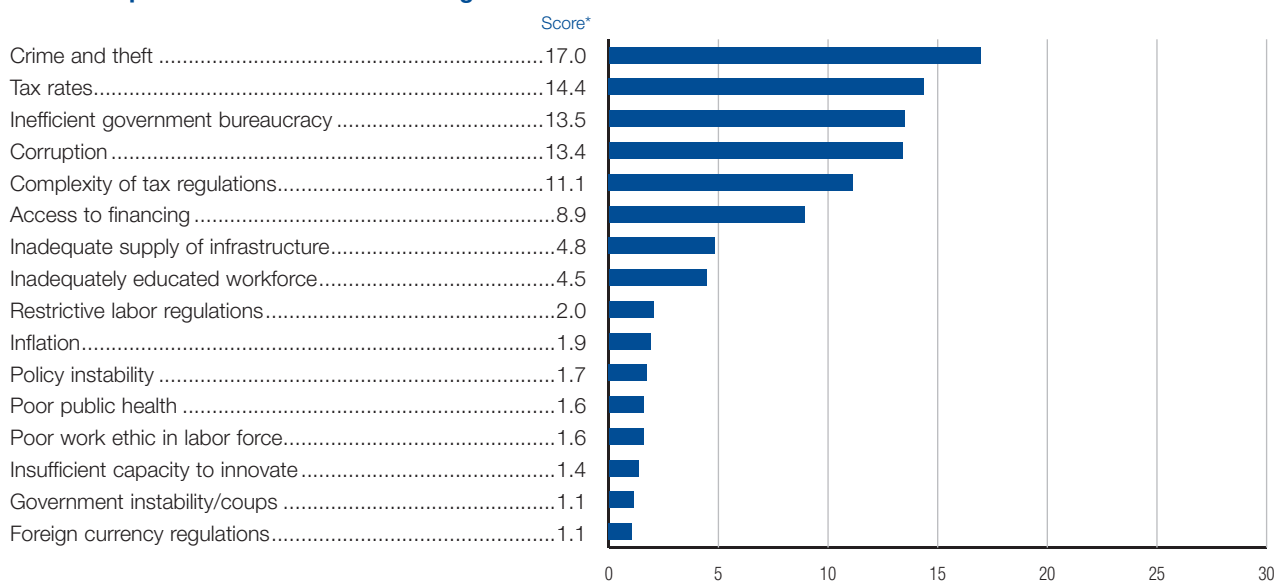
|                                                          | Rank<br>(out of 140) | Score<br>(1–7) |
|----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016.....</b>                                | <b>88.....</b>       | <b>4.0</b>     |
| GCI 2014–2015 (out of 144).....                          | 100.....             | 3.8            |
| GCI 2013–2014 (out of 148).....                          | 111.....             | 3.7            |
| GCI 2012–2013 (out of 144).....                          | 90.....              | 3.9            |
| <b>Basic requirements (52.8%).....</b>                   | <b>98.....</b>       | <b>4.1</b>     |
| 1st pillar: Institutions.....                            | 88.....              | 3.6            |
| 2nd pillar: Infrastructure.....                          | 93.....              | 3.4            |
| 3rd pillar: Macroeconomic environment.....               | 112.....             | 4.1            |
| 4th pillar: Health and primary education.....            | 92.....              | 5.4            |
| <b>Efficiency enhancers (40.4%).....</b>                 | <b>93.....</b>       | <b>3.8</b>     |
| 5th pillar: Higher education and training.....           | 94.....              | 3.8            |
| 6th pillar: Goods market efficiency.....                 | 68.....              | 4.3            |
| 7th pillar: Labor market efficiency.....                 | 120.....             | 3.7            |
| 8th pillar: Financial market development.....            | 38.....              | 4.4            |
| 9th pillar: Technological readiness.....                 | 97.....              | 3.2            |
| 10th pillar: Market size.....                            | 96.....              | 3.1            |
| <b>Innovation and sophistication factors (6.8%).....</b> | <b>53.....</b>       | <b>3.8</b>     |
| 11th pillar: Business sophistication.....                | 54.....              | 4.1            |
| 12th pillar: Innovation.....                             | 55.....              | 3.4            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Honduras

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140  |
|---------------------------------------------------------------|---------|-----------|
| <b>1st pillar: Institutions</b>                               |         |           |
| 1.01 Property rights .....                                    | 4.1     | 77        |
| 1.02 Intellectual property protection .....                   | 4.2     | 51        |
| 1.03 Diversion of public funds .....                          | 3.0     | 90        |
| 1.04 Public trust in politicians .....                        | 2.8     | 82        |
| 1.05 Irregular payments and bribes .....                      | 3.8     | 75        |
| 1.06 Judicial independence .....                              | 3.3     | 94        |
| 1.07 Favoritism in decisions of government officials .....    | 3.1     | 67        |
| 1.08 Wastefulness of government spending .....                | 2.3     | 124       |
| 1.09 Burden of government regulation .....                    | 3.2     | 91        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.7     | 64        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.7     | 57        |
| 1.12 Transparency of government policymaking .....            | 4.2     | 57        |
| 1.13 Business costs of terrorism .....                        | 4.7     | 98        |
| 1.14 Business costs of crime and violence .....               | 2.7     | 133       |
| 1.15 Organized crime .....                                    | 2.9     | 134       |
| 1.16 Reliability of police services .....                     | 3.2     | 114       |
| 1.17 Ethical behavior of firms .....                          | 3.9     | 73        |
| 1.18 Strength of auditing and reporting standards .....       | 5.2     | <b>37</b> |
| 1.19 Efficacy of corporate boards .....                       | 5.2     | <b>32</b> |
| 1.20 Protection of minority shareholders' interests .....     | 4.2     | 54        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 3.2     | 133       |
| <b>2nd pillar: Infrastructure</b>                             |         |           |
| 2.01 Quality of overall infrastructure .....                  | 3.7     | 88        |
| 2.02 Quality of roads .....                                   | 3.9     | 72        |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. | n/a       |
| 2.04 Quality of port infrastructure .....                     | 4.6     | <b>46</b> |
| 2.05 Quality of air transport infrastructure .....            | 4.3     | 70        |
| 2.06 Available airline seat km/week, millions* .....          | 24.8    | 114       |
| 2.07 Quality of electricity supply .....                      | 4.0     | 93        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 93.5    | 105       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 6.4     | 99        |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |           |
| 3.01 Government budget balance, % GDP* .....                  | –4.3    | 100       |
| 3.02 Gross national savings, % GDP* .....                     | 14.4    | 103       |
| 3.03 Inflation, annual % change* .....                        | 6.1     | 110       |
| 3.04 General government debt, % GDP* .....                    | 46.1    | 78        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 28.1    | 112       |
| <b>4th pillar: Health and primary education</b>               |         |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 163.8   | 36        |
| 4.02 Business impact of malaria .....                         | 5.4     | 25        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 54.0    | 71        |
| 4.04 Business impact of tuberculosis .....                    | 5.4     | 76        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.5     | 86        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.0     | 83        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 18.9    | 84        |
| 4.08 Life expectancy, years* .....                            | 73.8    | 79        |
| 4.09 Quality of primary education .....                       | 3.3     | 101       |
| 4.10 Primary education enrollment, net %* .....               | 89.3    | 103       |
| <b>5th pillar: Higher education and training</b>              |         |           |
| 5.01 Secondary education enrollment, gross %* .....           | 71.0    | 99        |
| 5.02 Tertiary education enrollment, gross %* .....            | 21.1    | 90        |
| 5.03 Quality of the education system .....                    | 3.5     | 79        |
| 5.04 Quality of math and science education .....              | 3.4     | 101       |
| 5.05 Quality of management schools .....                      | 4.0     | 82        |
| 5.06 Internet access in schools .....                         | 3.9     | 82        |
| 5.07 Availability of specialized training services .....      | 4.2     | 61        |
| 5.08 Extent of staff training .....                           | 4.5     | <b>29</b> |
| <b>6th pillar: Goods market efficiency</b>                    |         |           |
| 6.01 Intensity of local competition .....                     | 5.0     | 74        |
| 6.02 Extent of market dominance .....                         | 3.6     | 77        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.9     | 69        |
| 6.04 Effect of taxation on incentives to invest .....         | 3.2     | 108       |
| 6.05 Total tax rate, % profits* .....                         | 43.0    | 92        |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 12    | 130       |
| 6.07 No. days to start a business* .....                 | 14.0  | 79        |
| 6.08 Agricultural policy costs .....                     | 3.9   | 61        |
| 6.09 Prevalence of non-tariff barriers .....             | 4.2   | 87        |
| 6.10 Trade tariffs, % duty* .....                        | 3.9   | 54        |
| 6.11 Prevalence of foreign ownership .....               | 4.7   | 58        |
| 6.12 Business impact of rules on FDI .....               | 4.5   | 71        |
| 6.13 Burden of customs procedures .....                  | 3.5   | 96        |
| 6.14 Imports as a percentage of GDP* .....               | 65.6  | <b>33</b> |
| 6.15 Degree of customer orientation .....                | 4.8   | 51        |
| 6.16 Buyer sophistication .....                          | 3.3   | 77        |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 4.9   | <b>29</b> |
| 7.02 Flexibility of wage determination .....             | 4.8   | 84        |
| 7.03 Hiring and firing practices .....                   | 4.0   | 57        |
| 7.04 Redundancy costs, weeks of salary* .....            | 30.3  | 125       |
| 7.05 Effect of taxation on incentives to work .....      | 3.6   | 92        |
| 7.06 Pay and productivity .....                          | 4.1   | 62        |
| 7.07 Reliance on professional management .....           | 4.1   | 74        |
| 7.08 Country capacity to retain talent .....             | 3.7   | <b>47</b> |
| 7.09 Country capacity to attract talent .....            | 3.5   | 62        |
| 7.10 Women in labor force, ratio to men* .....           | 0.53  | 124       |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 5.1   | <b>40</b> |
| 8.02 Affordability of financial services .....           | 4.2   | 56        |
| 8.03 Financing through local equity market .....         | 2.7   | 115       |
| 8.04 Ease of access to loans .....                       | 2.9   | 63        |
| 8.05 Venture capital availability .....                  | 2.9   | 53        |
| 8.06 Soundness of banks .....                            | 5.9   | <b>22</b> |
| 8.07 Regulation of securities exchanges .....            | 4.3   | 63        |
| 8.08 Legal rights index, 0–12 (best)* .....              | 9     | <b>11</b> |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 4.9   | 62        |
| 9.02 Firm-level technology absorption .....              | 4.8   | 58        |
| 9.03 FDI and technology transfer .....                   | 4.8   | <b>36</b> |
| 9.04 Individuals using Internet, %* .....                | 19.1  | 103       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 1.4   | 102       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 21.8  | 84        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 16.3  | 101       |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.8   | 96        |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.0   | 91        |
| 10.03 GDP (PPP\$ billions)* .....                        | 39.1  | 97        |
| 10.04 Exports as a percentage of GDP* .....              | 54.5  | <b>36</b> |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 4.5   | 67        |
| 11.02 Local supplier quality .....                       | 4.6   | <b>45</b> |
| 11.03 State of cluster development .....                 | 4.0   | <b>48</b> |
| 11.04 Nature of competitive advantage .....              | 3.3   | 80        |
| 11.05 Value chain breadth .....                          | 4.0   | 52        |
| 11.06 Control of international distribution .....        | 4.0   | 54        |
| 11.07 Production process sophistication .....            | 4.0   | 57        |
| 11.08 Extent of marketing .....                          | 4.6   | <b>42</b> |
| 11.09 Willingness to delegate authority .....            | 3.7   | 70        |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 4.4   | <b>39</b> |
| 12.02 Quality of scientific research institutions .....  | 3.4   | 93        |
| 12.03 Company spending on R&D .....                      | 3.4   | 56        |
| 12.04 University-industry collaboration in R&D .....     | 3.9   | <b>48</b> |
| 12.05 Gov't procurement of advanced tech products .....  | 3.6   | <b>47</b> |
| 12.06 Availability of scientists and engineers .....     | 3.8   | 84        |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

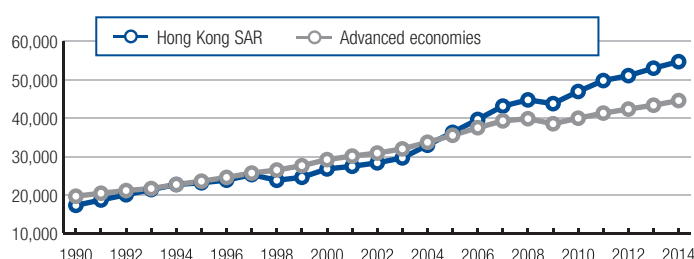


# Hong Kong SAR

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 7.3    |
| GDP (US\$ billions).....                   | 289.6  |
| GDP per capita (US\$).....                 | 39,871 |
| GDP (PPP) as share (%) of world total..... | 0.37   |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>7</b>             | <b>5.5</b>     |
| GCI 2014–2015 (out of 144)..... | 7                    | 5.5            |
| GCI 2013–2014 (out of 148)..... | 7                    | 5.5            |
| GCI 2012–2013 (out of 144)..... | 9                    | 5.4            |

### Basic requirements (20.0%).....3.....6.2

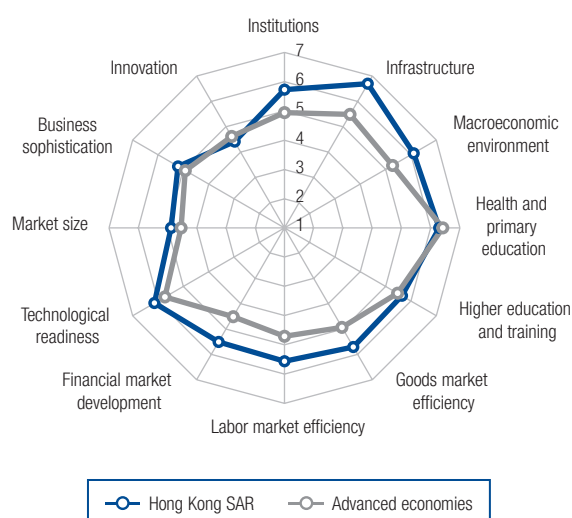
|                                               |    |     |
|-----------------------------------------------|----|-----|
| 1st pillar: Institutions.....                 | 8  | 5.7 |
| 2nd pillar: Infrastructure.....               | 1  | 6.7 |
| 3rd pillar: Macroeconomic environment.....    | 16 | 6.1 |
| 4th pillar: Health and primary education..... | 29 | 6.3 |

### Efficiency enhancers (50.0%).....3.....5.6

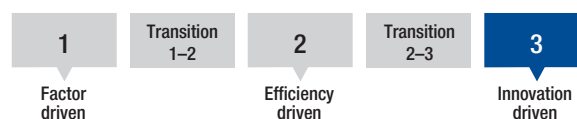
|                                                |    |     |
|------------------------------------------------|----|-----|
| 5th pillar: Higher education and training..... | 13 | 5.6 |
| 6th pillar: Goods market efficiency.....       | 2  | 5.7 |
| 7th pillar: Labor market efficiency.....       | 3  | 5.6 |
| 8th pillar: Financial market development.....  | 3  | 5.5 |
| 9th pillar: Technological readiness.....       | 8  | 6.1 |
| 10th pillar: Market size.....                  | 32 | 4.9 |

### Innovation and sophistication factors (30.0%).....23.....4.8

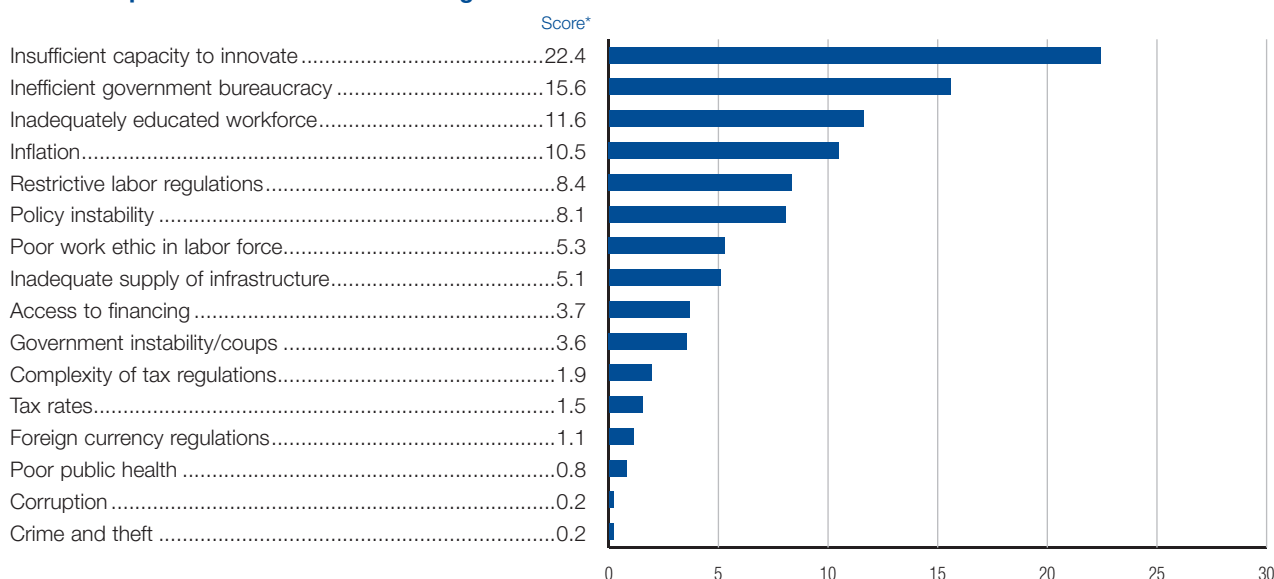
|                                           |    |     |
|-------------------------------------------|----|-----|
| 11th pillar: Business sophistication..... | 16 | 5.2 |
| 12th pillar: Innovation.....              | 27 | 4.4 |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Hong Kong SAR

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 6.2     | 6        |
| 1.02 Intellectual property protection .....                   | 6.0     | 9        |
| 1.03 Diversion of public funds .....                          | 5.9     | 10       |
| 1.04 Public trust in politicians .....                        | 4.6     | 19       |
| 1.05 Irregular payments and bribes .....                      | 6.3     | 10       |
| 1.06 Judicial independence .....                              | 6.3     | 4        |
| 1.07 Favoritism in decisions of government officials .....    | 4.6     | 16       |
| 1.08 Wastefulness of government spending .....                | 4.5     | 14       |
| 1.09 Burden of government regulation .....                    | 5.2     | 3        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 6.0     | 2        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.6     | 4        |
| 1.12 Transparency of government policymaking .....            | 6.0     | 3        |
| 1.13 Business costs of terrorism .....                        | 6.2     | 18       |
| 1.14 Business costs of crime and violence .....               | 6.1     | 8        |
| 1.15 Organized crime .....                                    | 6.0     | 21       |
| 1.16 Reliability of police services .....                     | 6.2     | 6        |
| 1.17 Ethical behavior of firms .....                          | 5.5     | 16       |
| 1.18 Strength of auditing and reporting standards .....       | 6.2     | 6        |
| 1.19 Efficacy of corporate boards .....                       | 5.4     | 26       |
| 1.20 Protection of minority shareholders' interests .....     | 5.4     | 11       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 8.1     | 2        |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 6.4     | 3        |
| 2.02 Quality of roads .....                                   | 6.2     | 5        |
| 2.03 Quality of railroad infrastructure .....                 | 6.4     | 3        |
| 2.04 Quality of port infrastructure .....                     | 6.4     | 5        |
| 2.05 Quality of air transport infrastructure .....            | 6.6     | 3        |
| 2.06 Available airline seat km/week, millions* .....          | 2,643.2 | 17       |
| 2.07 Quality of electricity supply .....                      | 6.8     | 2        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 239.3   | 1        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 61.1    | 1        |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | 5.3     | 5        |
| 3.02 Gross national savings, % GDP* .....                     | 25.3    | 41       |
| 3.03 Inflation, annual % change* .....                        | 4.4     | 93       |
| 3.04 General government debt, % GDP* .....                    | 6.9     | 3        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 82.5    | 17       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.    | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl.  | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 76.0    | 83       |
| 4.04 Business impact of tuberculosis .....                    | 6.0     | 50       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1     | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.8     | 58       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 1.7     | 3        |
| 4.08 Life expectancy, years* .....                            | 83.8    | 1        |
| 4.09 Quality of primary education .....                       | 5.0     | 24       |
| 4.10 Primary education enrollment, net %* .....               | 93.8    | 72       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 99.3    | 37       |
| 5.02 Tertiary education enrollment, gross %* .....            | 66.8    | 30       |
| 5.03 Quality of the education system .....                    | 4.8     | 20       |
| 5.04 Quality of math and science education .....              | 5.5     | 8        |
| 5.05 Quality of management schools .....                      | 5.6     | 10       |
| 5.06 Internet access in schools .....                         | 6.0     | 10       |
| 5.07 Availability of specialized training services .....      | 5.5     | 15       |
| 5.08 Extent of staff training .....                           | 4.8     | 23       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 6.2     | 2        |
| 6.02 Extent of market dominance .....                         | 4.5     | 22       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.4     | 28       |
| 6.04 Effect of taxation on incentives to invest .....         | 6.0     | 4        |
| 6.05 Total tax rate, % profits* .....                         | 22.8    | 18       |

| INDICATOR                                                   | VALUE   | RANK/140 |
|-------------------------------------------------------------|---------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |          |
| 6.06 No. procedures to start a business* .....              | 3       | 9        |
| 6.07 No. days to start a business* .....                    | 2.5     | 4        |
| 6.08 Agricultural policy costs .....                        | 4.1     | 41       |
| 6.09 Prevalence of non-tariff barriers .....                | 5.5     | 3        |
| 6.10 Trade tariffs, % duty* .....                           | 0.0     | 1        |
| 6.11 Prevalence of foreign ownership .....                  | 6.0     | 7        |
| 6.12 Business impact of rules on FDI .....                  | 6.4     | 2        |
| 6.13 Burden of customs procedures .....                     | 6.2     | 1        |
| 6.14 Imports as a percentage of GDP* .....                  | 233.5   | 1        |
| 6.15 Degree of customer orientation .....                   | 5.7     | 7        |
| 6.16 Buyer sophistication .....                             | 5.0     | 3        |
| <b>7th pillar: Labor market efficiency</b>                  |         |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.5     | 12       |
| 7.02 Flexibility of wage determination .....                | 6.2     | 3        |
| 7.03 Hiring and firing practices .....                      | 5.7     | 1        |
| 7.04 Redundancy costs, weeks of salary* .....               | 5.7     | 14       |
| 7.05 Effect of taxation on incentives to work .....         | 5.9     | 5        |
| 7.06 Pay and productivity .....                             | 5.5     | 2        |
| 7.07 Reliance on professional management .....              | 5.4     | 23       |
| 7.08 Country capacity to retain talent .....                | 5.2     | 10       |
| 7.09 Country capacity to attract talent .....               | 5.4     | 8        |
| 7.10 Women in labor force, ratio to men* .....              | 0.77    | 85       |
| <b>8th pillar: Financial market development</b>             |         |          |
| 8.01 Availability of financial services .....               | 6.2     | 3        |
| 8.02 Affordability of financial services .....              | 6.0     | 4        |
| 8.03 Financing through local equity market .....            | 5.6     | 2        |
| 8.04 Ease of access to loans .....                          | 4.5     | 5        |
| 8.05 Venture capital availability .....                     | 4.3     | 9        |
| 8.06 Soundness of banks .....                               | 6.5     | 7        |
| 8.07 Regulation of securities exchanges .....               | 6.1     | 4        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 7       | 24       |
| <b>9th pillar: Technological readiness</b>                  |         |          |
| 9.01 Availability of latest technologies .....              | 6.0     | 22       |
| 9.02 Firm-level technology absorption .....                 | 5.6     | 18       |
| 9.03 FDI and technology transfer .....                      | 5.3     | 12       |
| 9.04 Individuals using Internet, %* .....                   | 74.6    | 34       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 31.2    | 18       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 3,345.1 | 2        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 104.5   | 14       |
| <b>10th pillar: Market size</b>                             |         |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.5     | 37       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 6.1     | 7        |
| 10.03 GDP (PPP\$ billions)* .....                           | 397.5   | 43       |
| 10.04 Exports as a percentage of GDP* .....                 | 217.5   | 1        |
| <b>11th pillar: Business sophistication</b>                 |         |          |
| 11.01 Local supplier quantity .....                         | 5.7     | 3        |
| 11.02 Local supplier quality .....                          | 5.6     | 8        |
| 11.03 State of cluster development .....                    | 5.0     | 15       |
| 11.04 Nature of competitive advantage .....                 | 5.3     | 19       |
| 11.05 Value chain breadth .....                             | 5.1     | 15       |
| 11.06 Control of international distribution .....           | 4.9     | 12       |
| 11.07 Production process sophistication .....               | 5.2     | 26       |
| 11.08 Extent of marketing .....                             | 5.4     | 12       |
| 11.09 Willingness to delegate authority .....               | 4.5     | 25       |
| <b>12th pillar: Innovation</b>                              |         |          |
| 12.01 Capacity for innovation .....                         | 4.7     | 29       |
| 12.02 Quality of scientific research institutions .....     | 4.8     | 29       |
| 12.03 Company spending on R&D .....                         | 4.0     | 29       |
| 12.04 University-industry collaboration in R&D .....        | 4.6     | 28       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.8     | 38       |
| 12.06 Availability of scientists and engineers .....        | 4.3     | 41       |
| 12.07 PCT patents, applications/million pop.* .....         | n/a     | n/a      |

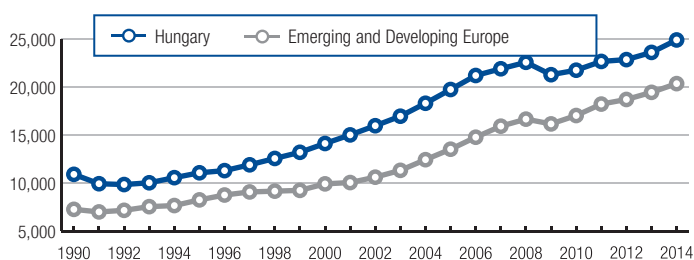
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Hungary

## Key indicators, 2014

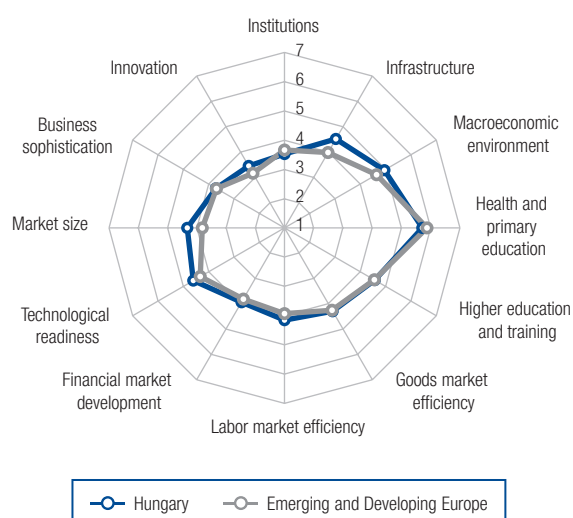
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 9.9    |
| GDP (US\$ billions).....                   | 137.1  |
| GDP per capita (US\$).....                 | 13,881 |
| GDP (PPP) as share (%) of world total..... | 0.23   |

GDP (PPP) per capita (int'l \$), 1990–2014

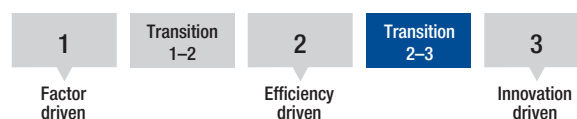


## Global Competitiveness Index

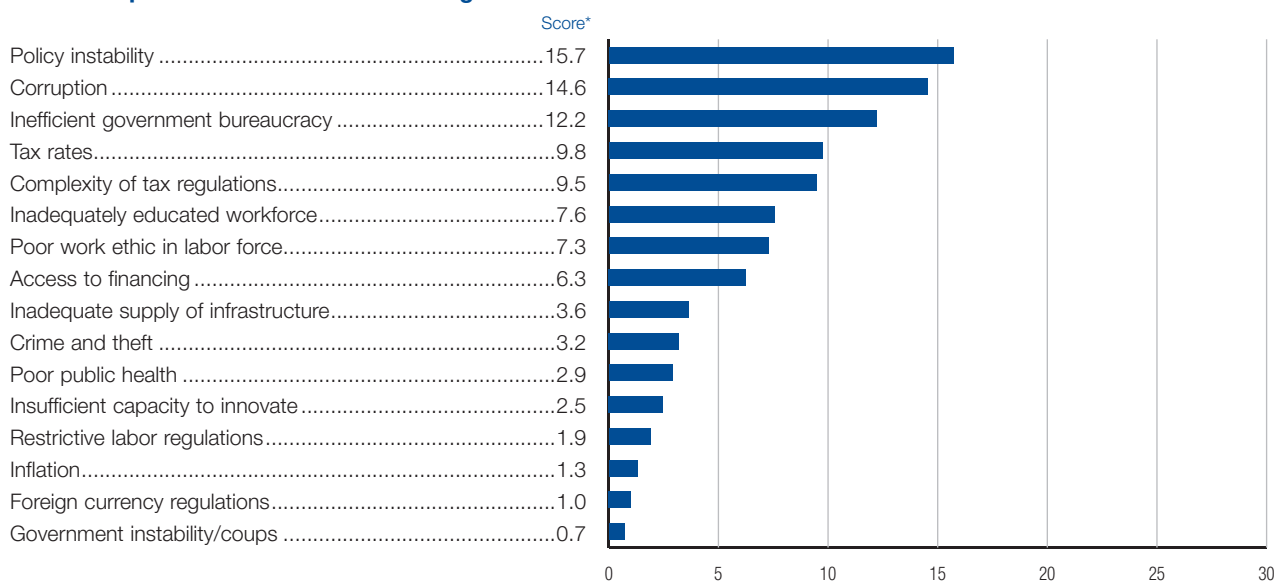
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>63</b>            | <b>4.2</b>     |
| GCI 2014–2015 (out of 144).....                            | 60                   | 4.3            |
| GCI 2013–2014 (out of 148).....                            | 63                   | 4.2            |
| GCI 2012–2013 (out of 144).....                            | 60                   | 4.3            |
| <b>Basic requirements (27.8%)</b> .....                    | <b>59</b>            | <b>4.7</b>     |
| 1st pillar: Institutions.....                              | 97                   | 3.5            |
| 2nd pillar: Infrastructure.....                            | 48                   | 4.5            |
| 3rd pillar: Macroeconomic environment.....                 | 52                   | 4.9            |
| 4th pillar: Health and primary education.....              | 72                   | 5.7            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>49</b>            | <b>4.3</b>     |
| 5th pillar: Higher education and training.....             | 57                   | 4.6            |
| 6th pillar: Goods market efficiency.....                   | 72                   | 4.3            |
| 7th pillar: Labor market efficiency.....                   | 77                   | 4.2            |
| 8th pillar: Financial market development.....              | 65                   | 3.9            |
| 9th pillar: Technological readiness.....                   | 48                   | 4.6            |
| 10th pillar: Market size.....                              | 51                   | 4.3            |
| <b>Innovation and sophistication factors (22.2%)</b> ..... | <b>69</b>            | <b>3.6</b>     |
| 11th pillar: Business sophistication.....                  | 90                   | 3.7            |
| 12th pillar: Innovation.....                               | 51                   | 3.4            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Hungary

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 3.4    | 120      |
| 1.02 Intellectual property protection .....                   | 3.7    | 80       |
| 1.03 Diversion of public funds .....                          | 2.5    | 119      |
| 1.04 Public trust in politicians .....                        | 2.0    | 120      |
| 1.05 Irregular payments and bribes .....                      | 4.2    | 53       |
| 1.06 Judicial independence .....                              | 3.6    | 79       |
| 1.07 Favoritism in decisions of government officials .....    | 2.2    | 125      |
| 1.08 Wastefulness of government spending .....                | 2.6    | 95       |
| 1.09 Burden of government regulation .....                    | 2.6    | 128      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.2    | 96       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.7    | 120      |
| 1.12 Transparency of government policymaking .....            | 3.4    | 119      |
| 1.13 Business costs of terrorism .....                        | 6.2    | 15       |
| 1.14 Business costs of crime and violence .....               | 5.0    | 51       |
| 1.15 Organized crime .....                                    | 4.6    | 82       |
| 1.16 Reliability of police services .....                     | 4.1    | 65       |
| 1.17 Ethical behavior of firms .....                          | 3.4    | 116      |
| 1.18 Strength of auditing and reporting standards .....       | 4.7    | 63       |
| 1.19 Efficacy of corporate boards .....                       | 4.2    | 112      |
| 1.20 Protection of minority shareholders' interests .....     | 3.8    | 90       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.8    | 95       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.7    | 41       |
| 2.02 Quality of roads .....                                   | 4.2    | 58       |
| 2.03 Quality of railroad infrastructure .....                 | 3.8    | 40       |
| 2.04 Quality of port infrastructure .....                     | 3.4    | 98       |
| 2.05 Quality of air transport infrastructure .....            | 4.2    | 72       |
| 2.06 Available airline seat km/week, millions* .....          | 156.8  | 72       |
| 2.07 Quality of electricity supply .....                      | 5.7    | 39       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 118.1  | 60       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 30.3   | 35       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | -2.6   | 61       |
| 3.02 Gross national savings, % GDP* .....                     | 26.2   | 35       |
| 3.03 Inflation, annual % change* .....                        | -0.3   | 78       |
| 3.04 General government debt, % GDP* .....                    | 76.9   | 116      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 52.9   | 67       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 18.0   | 39       |
| 4.04 Business impact of tuberculosis .....                    | 6.4    | 32       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.5    | 18       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 5.2    | 35       |
| 4.08 Life expectancy, years* .....                            | 75.3   | 54       |
| 4.09 Quality of primary education .....                       | 3.8    | 79       |
| 4.10 Primary education enrollment, net %* .....               | 90.8   | 97       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 101.6  | 25       |
| 5.02 Tertiary education enrollment, gross %* .....            | 59.6   | 41       |
| 5.03 Quality of the education system .....                    | 3.2    | 99       |
| 5.04 Quality of math and science education .....              | 4.0    | 75       |
| 5.05 Quality of management schools .....                      | 4.1    | 73       |
| 5.06 Internet access in schools .....                         | 4.9    | 42       |
| 5.07 Availability of specialized training services .....      | 4.0    | 81       |
| 5.08 Extent of staff training .....                           | 3.4    | 114      |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.1    | 63       |
| 6.02 Extent of market dominance .....                         | 3.5    | 86       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.5    | 95       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.0    | 120      |
| 6.05 Total tax rate, % profits* .....                         | 48.0   | 103      |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 4     | 22       |
| 6.07 No. days to start a business* .....                    | 5.0   | 18       |
| 6.08 Agricultural policy costs .....                        | 3.5   | 93       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.5   | 36       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 5.3   | 26       |
| 6.12 Business impact of rules on FDI .....                  | 4.6   | 56       |
| 6.13 Burden of customs procedures .....                     | 4.7   | 34       |
| 6.14 Imports as a percentage of GDP* .....                  | 89.2  | 11       |
| 6.15 Degree of customer orientation .....                   | 4.3   | 94       |
| 6.16 Buyer sophistication .....                             | 2.6   | 127      |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.2   | 82       |
| 7.02 Flexibility of wage determination .....                | 5.0   | 68       |
| 7.03 Hiring and firing practices .....                      | 4.3   | 35       |
| 7.04 Redundancy costs, weeks of salary* .....               | 13.4  | 57       |
| 7.05 Effect of taxation on incentives to work .....         | 3.1   | 117      |
| 7.06 Pay and productivity .....                             | 3.8   | 87       |
| 7.07 Reliance on professional management .....              | 3.6   | 107      |
| 7.08 Country capacity to retain talent .....                | 2.5   | 123      |
| 7.09 Country capacity to attract talent .....               | 2.5   | 121      |
| 7.10 Women in labor force, ratio to men* .....              | 0.83  | 63       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.5   | 60       |
| 8.02 Affordability of financial services .....              | 3.8   | 97       |
| 8.03 Financing through local equity market .....            | 3.0   | 102      |
| 8.04 Ease of access to loans .....                          | 2.0   | 124      |
| 8.05 Venture capital availability .....                     | 2.4   | 101      |
| 8.06 Soundness of banks .....                               | 4.4   | 94       |
| 8.07 Regulation of securities exchanges .....               | 3.7   | 101      |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 10    | 8        |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 5.1   | 46       |
| 9.02 Firm-level technology absorption .....                 | 4.7   | 63       |
| 9.03 FDI and technology transfer .....                      | 4.9   | 32       |
| 9.04 Individuals using Internet, %* .....                   | 76.1  | 31       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 27.3  | 27       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 37.0  | 65       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 34.0  | 79       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.0   | 58       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.4   | 31       |
| 10.03 GDP (PPP\$ billions)* .....                           | 246.4 | 57       |
| 10.04 Exports as a percentage of GDP* .....                 | 98.4  | 8        |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.3   | 84       |
| 11.02 Local supplier quality .....                          | 4.5   | 52       |
| 11.03 State of cluster development .....                    | 3.6   | 75       |
| 11.04 Nature of competitive advantage .....                 | 3.3   | 87       |
| 11.05 Value chain breadth .....                             | 3.4   | 105      |
| 11.06 Control of international distribution .....           | 3.6   | 85       |
| 11.07 Production process sophistication .....               | 3.8   | 70       |
| 11.08 Extent of marketing .....                             | 3.9   | 105      |
| 11.09 Willingness to delegate authority .....               | 3.0   | 131      |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 3.1   | 131      |
| 12.02 Quality of scientific research institutions .....     | 4.8   | 28       |
| 12.03 Company spending on R&D .....                         | 2.9   | 97       |
| 12.04 University-industry collaboration in R&D .....        | 4.3   | 36       |
| 12.05 Gov't procurement of advanced tech products .....     | 2.9   | 104      |
| 12.06 Availability of scientists and engineers .....        | 4.2   | 51       |
| 12.07 PCT patents, applications/million pop.* .....         | 24.8  | 26       |

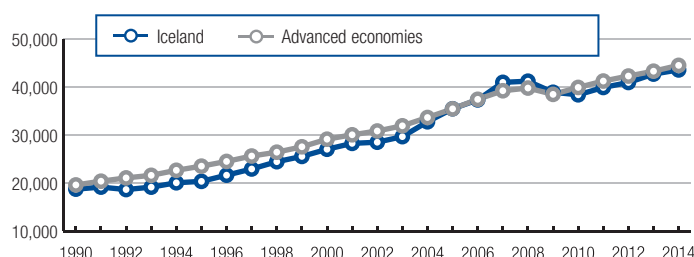
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Iceland

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 0.3    |
| GDP (US\$ billions).....                   | 16.7   |
| GDP per capita (US\$).....                 | 51,262 |
| GDP (PPP) as share (%) of world total..... | 0.01   |

GDP (PPP) per capita (int'l \$), 1990–2014



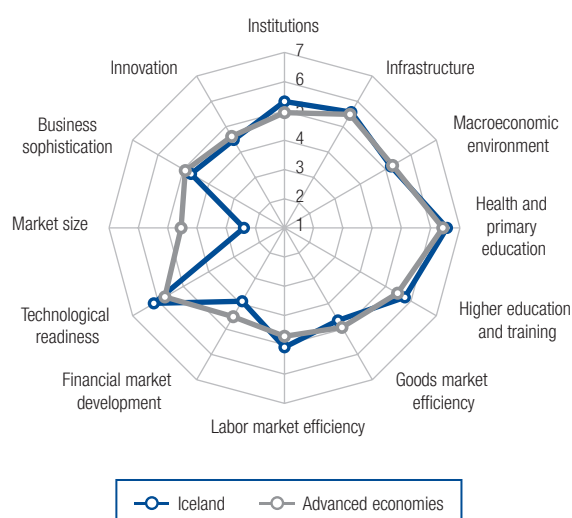
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>29</b>            | <b>4.8</b>     |
| GCI 2014–2015 (out of 144)..... | 30                   | 4.7            |
| GCI 2013–2014 (out of 148)..... | 31                   | 4.7            |
| GCI 2012–2013 (out of 144)..... | 30                   | 4.7            |

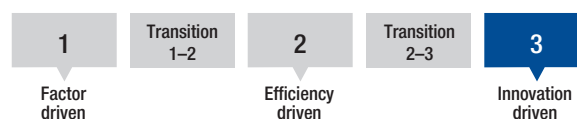
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>19</b> | <b>5.7</b> |
| 1st pillar: Institutions.....                 | 18        | 5.3        |
| 2nd pillar: Infrastructure.....               | 19        | 5.6        |
| 3rd pillar: Macroeconomic environment.....    | 42        | 5.2        |
| 4th pillar: Health and primary education..... | 8         | 6.5        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>33</b> | <b>4.7</b> |
| 5th pillar: Higher education and training..... | 11        | 5.7        |
| 6th pillar: Goods market efficiency.....       | 31        | 4.7        |
| 7th pillar: Labor market efficiency.....       | 12        | 5.1        |
| 8th pillar: Financial market development.....  | 67        | 3.9        |
| 9th pillar: Technological readiness.....       | 6         | 6.2        |
| 10th pillar: Market size.....                  | 129       | 2.4        |

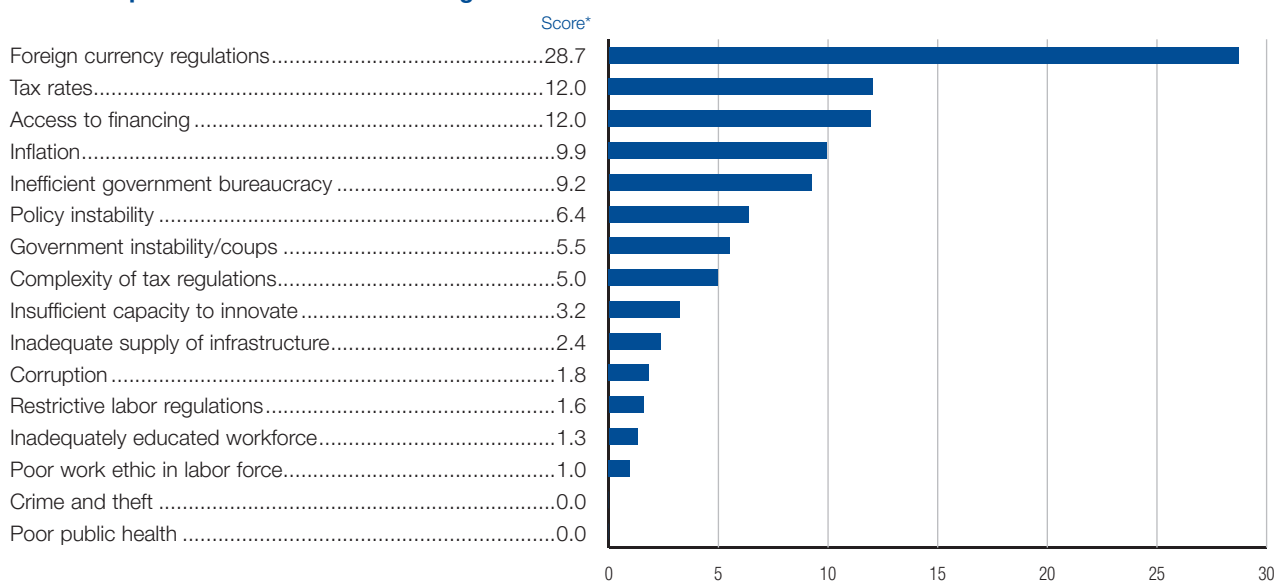
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>27</b> | <b>4.6</b> |
| 11th pillar: Business sophistication.....                  | 28        | 4.7        |
| 12th pillar: Innovation.....                               | 25        | 4.5        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Iceland

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 5.5    | 23       |
| 1.02 Intellectual property protection .....                   | 5.3    | 25       |
| 1.03 Diversion of public funds .....                          | 5.3    | 20       |
| 1.04 Public trust in politicians .....                        | 4.3    | 26       |
| 1.05 Irregular payments and bribes .....                      | 6.5    | 5        |
| 1.06 Judicial independence .....                              | 5.7    | 19       |
| 1.07 Favoritism in decisions of government officials .....    | 3.9    | 31       |
| 1.08 Wastefulness of government spending .....                | 3.8    | 36       |
| 1.09 Burden of government regulation .....                    | 4.1    | 18       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.0    | 20       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.1    | 13       |
| 1.12 Transparency of government policymaking .....            | 5.1    | 20       |
| 1.13 Business costs of terrorism .....                        | 6.4    | 6        |
| 1.14 Business costs of crime and violence .....               | 6.3    | 5        |
| 1.15 Organized crime .....                                    | 6.6    | 3        |
| 1.16 Reliability of police services .....                     | 6.1    | 10       |
| 1.17 Ethical behavior of firms .....                          | 5.5    | 17       |
| 1.18 Strength of auditing and reporting standards .....       | 5.3    | 31       |
| 1.19 Efficacy of corporate boards .....                       | 5.4    | 29       |
| 1.20 Protection of minority shareholders' interests .....     | 4.8    | 31       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.5    | 28       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 6.0    | 9        |
| 2.02 Quality of roads .....                                   | 4.8    | 38       |
| 2.03 Quality of railroad infrastructure .....                 | N/Apl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 6.0    | 8        |
| 2.05 Quality of air transport infrastructure .....            | 5.9    | 13       |
| 2.06 Available airline seat km/week, millions* .....          | 151.1  | 74       |
| 2.07 Quality of electricity supply .....                      | 6.7    | 5        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 111.1  | 77       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 51.5   | 9        |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | 1.8    | 11       |
| 3.02 Gross national savings, % GDP* .....                     | 20.7   | 69       |
| 3.03 Inflation, annual % change* .....                        | 2.0    | 1        |
| 3.04 General government debt, % GDP* .....                    | 82.1   | 118      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 56.3   | 58       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 3.6    | 3        |
| 4.04 Business impact of tuberculosis .....                    | 6.8    | 8        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.6    | 14       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 1.6    | 1        |
| 4.08 Life expectancy, years* .....                            | 83.1   | 3        |
| 4.09 Quality of primary education .....                       | 5.2    | 18       |
| 4.10 Primary education enrollment, net %* .....               | 98.1   | 26       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 112.0  | 9        |
| 5.02 Tertiary education enrollment, gross %* .....            | 81.4   | 10       |
| 5.03 Quality of the education system .....                    | 5.0    | 15       |
| 5.04 Quality of math and science education .....              | 4.8    | 33       |
| 5.05 Quality of management schools .....                      | 5.3    | 18       |
| 5.06 Internet access in schools .....                         | 6.5    | 1        |
| 5.07 Availability of specialized training services .....      | 5.0    | 27       |
| 5.08 Extent of staff training .....                           | 4.9    | 17       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 4.8    | 84       |
| 6.02 Extent of market dominance .....                         | 3.6    | 73       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.3    | 30       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8    | 57       |
| 6.05 Total tax rate, % profits* .....                         | 29.7   | 37       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 5     | 38       |
| 6.07 No. days to start a business* .....                    | 4.0   | 10       |
| 6.08 Agricultural policy costs .....                        | 3.1   | 122      |
| 6.09 Prevalence of non-tariff barriers .....                | 4.1   | 91       |
| 6.10 Trade tariffs, % duty* .....                           | 2.8   | 42       |
| 6.11 Prevalence of foreign ownership .....                  | 3.4   | 124      |
| 6.12 Business impact of rules on FDI .....                  | 3.3   | 129      |
| 6.13 Burden of customs procedures .....                     | 5.1   | 20       |
| 6.14 Imports as a percentage of GDP* .....                  | 50.5  | 60       |
| 6.15 Degree of customer orientation .....                   | 5.4   | 22       |
| 6.16 Buyer sophistication .....                             | 4.0   | 24       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.4   | 16       |
| 7.02 Flexibility of wage determination .....                | 4.0   | 119      |
| 7.03 Hiring and firing practices .....                      | 5.5   | 3        |
| 7.04 Redundancy costs, weeks of salary* .....               | 10.1  | 34       |
| 7.05 Effect of taxation on incentives to work .....         | 3.8   | 64       |
| 7.06 Pay and productivity .....                             | 4.5   | 32       |
| 7.07 Reliance on professional management .....              | 5.4   | 21       |
| 7.08 Country capacity to retain talent .....                | 4.6   | 22       |
| 7.09 Country capacity to attract talent .....               | 3.7   | 52       |
| 7.10 Women in labor force, ratio to men* .....              | 0.95  | 11       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.4   | 65       |
| 8.02 Affordability of financial services .....              | 4.2   | 63       |
| 8.03 Financing through local equity market .....            | 4.0   | 46       |
| 8.04 Ease of access to loans .....                          | 2.8   | 74       |
| 8.05 Venture capital availability .....                     | 3.1   | 38       |
| 8.06 Soundness of banks .....                               | 4.3   | 101      |
| 8.07 Regulation of securities exchanges .....               | 4.5   | 55       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 5     | 63       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 6.4   | 6        |
| 9.02 Firm-level technology absorption .....                 | 6.2   | 1        |
| 9.03 FDI and technology transfer .....                      | 4.0   | 106      |
| 9.04 Individuals using Internet, %* .....                   | 98.2  | 1        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 35.9  | 9        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 519.9 | 6        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 85.3  | 21       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 2.0   | 129      |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 3.5   | 117      |
| 10.03 GDP (PPP\$ billions)* .....                           | 14.2  | 127      |
| 10.04 Exports as a percentage of GDP* .....                 | 55.8  | 33       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.1   | 101      |
| 11.02 Local supplier quality .....                          | 5.1   | 29       |
| 11.03 State of cluster development .....                    | 4.0   | 47       |
| 11.04 Nature of competitive advantage .....                 | 4.4   | 30       |
| 11.05 Value chain breadth .....                             | 4.3   | 30       |
| 11.06 Control of international distribution .....           | 4.7   | 18       |
| 11.07 Production process sophistication .....               | 5.4   | 20       |
| 11.08 Extent of marketing .....                             | 4.9   | 27       |
| 11.09 Willingness to delegate authority .....               | 5.0   | 15       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 4.5   | 34       |
| 12.02 Quality of scientific research institutions .....     | 5.1   | 23       |
| 12.03 Company spending on R&D .....                         | 4.2   | 25       |
| 12.04 University-industry collaboration in R&D .....        | 4.6   | 25       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.6   | 46       |
| 12.06 Availability of scientists and engineers .....        | 4.8   | 24       |
| 12.07 PCT patents, applications/million pop.* .....         | 100.2 | 17       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

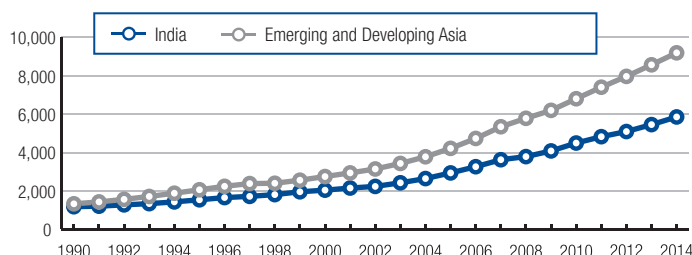


# India

## Key indicators, 2014

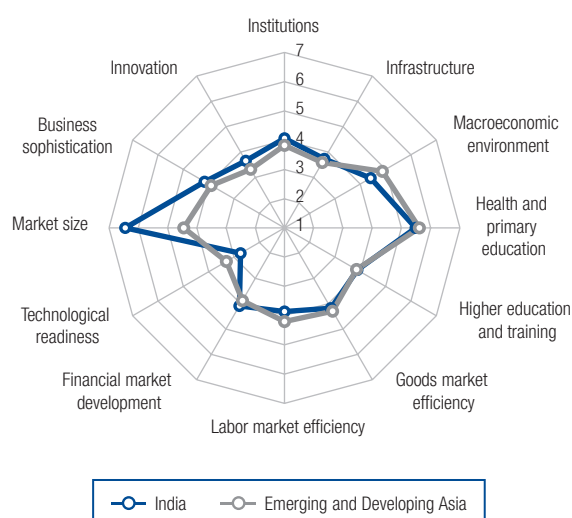
|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 1,259.7 |
| GDP (US\$ billions).....                   | 2,049.5 |
| GDP per capita (US\$).....                 | 1,627   |
| GDP (PPP) as share (%) of world total..... | 6.84    |

GDP (PPP) per capita (int'l \$), 1990–2014

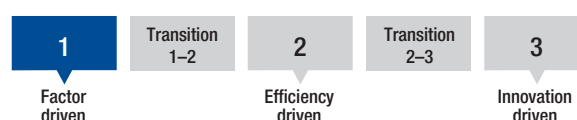


## Global Competitiveness Index

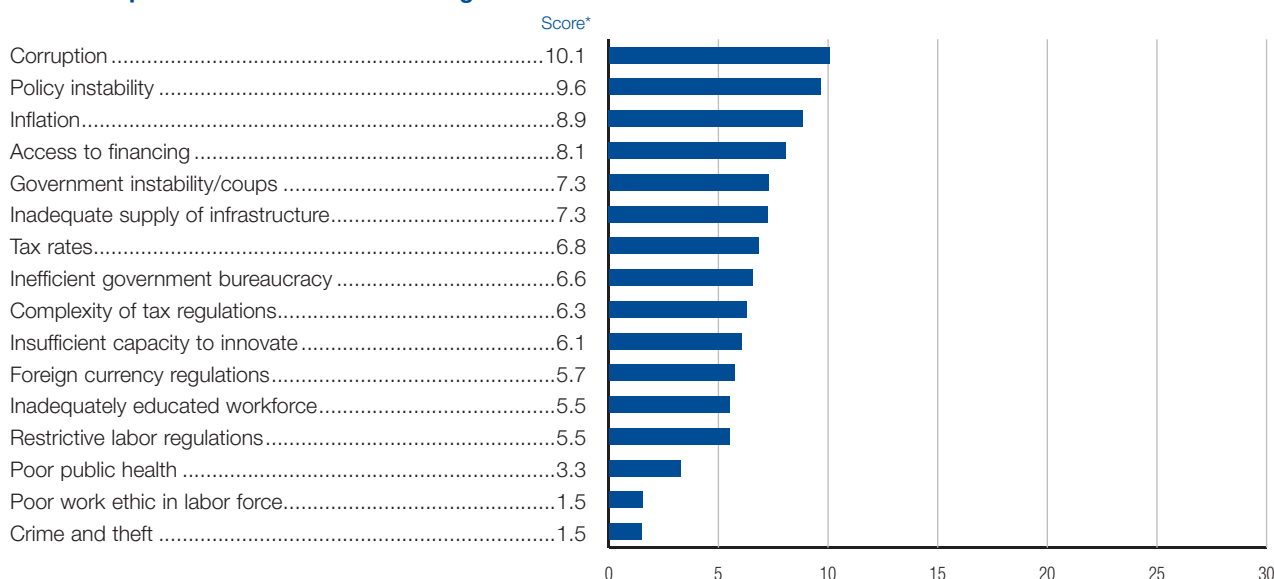
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>55</b>            | <b>4.3</b>     |
| GCI 2014–2015 (out of 144).....                           | 71                   | 4.2            |
| GCI 2013–2014 (out of 148).....                           | 60                   | 4.3            |
| GCI 2012–2013 (out of 144).....                           | 59                   | 4.3            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>80</b>            | <b>4.4</b>     |
| 1st pillar: Institutions.....                             | 60                   | 4.1            |
| 2nd pillar: Infrastructure.....                           | 81                   | 3.7            |
| 3rd pillar: Macroeconomic environment.....                | 91                   | 4.4            |
| 4th pillar: Health and primary education.....             | 84                   | 5.5            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>58</b>            | <b>4.2</b>     |
| 5th pillar: Higher education and training.....            | 90                   | 3.9            |
| 6th pillar: Goods market efficiency.....                  | 91                   | 4.2            |
| 7th pillar: Labor market efficiency.....                  | 103                  | 3.9            |
| 8th pillar: Financial market development.....             | 53                   | 4.1            |
| 9th pillar: Technological readiness.....                  | 120                  | 2.7            |
| 10th pillar: Market size.....                             | 3                    | 6.4            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>46</b>            | <b>3.9</b>     |
| 11th pillar: Business sophistication.....                 | 52                   | 4.2            |
| 12th pillar: Innovation.....                              | 42                   | 3.6            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE         | RANK/140  |
|---------------------------------------------------------------|---------------|-----------|
| <b>1st pillar: Institutions</b>                               |               |           |
| 1.01 Property rights .....                                    | 3.8 .....     | 103       |
| 1.02 Intellectual property protection .....                   | 4.2 .....     | <b>50</b> |
| 1.03 Diversion of public funds .....                          | 4.1 .....     | <b>40</b> |
| 1.04 Public trust in politicians .....                        | 4.0 .....     | <b>31</b> |
| 1.05 Irregular payments and bribes .....                      | 4.1 .....     | 63        |
| 1.06 Judicial independence .....                              | 4.0 .....     | 64        |
| 1.07 Favoritism in decisions of government officials .....    | 3.9 .....     | <b>32</b> |
| 1.08 Wastefulness of government spending .....                | 3.5 .....     | 51        |
| 1.09 Burden of government regulation .....                    | 4.0 .....     | <b>27</b> |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.2 .....     | <b>42</b> |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.1 .....     | <b>39</b> |
| 1.12 Transparency of government policymaking .....            | 4.2 .....     | 58        |
| 1.13 Business costs of terrorism .....                        | 3.8 .....     | 126       |
| 1.14 Business costs of crime and violence .....               | 4.0 .....     | 98        |
| 1.15 Organized crime .....                                    | 3.9 .....     | 119       |
| 1.16 Reliability of police services .....                     | 3.8 .....     | 86        |
| 1.17 Ethical behavior of firms .....                          | 4.2 .....     | <b>44</b> |
| 1.18 Strength of auditing and reporting standards .....       | 4.2 .....     | 95        |
| 1.19 Efficacy of corporate boards .....                       | 4.3 .....     | 96        |
| 1.20 Protection of minority shareholders' interests .....     | 4.1 .....     | 69        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 7.3 .....     | <b>6</b>  |
| <b>2nd pillar: Infrastructure</b>                             |               |           |
| 2.01 Quality of overall infrastructure .....                  | 4.0 .....     | 74        |
| 2.02 Quality of roads .....                                   | 4.1 .....     | 61        |
| 2.03 Quality of railroad infrastructure .....                 | 4.1 .....     | 29        |
| 2.04 Quality of port infrastructure .....                     | 4.3 .....     | 60        |
| 2.05 Quality of air transport infrastructure .....            | 4.2 .....     | 71        |
| 2.06 Available airline seat km/week, millions* .....          | 3,726.6 ..... | <b>11</b> |
| 2.07 Quality of electricity supply .....                      | 3.7 .....     | 98        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 74.5 .....    | 121       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 2.1 .....     | 116       |
| <b>3rd pillar: Macroeconomic environment</b>                  |               |           |
| 3.01 Government budget balance, % GDP* .....                  | –7.2 .....    | 131       |
| 3.02 Gross national savings, % GDP* .....                     | 30.0 .....    | <b>23</b> |
| 3.03 Inflation, annual % change* .....                        | 6.0 .....     | 105       |
| 3.04 General government debt, % GDP* .....                    | 65.0 .....    | 103       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 59.5 .....    | <b>50</b> |
| <b>4th pillar: Health and primary education</b>               |               |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 1,536.4 ..... | 44        |
| 4.02 Business impact of malaria .....                         | 3.6 .....     | 60        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 171.0 .....   | 113       |
| 4.04 Business impact of tuberculosis .....                    | 3.7 .....     | 132       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.3 .....     | 63        |
| 4.06 Business impact of HIV/AIDS .....                        | 3.7 .....     | 130       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 41.4 .....    | 114       |
| 4.08 Life expectancy, years* .....                            | 66.5 .....    | 107       |
| 4.09 Quality of primary education .....                       | 4.3 .....     | 52        |
| 4.10 Primary education enrollment, net %* .....               | 93.1 .....    | 77        |
| <b>5th pillar: Higher education and training</b>              |               |           |
| 5.01 Secondary education enrollment, gross %* .....           | 68.5 .....    | 105       |
| 5.02 Tertiary education enrollment, gross %* .....            | 24.8 .....    | 86        |
| 5.03 Quality of the education system .....                    | 4.2 .....     | <b>43</b> |
| 5.04 Quality of math and science education .....              | 4.2 .....     | 63        |
| 5.05 Quality of management schools .....                      | 4.4 .....     | 55        |
| 5.06 Internet access in schools .....                         | 3.6 .....     | 100       |
| 5.07 Availability of specialized training services .....      | 4.2 .....     | 68        |
| 5.08 Extent of staff training .....                           | 4.2 .....     | <b>48</b> |
| <b>6th pillar: Goods market efficiency</b>                    |               |           |
| 6.01 Intensity of local competition .....                     | 4.6 .....     | 101       |
| 6.02 Extent of market dominance .....                         | 4.0 .....     | <b>41</b> |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.1 .....     | <b>41</b> |
| 6.04 Effect of taxation on incentives to invest .....         | 4.0 .....     | <b>38</b> |
| 6.05 Total tax rate, % profits* .....                         | 61.7 .....    | 123       |

| INDICATOR                                                | VALUE         | RANK/140  |
|----------------------------------------------------------|---------------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |               |           |
| 6.06 No. procedures to start a business* .....           | 12 .....      | 129       |
| 6.07 No. days to start a business* .....                 | 28.4 .....    | 110       |
| 6.08 Agricultural policy costs .....                     | 4.0 .....     | 53        |
| 6.09 Prevalence of non-tariff barriers .....             | 4.2 .....     | 82        |
| 6.10 Trade tariffs, % duty* .....                        | 12.7 .....    | 124       |
| 6.11 Prevalence of foreign ownership .....               | 4.1 .....     | 96        |
| 6.12 Business impact of rules on FDI .....               | 4.3 .....     | 92        |
| 6.13 Burden of customs procedures .....                  | 4.3 .....     | 54        |
| 6.14 Imports as a percentage of GDP* .....               | 29.8 .....    | 116       |
| 6.15 Degree of customer orientation .....                | 4.3 .....     | 97        |
| 6.16 Buyer sophistication .....                          | 4.0 .....     | <b>26</b> |
| <b>7th pillar: Labor market efficiency</b>               |               |           |
| 7.01 Cooperation in labor-employer relations .....       | 4.2 .....     | 86        |
| 7.02 Flexibility of wage determination .....             | 4.0 .....     | 120       |
| 7.03 Hiring and firing practices .....                   | 4.4 .....     | <b>25</b> |
| 7.04 Redundancy costs, weeks of salary* .....            | 15.7 .....    | 70        |
| 7.05 Effect of taxation on incentives to work .....      | 4.2 .....     | <b>36</b> |
| 7.06 Pay and productivity .....                          | 4.2 .....     | <b>47</b> |
| 7.07 Reliance on professional management .....           | 3.9 .....     | 86        |
| 7.08 Country capacity to retain talent .....             | 3.9 .....     | <b>40</b> |
| 7.09 Country capacity to attract talent .....            | 3.8 .....     | <b>40</b> |
| 7.10 Women in labor force, ratio to men* .....           | 0.35 .....    | 132       |
| <b>8th pillar: Financial market development</b>          |               |           |
| 8.01 Availability of financial services .....            | 4.2 .....     | 81        |
| 8.02 Affordability of financial services .....           | 4.1 .....     | 71        |
| 8.03 Financing through local equity market .....         | 4.0 .....     | <b>45</b> |
| 8.04 Ease of access to loans .....                       | 3.6 .....     | <b>29</b> |
| 8.05 Venture capital availability .....                  | 4.0 .....     | <b>13</b> |
| 8.06 Soundness of banks .....                            | 4.3 .....     | 100       |
| 8.07 Regulation of securities exchanges .....            | 4.2 .....     | 69        |
| 8.08 Legal rights index, 0–12 (best)* .....              | 6 .....       | <b>44</b> |
| <b>9th pillar: Technological readiness</b>               |               |           |
| 9.01 Availability of latest technologies .....           | 4.0 .....     | 108       |
| 9.02 Firm-level technology absorption .....              | 4.2 .....     | 102       |
| 9.03 FDI and technology transfer .....                   | 4.1 .....     | 95        |
| 9.04 Individuals using Internet, %* .....                | 18.0 .....    | 107       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 1.2 .....     | 104       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 5.7 .....     | 116       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 5.5 .....     | 124       |
| <b>10th pillar: Market size</b>                          |               |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 6.4 .....     | <b>3</b>  |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 6.5 .....     | <b>3</b>  |
| 10.03 GDP (PPP\$ billions)* .....                        | 7,375.9 ..... | <b>3</b>  |
| 10.04 Exports as a percentage of GDP* .....              | 23.3 .....    | 114       |
| <b>11th pillar: Business sophistication</b>              |               |           |
| 11.01 Local supplier quantity .....                      | 4.6 .....     | 54        |
| 11.02 Local supplier quality .....                       | 4.3 .....     | 66        |
| 11.03 State of cluster development .....                 | 4.4 .....     | <b>29</b> |
| 11.04 Nature of competitive advantage .....              | 3.8 .....     | <b>47</b> |
| 11.05 Value chain breadth .....                          | 4.4 .....     | <b>29</b> |
| 11.06 Control of international distribution .....        | 4.0 .....     | <b>48</b> |
| 11.07 Production process sophistication .....            | 3.9 .....     | 61        |
| 11.08 Extent of marketing .....                          | 4.2 .....     | 82        |
| 11.09 Willingness to delegate authority .....            | 3.9 .....     | 56        |
| <b>12th pillar: Innovation</b>                           |               |           |
| 12.01 Capacity for innovation .....                      | 4.2 .....     | <b>50</b> |
| 12.02 Quality of scientific research institutions .....  | 4.1 .....     | <b>45</b> |
| 12.03 Company spending on R&D .....                      | 3.9 .....     | <b>31</b> |
| 12.04 University-industry collaboration in R&D .....     | 3.9 .....     | <b>50</b> |
| 12.05 Gov't procurement of advanced tech products .....  | 3.9 .....     | <b>26</b> |
| 12.06 Availability of scientists and engineers .....     | 4.2 .....     | <b>49</b> |
| 12.07 PCT patents, applications/million pop.* .....      | 1.6 .....     | 61        |

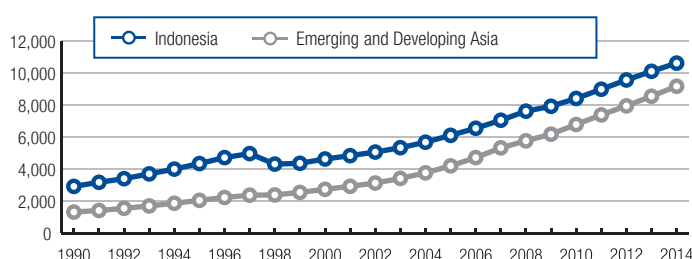
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Indonesia

## Key indicators, 2014

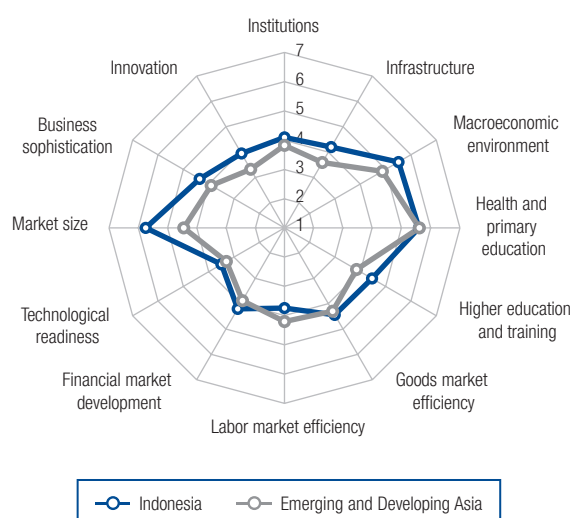
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 251.5 |
| GDP (US\$ billions).....                   | 888.6 |
| GDP per capita (US\$).....                 | 3,534 |
| GDP (PPP) as share (%) of world total..... | 2.48  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

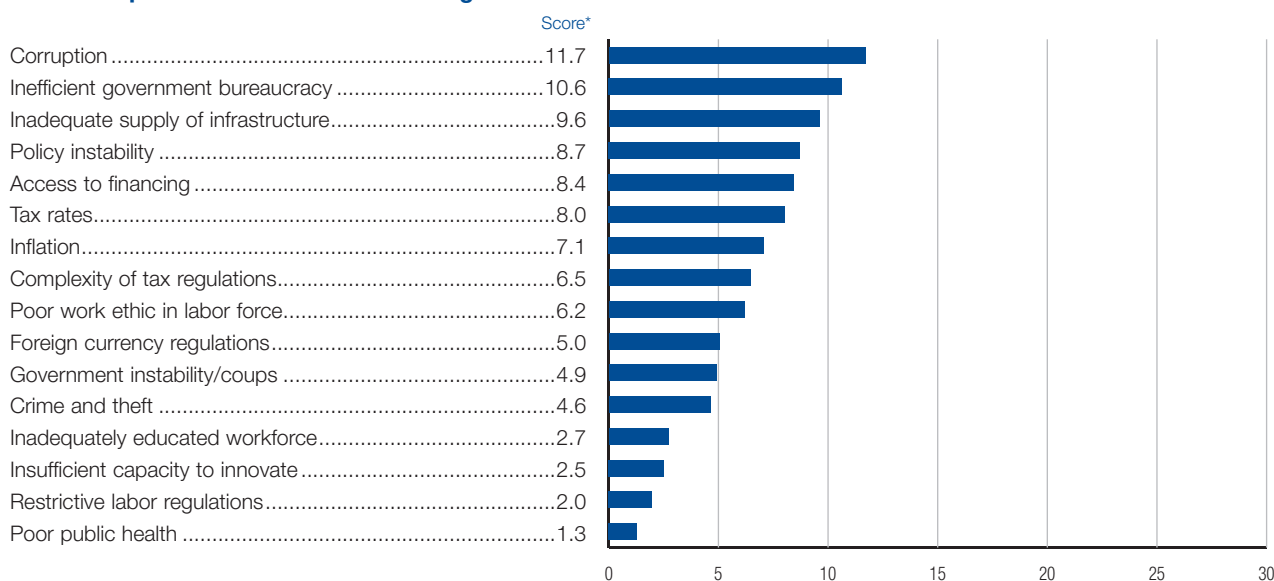
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>37</b>            | <b>4.5</b>     |
| GCI 2014–2015 (out of 144).....                            | 34                   | 4.6            |
| GCI 2013–2014 (out of 148).....                            | 38                   | 4.5            |
| GCI 2012–2013 (out of 144).....                            | 50                   | 4.4            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>49</b>            | <b>4.8</b>     |
| 1st pillar: Institutions.....                              | 55                   | 4.1            |
| 2nd pillar: Infrastructure.....                            | 62                   | 4.2            |
| 3rd pillar: Macroeconomic environment.....                 | 33                   | 5.5            |
| 4th pillar: Health and primary education.....              | 80                   | 5.6            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>46</b>            | <b>4.3</b>     |
| 5th pillar: Higher education and training.....             | 65                   | 4.5            |
| 6th pillar: Goods market efficiency.....                   | 55                   | 4.4            |
| 7th pillar: Labor market efficiency.....                   | 115                  | 3.7            |
| 8th pillar: Financial market development.....              | 49                   | 4.2            |
| 9th pillar: Technological readiness.....                   | 85                   | 3.5            |
| 10th pillar: Market size.....                              | 10                   | 5.7            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>33</b>            | <b>4.1</b>     |
| 11th pillar: Business sophistication.....                  | 36                   | 4.3            |
| 12th pillar: Innovation.....                               | 30                   | 3.9            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Indonesia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 4.3     | 63       |
| 1.02 Intellectual property protection .....                   | 4.3     | 48       |
| 1.03 Diversion of public funds .....                          | 3.6     | 56       |
| 1.04 Public trust in politicians .....                        | 3.7     | 41       |
| 1.05 Irregular payments and bribes .....                      | 3.7     | 86       |
| 1.06 Judicial independence .....                              | 4.0     | 63       |
| 1.07 Favoritism in decisions of government officials .....    | 3.8     | 34       |
| 1.08 Wastefulness of government spending .....                | 3.9     | 30       |
| 1.09 Burden of government regulation .....                    | 3.8     | 41       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.9     | 53       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.9     | 46       |
| 1.12 Transparency of government policymaking .....            | 4.1     | 66       |
| 1.13 Business costs of terrorism .....                        | 4.3     | 118      |
| 1.14 Business costs of crime and violence .....               | 3.9     | 104      |
| 1.15 Organized crime .....                                    | 4.1     | 107      |
| 1.16 Reliability of police services .....                     | 4.1     | 66       |
| 1.17 Ethical behavior of firms .....                          | 4.3     | 42       |
| 1.18 Strength of auditing and reporting standards .....       | 4.3     | 85       |
| 1.19 Efficacy of corporate boards .....                       | 4.8     | 67       |
| 1.20 Protection of minority shareholders' interests .....     | 4.3     | 49       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.1     | 42       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 3.8     | 81       |
| 2.02 Quality of roads .....                                   | 3.7     | 80       |
| 2.03 Quality of railroad infrastructure .....                 | 3.6     | 43       |
| 2.04 Quality of port infrastructure .....                     | 3.8     | 82       |
| 2.05 Quality of air transport infrastructure .....            | 4.4     | 66       |
| 2.06 Available airline seat km/week, millions* .....          | 2,842.6 | 15       |
| 2.07 Quality of electricity supply .....                      | 4.1     | 86       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 126.2   | 49       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 11.7    | 80       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –2.2    | 53       |
| 3.02 Gross national savings, % GDP* .....                     | 30.9    | 19       |
| 3.03 Inflation, annual % change* .....                        | 6.4     | 114      |
| 3.04 General government debt, % GDP* .....                    | 25.0    | 23       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 56.5    | 56       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 2,268.5 | 47       |
| 4.02 Business impact of malaria .....                         | 4.3     | 48       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 183.0   | 117      |
| 4.04 Business impact of tuberculosis .....                    | 4.1     | 124      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.5     | 86       |
| 4.06 Business impact of HIV/AIDS .....                        | 3.9     | 127      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 24.5    | 94       |
| 4.08 Life expectancy, years* .....                            | 70.8    | 92       |
| 4.09 Quality of primary education .....                       | 4.2     | 57       |
| 4.10 Primary education enrollment, net %* .....               | 92.2    | 80       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 82.5    | 88       |
| 5.02 Tertiary education enrollment, gross %* .....            | 31.5    | 75       |
| 5.03 Quality of the education system .....                    | 4.3     | 41       |
| 5.04 Quality of math and science education .....              | 4.4     | 52       |
| 5.05 Quality of management schools .....                      | 4.4     | 49       |
| 5.06 Internet access in schools .....                         | 4.8     | 43       |
| 5.07 Availability of specialized training services .....      | 4.5     | 47       |
| 5.08 Extent of staff training .....                           | 4.4     | 33       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.1     | 65       |
| 6.02 Extent of market dominance .....                         | 3.8     | 56       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.0     | 49       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.1     | 31       |
| 6.05 Total tax rate, % profits* .....                         | 31.4    | 42       |

| INDICATOR                                                | VALUE   | RANK/140 |
|----------------------------------------------------------|---------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |         |          |
| 6.06 No. procedures to start a business* .....           | 10      | 116      |
| 6.07 No. days to start a business* .....                 | 52.5    | 129      |
| 6.08 Agricultural policy costs .....                     | 4.0     | 52       |
| 6.09 Prevalence of non-tariff barriers .....             | 3.9     | 113      |
| 6.10 Trade tariffs, % duty* .....                        | 4.6     | 64       |
| 6.11 Prevalence of foreign ownership .....               | 4.5     | 67       |
| 6.12 Business impact of rules on FDI .....               | 4.3     | 87       |
| 6.13 Burden of customs procedures .....                  | 3.9     | 72       |
| 6.14 Imports as a percentage of GDP* .....               | 23.8    | 129      |
| 6.15 Degree of customer orientation .....                | 5.0     | 41       |
| 6.16 Buyer sophistication .....                          | 3.9     | 32       |
| <b>7th pillar: Labor market efficiency</b>               |         |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.6     | 49       |
| 7.02 Flexibility of wage determination .....             | 4.3     | 112      |
| 7.03 Hiring and firing practices .....                   | 4.3     | 34       |
| 7.04 Redundancy costs, weeks of salary* .....            | 57.8    | 135      |
| 7.05 Effect of taxation on incentives to work .....      | 4.0     | 43       |
| 7.06 Pay and productivity .....                          | 4.5     | 33       |
| 7.07 Reliance on professional management .....           | 4.7     | 32       |
| 7.08 Country capacity to retain talent .....             | 4.1     | 33       |
| 7.09 Country capacity to attract talent .....            | 4.1     | 28       |
| 7.10 Women in labor force, ratio to men* .....           | 0.62    | 112      |
| <b>8th pillar: Financial market development</b>          |         |          |
| 8.01 Availability of financial services .....            | 4.9     | 45       |
| 8.02 Affordability of financial services .....           | 4.9     | 40       |
| 8.03 Financing through local equity market .....         | 4.2     | 34       |
| 8.04 Ease of access to loans .....                       | 3.9     | 15       |
| 8.05 Venture capital availability .....                  | 3.8     | 17       |
| 8.06 Soundness of banks .....                            | 4.8     | 74       |
| 8.07 Regulation of securities exchanges .....            | 4.4     | 61       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 4       | 80       |
| <b>9th pillar: Technological readiness</b>               |         |          |
| 9.01 Availability of latest technologies .....           | 4.8     | 68       |
| 9.02 Firm-level technology absorption .....              | 5.1     | 41       |
| 9.03 FDI and technology transfer .....                   | 4.6     | 54       |
| 9.04 Individuals using Internet, %* .....                | 17.1    | 113      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 1.2     | 106      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 6.2     | 111      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 34.7    | 76       |
| <b>10th pillar: Market size</b>                          |         |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 5.7     | 8        |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 5.9     | 19       |
| 10.03 GDP (PPP\$ billions)* .....                        | 2,676.1 | 8        |
| 10.04 Exports as a percentage of GDP* .....              | 22.4    | 117      |
| <b>11th pillar: Business sophistication</b>              |         |          |
| 11.01 Local supplier quantity .....                      | 4.7     | 39       |
| 11.02 Local supplier quality .....                       | 4.2     | 74       |
| 11.03 State of cluster development .....                 | 4.4     | 28       |
| 11.04 Nature of competitive advantage .....              | 3.7     | 51       |
| 11.05 Value chain breadth .....                          | 4.3     | 31       |
| 11.06 Control of international distribution .....        | 4.2     | 36       |
| 11.07 Production process sophistication .....            | 4.1     | 48       |
| 11.08 Extent of marketing .....                          | 4.8     | 35       |
| 11.09 Willingness to delegate authority .....            | 4.5     | 27       |
| <b>12th pillar: Innovation</b>                           |         |          |
| 12.01 Capacity for innovation .....                      | 4.7     | 30       |
| 12.02 Quality of scientific research institutions .....  | 4.3     | 41       |
| 12.03 Company spending on R&D .....                      | 4.2     | 24       |
| 12.04 University-industry collaboration in R&D .....     | 4.5     | 30       |
| 12.05 Gov't procurement of advanced tech products .....  | 4.2     | 13       |
| 12.06 Availability of scientists and engineers .....     | 4.6     | 34       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.1     | 102      |

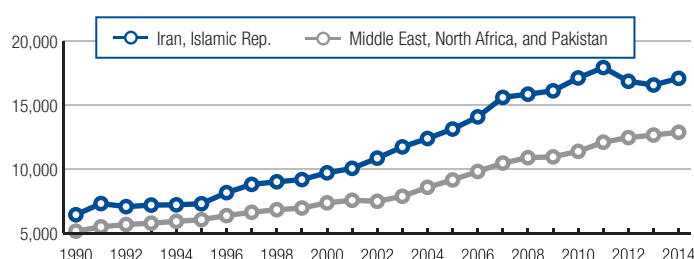
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Iran, Islamic Rep.

## Key indicators, 2014

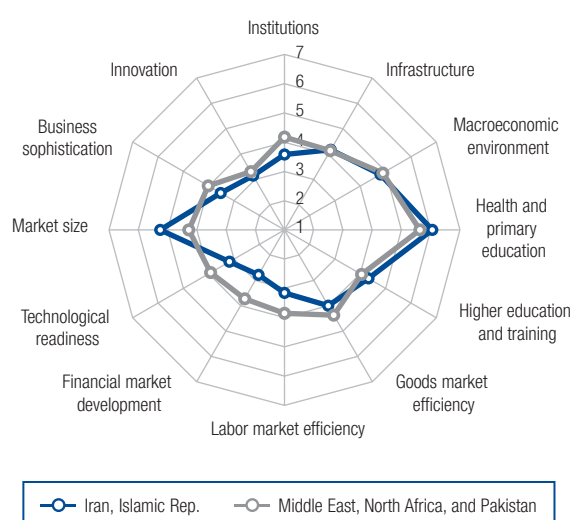
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 78.0  |
| GDP (US\$ billions).....                   | 404.1 |
| GDP per capita (US\$).....                 | 5,183 |
| GDP (PPP) as share (%) of world total..... | 1.24  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

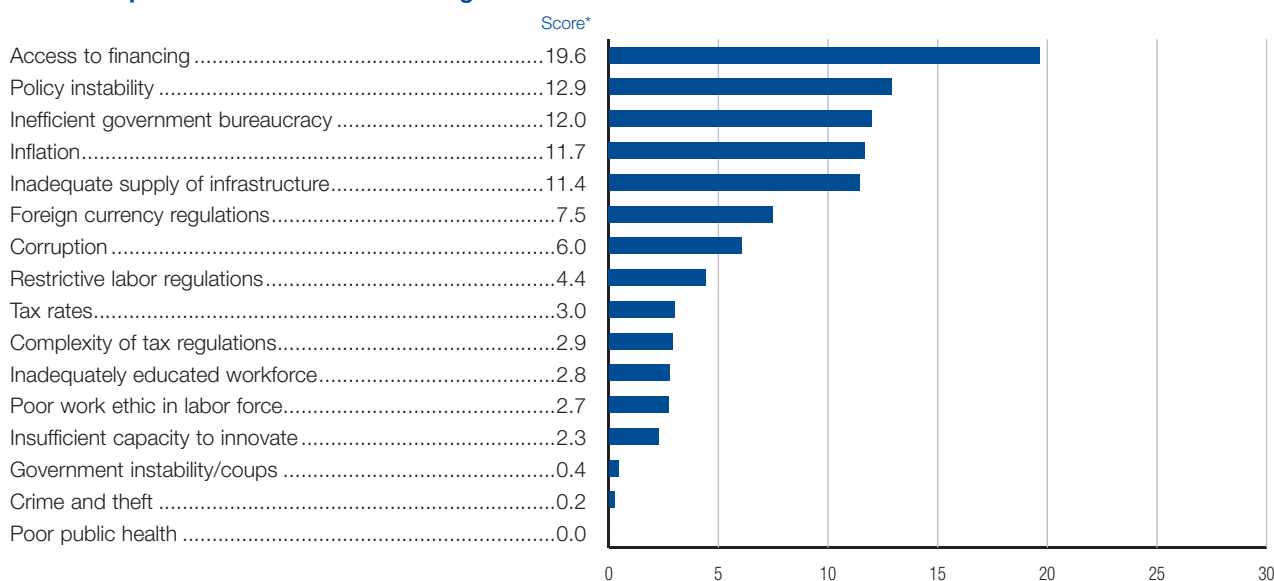
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>74</b>            | <b>4.1</b>     |
| GCI 2014–2015 (out of 144).....                           | 83                   | 4.0            |
| GCI 2013–2014 (out of 148).....                           | 82                   | 4.1            |
| GCI 2012–2013 (out of 144).....                           | 66                   | 4.2            |
| <b>Basic requirements (40.9%)</b> .....                   | <b>63</b>            | <b>4.6</b>     |
| 1st pillar: Institutions.....                             | 94                   | 3.6            |
| 2nd pillar: Infrastructure.....                           | 63                   | 4.2            |
| 3rd pillar: Macroeconomic environment.....                | 66                   | 4.8            |
| 4th pillar: Health and primary education.....             | 47                   | 6.0            |
| <b>Efficiency enhancers (49.4%)</b> .....                 | <b>90</b>            | <b>3.8</b>     |
| 5th pillar: Higher education and training.....            | 69                   | 4.3            |
| 6th pillar: Goods market efficiency.....                  | 109                  | 4.0            |
| 7th pillar: Labor market efficiency.....                  | 138                  | 3.2            |
| 8th pillar: Financial market development.....             | 134                  | 2.8            |
| 9th pillar: Technological readiness.....                  | 99                   | 3.2            |
| 10th pillar: Market size.....                             | 19                   | 5.2            |
| <b>Innovation and sophistication factors (9.8%)</b> ..... | <b>102</b>           | <b>3.3</b>     |
| 11th pillar: Business sophistication.....                 | 110                  | 3.5            |
| 12th pillar: Innovation.....                              | 90                   | 3.1            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Iran, Islamic Rep.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140  |
|---------------------------------------------------------------|-------|-----------|
| <b>1st pillar: Institutions</b>                               |       |           |
| 1.01 Property rights .....                                    | 3.9   | 91        |
| 1.02 Intellectual property protection .....                   | 2.9   | 130       |
| 1.03 Diversion of public funds .....                          | 3.2   | 73        |
| 1.04 Public trust in politicians .....                        | 3.4   | <b>49</b> |
| 1.05 Irregular payments and bribes .....                      | 3.6   | 93        |
| 1.06 Judicial independence .....                              | 3.6   | 80        |
| 1.07 Favoritism in decisions of government officials .....    | 3.3   | 53        |
| 1.08 Wastefulness of government spending .....                | 2.9   | 84        |
| 1.09 Burden of government regulation .....                    | 3.0   | 105       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.5   | 81        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.9   | 112       |
| 1.12 Transparency of government policymaking .....            | 3.4   | 115       |
| 1.13 Business costs of terrorism .....                        | 4.2   | 121       |
| 1.14 Business costs of crime and violence .....               | 4.1   | 94        |
| 1.15 Organized crime .....                                    | 4.2   | 103       |
| 1.16 Reliability of police services .....                     | 4.0   | 78        |
| 1.17 Ethical behavior of firms .....                          | 3.6   | 100       |
| 1.18 Strength of auditing and reporting standards .....       | 3.8   | 116       |
| 1.19 Efficacy of corporate boards .....                       | 4.0   | 130       |
| 1.20 Protection of minority shareholders' interests .....     | 3.4   | 120       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.2   | 121       |
| <b>2nd pillar: Infrastructure</b>                             |       |           |
| 2.01 Quality of overall infrastructure .....                  | 3.9   | 76        |
| 2.02 Quality of roads .....                                   | 4.1   | 63        |
| 2.03 Quality of railroad infrastructure .....                 | 3.4   | 45        |
| 2.04 Quality of port infrastructure .....                     | 3.9   | 78        |
| 2.05 Quality of air transport infrastructure .....            | 3.2   | 118       |
| 2.06 Available airline seat km/week, millions* .....          | 282.3 | 56        |
| 2.07 Quality of electricity supply .....                      | 5.0   | 58        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 87.8  | 110       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 39.0  | <b>22</b> |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |           |
| 3.01 Government budget balance, % GDP* .....                  | –1.4  | <b>36</b> |
| 3.02 Gross national savings, % GDP* .....                     | 35.3  | <b>11</b> |
| 3.03 Inflation, annual % change* .....                        | 15.5  | 137       |
| 3.04 General government debt, % GDP* .....                    | 12.2  | <b>9</b>  |
| 3.05 Country credit rating, 0–100 (best)* .....               | 24.9  | 116       |
| <b>4th pillar: Health and primary education</b>               |       |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 1.2   | 17        |
| 4.02 Business impact of malaria .....                         | 5.7   | 17        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 21.0  | <b>45</b> |
| 4.04 Business impact of tuberculosis .....                    | 5.6   | 73        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1   | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 5.3   | 77        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 14.4  | 76        |
| 4.08 Life expectancy, years* .....                            | 74.1  | 74        |
| 4.09 Quality of primary education .....                       | 4.2   | 60        |
| 4.10 Primary education enrollment, net %* .....               | 98.5  | <b>14</b> |
| <b>5th pillar: Higher education and training</b>              |       |           |
| 5.01 Secondary education enrollment, gross %* .....           | 86.3  | 82        |
| 5.02 Tertiary education enrollment, gross %* .....            | 55.2  | <b>49</b> |
| 5.03 Quality of the education system .....                    | 3.2   | 95        |
| 5.04 Quality of math and science education .....              | 4.6   | <b>36</b> |
| 5.05 Quality of management schools .....                      | 3.9   | 91        |
| 5.06 Internet access in schools .....                         | 3.2   | 120       |
| 5.07 Availability of specialized training services .....      | 4.1   | 76        |
| 5.08 Extent of staff training .....                           | 3.2   | 129       |
| <b>6th pillar: Goods market efficiency</b>                    |       |           |
| 6.01 Intensity of local competition .....                     | 4.3   | 121       |
| 6.02 Extent of market dominance .....                         | 3.6   | 75        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.1   | <b>46</b> |
| 6.04 Effect of taxation on incentives to invest .....         | 3.5   | 84        |
| 6.05 Total tax rate, % profits* .....                         | 44.1  | 96        |

| INDICATOR                                                | VALUE   | RANK/140  |
|----------------------------------------------------------|---------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |         |           |
| 6.06 No. procedures to start a business* .....           | 6       | 57        |
| 6.07 No. days to start a business* .....                 | 12.0    | 68        |
| 6.08 Agricultural policy costs .....                     | 3.4     | 104       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.1     | 99        |
| 6.10 Trade tariffs, % duty* .....                        | 27.3    | 140       |
| 6.11 Prevalence of foreign ownership .....               | 2.1     | 140       |
| 6.12 Business impact of rules on FDI .....               | 3.1     | 135       |
| 6.13 Burden of customs procedures .....                  | 3.3     | 117       |
| 6.14 Imports as a percentage of GDP* .....               | 16.2    | 137       |
| 6.15 Degree of customer orientation .....                | 3.9     | 116       |
| 6.16 Buyer sophistication .....                          | 3.6     | <b>50</b> |
| <b>7th pillar: Labor market efficiency</b>               |         |           |
| 7.01 Cooperation in labor-employer relations .....       | 3.7     | 122       |
| 7.02 Flexibility of wage determination .....             | 3.9     | 126       |
| 7.03 Hiring and firing practices .....                   | 3.6     | 90        |
| 7.04 Redundancy costs, weeks of salary* .....            | 23.1    | 105       |
| 7.05 Effect of taxation on incentives to work .....      | 3.7     | 78        |
| 7.06 Pay and productivity .....                          | 3.3     | 119       |
| 7.07 Reliance on professional management .....           | 3.2     | 130       |
| 7.08 Country capacity to retain talent .....             | 2.6     | 121       |
| 7.09 Country capacity to attract talent .....            | 1.9     | 134       |
| 7.10 Women in labor force, ratio to men* .....           | 0.23    | 139       |
| <b>8th pillar: Financial market development</b>          |         |           |
| 8.01 Availability of financial services .....            | 2.9     | 135       |
| 8.02 Affordability of financial services .....           | 3.1     | 130       |
| 8.03 Financing through local equity market .....         | 3.0     | 104       |
| 8.04 Ease of access to loans .....                       | 1.6     | 138       |
| 8.05 Venture capital availability .....                  | 2.0     | 125       |
| 8.06 Soundness of banks .....                            | 3.8     | 121       |
| 8.07 Regulation of securities exchanges .....            | 3.2     | 122       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 2       | 106       |
| <b>9th pillar: Technological readiness</b>               |         |           |
| 9.01 Availability of latest technologies .....           | 4.0     | 111       |
| 9.02 Firm-level technology absorption .....              | 3.7     | 132       |
| 9.03 FDI and technology transfer .....                   | 4.0     | 102       |
| 9.04 Individuals using Internet, %* .....                | 39.4    | 90        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 9.5     | 70        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 6.1     | 113       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 10.7    | 113       |
| <b>10th pillar: Market size</b>                          |         |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 5.1     | <b>18</b> |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 5.5     | <b>28</b> |
| 10.03 GDP (PPP\$ billions)* .....                        | 1,334.3 | <b>18</b> |
| 10.04 Exports as a percentage of GDP* .....              | 24.1    | 112       |
| <b>11th pillar: Business sophistication</b>              |         |           |
| 11.01 Local supplier quantity .....                      | 4.5     | 73        |
| 11.02 Local supplier quality .....                       | 3.6     | 121       |
| 11.03 State of cluster development .....                 | 3.6     | 82        |
| 11.04 Nature of competitive advantage .....              | 3.0     | 104       |
| 11.05 Value chain breadth .....                          | 3.3     | 112       |
| 11.06 Control of international distribution .....        | 3.7     | 81        |
| 11.07 Production process sophistication .....            | 3.7     | 79        |
| 11.08 Extent of marketing .....                          | 3.5     | 126       |
| 11.09 Willingness to delegate authority .....            | 2.9     | 132       |
| <b>12th pillar: Innovation</b>                           |         |           |
| 12.01 Capacity for innovation .....                      | 3.6     | 104       |
| 12.02 Quality of scientific research institutions .....  | 4.0     | 56        |
| 12.03 Company spending on R&D .....                      | 2.9     | 105       |
| 12.04 University-industry collaboration in R&D .....     | 3.2     | 102       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.2     | 82        |
| 12.06 Availability of scientists and engineers .....     | 4.3     | <b>43</b> |
| 12.07 PCT patents, applications/million pop.* .....      | 0.1     | 104       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

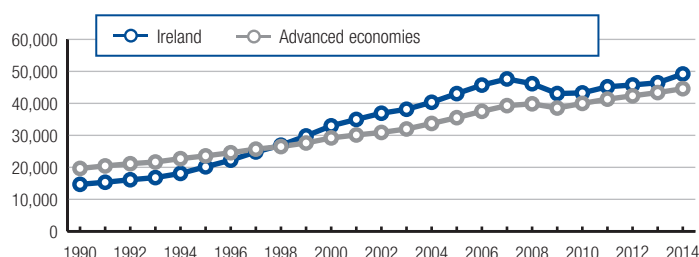


# Ireland

## Key indicators, 2014

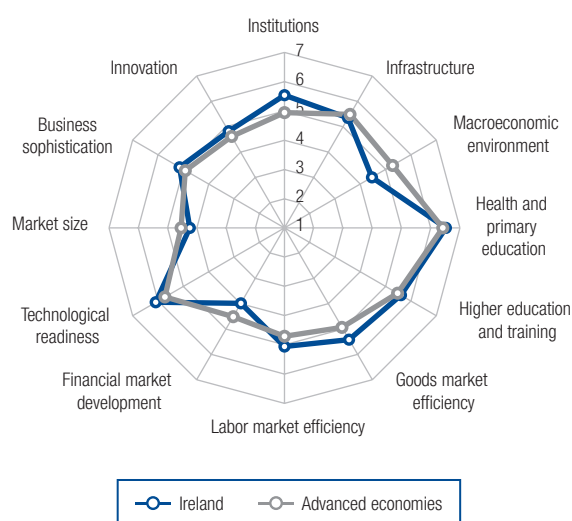
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 4.6    |
| GDP (US\$ billions).....                   | 246.4  |
| GDP per capita (US\$).....                 | 53,462 |
| GDP (PPP) as share (%) of world total..... | 0.21   |

GDP (PPP) per capita (int'l \$), 1990–2014

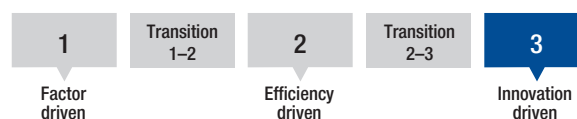


## Global Competitiveness Index

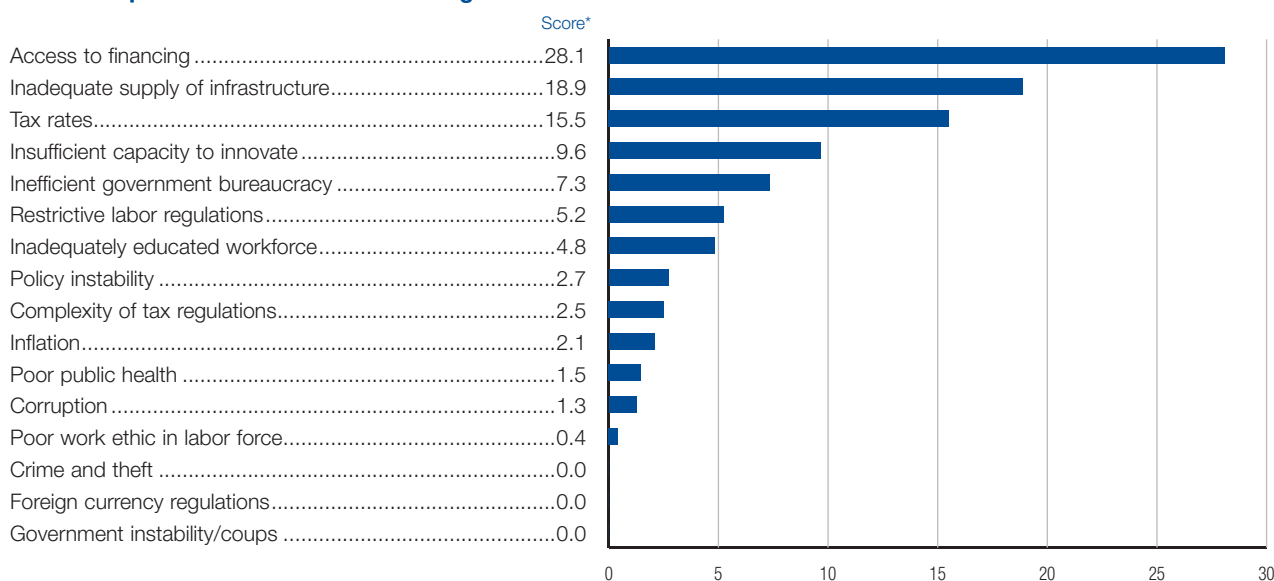
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>24</b>            | <b>5.1</b>     |
| GCI 2014–2015 (out of 144).....                            | 25                   | 5.0            |
| GCI 2013–2014 (out of 148).....                            | 28                   | 4.9            |
| GCI 2012–2013 (out of 144).....                            | 27                   | 4.9            |
| <b>Basic requirements (20.0%)</b> .....                    | <b>27</b>            | <b>5.5</b>     |
| 1st pillar: Institutions.....                              | 12                   | 5.5            |
| 2nd pillar: Infrastructure.....                            | 27                   | 5.3            |
| 3rd pillar: Macroeconomic environment.....                 | 87                   | 4.5            |
| 4th pillar: Health and primary education.....              | 12                   | 6.5            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>20</b>            | <b>5.1</b>     |
| 5th pillar: Higher education and training.....             | 15                   | 5.6            |
| 6th pillar: Goods market efficiency.....                   | 7                    | 5.4            |
| 7th pillar: Labor market efficiency.....                   | 13                   | 5.1            |
| 8th pillar: Financial market development.....              | 61                   | 4.0            |
| 9th pillar: Technological readiness.....                   | 11                   | 6.1            |
| 10th pillar: Market size.....                              | 57                   | 4.2            |
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>19</b>            | <b>5.0</b>     |
| 11th pillar: Business sophistication.....                  | 17                   | 5.1            |
| 12th pillar: Innovation.....                               | 21                   | 4.8            |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Ireland

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 6.1    | 9        |
| 1.02 Intellectual property protection .....                   | 5.9    | 10       |
| 1.03 Diversion of public funds .....                          | 5.9    | 9        |
| 1.04 Public trust in politicians .....                        | 4.7    | 18       |
| 1.05 Irregular payments and bribes .....                      | 6.4    | 9        |
| 1.06 Judicial independence .....                              | 6.3    | 8        |
| 1.07 Favoritism in decisions of government officials .....    | 4.9    | 11       |
| 1.08 Wastefulness of government spending .....                | 3.8    | 32       |
| 1.09 Burden of government regulation .....                    | 4.3    | 13       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.9    | 24       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.0    | 16       |
| 1.12 Transparency of government policymaking .....            | 5.5    | 11       |
| 1.13 Business costs of terrorism .....                        | 6.3    | 9        |
| 1.14 Business costs of crime and violence .....               | 5.5    | 24       |
| 1.15 Organized crime .....                                    | 6.1    | 19       |
| 1.16 Reliability of police services .....                     | 6.1    | 12       |
| 1.17 Ethical behavior of firms .....                          | 5.5    | 18       |
| 1.18 Strength of auditing and reporting standards .....       | 4.8    | 59       |
| 1.19 Efficacy of corporate boards .....                       | 5.7    | 18       |
| 1.20 Protection of minority shareholders' interests .....     | 4.8    | 30       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 7.3    | 6        |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.9    | 32       |
| 2.02 Quality of roads .....                                   | 5.3    | 24       |
| 2.03 Quality of railroad infrastructure .....                 | 4.0    | 30       |
| 2.04 Quality of port infrastructure .....                     | 5.3    | 24       |
| 2.05 Quality of air transport infrastructure .....            | 5.8    | 20       |
| 2.06 Available airline seat km/week, millions* .....          | 530.8  | 43       |
| 2.07 Quality of electricity supply .....                      | 6.4    | 17       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 104.3  | 89       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 43.2   | 15       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.9   | 89       |
| 3.02 Gross national savings, % GDP* .....                     | 23.6   | 49       |
| 3.03 Inflation, annual % change* .....                        | 0.3    | 55       |
| 3.04 General government debt, % GDP* .....                    | 109.5  | 133      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 68.0   | 37       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 8.5    | 24       |
| 4.04 Business impact of tuberculosis .....                    | 6.5    | 22       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.3    | 63       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.5    | 17       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.2    | 16       |
| 4.08 Life expectancy, years* .....                            | 81.0   | 18       |
| 4.09 Quality of primary education .....                       | 5.8    | 8        |
| 4.10 Primary education enrollment, net %* .....               | 95.3   | 56       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 119.1  | 6        |
| 5.02 Tertiary education enrollment, gross %* .....            | 71.2   | 24       |
| 5.03 Quality of the education system .....                    | 5.4    | 9        |
| 5.04 Quality of math and science education .....              | 5.0    | 21       |
| 5.05 Quality of management schools .....                      | 5.4    | 14       |
| 5.06 Internet access in schools .....                         | 5.3    | 31       |
| 5.07 Availability of specialized training services .....      | 5.3    | 21       |
| 5.08 Extent of staff training .....                           | 4.8    | 20       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.1    | 67       |
| 6.02 Extent of market dominance .....                         | 4.7    | 19       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.9    | 20       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.7    | 18       |
| 6.05 Total tax rate, % profits* .....                         | 25.9   | 26       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 4     | 22       |
| 6.07 No. days to start a business* .....                    | 6.0   | 28       |
| 6.08 Agricultural policy costs .....                        | 4.8   | 10       |
| 6.09 Prevalence of non-tariff barriers .....                | 5.2   | 7        |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 6.3   | 1        |
| 6.12 Business impact of rules on FDI .....                  | 6.6   | 1        |
| 6.13 Burden of customs procedures .....                     | 5.7   | 6        |
| 6.14 Imports as a percentage of GDP* .....                  | 86.3  | 14       |
| 6.15 Degree of customer orientation .....                   | 5.4   | 19       |
| 6.16 Buyer sophistication .....                             | 4.6   | 9        |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.5   | 15       |
| 7.02 Flexibility of wage determination .....                | 5.2   | 56       |
| 7.03 Hiring and firing practices .....                      | 4.6   | 19       |
| 7.04 Redundancy costs, weeks of salary* .....               | 14.3  | 60       |
| 7.05 Effect of taxation on incentives to work .....         | 3.7   | 77       |
| 7.06 Pay and productivity .....                             | 5.1   | 7        |
| 7.07 Reliance on professional management .....              | 6.0   | 7        |
| 7.08 Country capacity to retain talent .....                | 4.6   | 19       |
| 7.09 Country capacity to attract talent .....               | 5.3   | 9        |
| 7.10 Women in labor force, ratio to men* .....              | 0.81  | 69       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.9   | 48       |
| 8.02 Affordability of financial services .....              | 4.7   | 45       |
| 8.03 Financing through local equity market .....            | 3.8   | 56       |
| 8.04 Ease of access to loans .....                          | 2.2   | 116      |
| 8.05 Venture capital availability .....                     | 3.2   | 37       |
| 8.06 Soundness of banks .....                               | 3.6   | 126      |
| 8.07 Regulation of securities exchanges .....               | 4.5   | 53       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 7     | 24       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 6.1   | 17       |
| 9.02 Firm-level technology absorption .....                 | 5.6   | 24       |
| 9.03 FDI and technology transfer .....                      | 6.3   | 1        |
| 9.04 Individuals using Internet, %* .....                   | 79.7  | 28       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 26.9  | 29       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 161.0 | 16       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 81.0  | 22       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 3.9   | 60       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.3   | 32       |
| 10.03 GDP (PPP\$ billions)* .....                           | 226.8 | 59       |
| 10.04 Exports as a percentage of GDP* .....                 | 101.8 | 6        |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.7   | 45       |
| 11.02 Local supplier quality .....                          | 5.3   | 22       |
| 11.03 State of cluster development .....                    | 4.9   | 18       |
| 11.04 Nature of competitive advantage .....                 | 5.6   | 17       |
| 11.05 Value chain breadth .....                             | 5.0   | 18       |
| 11.06 Control of international distribution .....           | 4.3   | 33       |
| 11.07 Production process sophistication .....               | 5.8   | 12       |
| 11.08 Extent of marketing .....                             | 5.3   | 14       |
| 11.09 Willingness to delegate authority .....               | 4.9   | 18       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 5.2   | 17       |
| 12.02 Quality of scientific research institutions .....     | 5.5   | 15       |
| 12.03 Company spending on R&D .....                         | 4.7   | 19       |
| 12.04 University-industry collaboration in R&D .....        | 5.2   | 13       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.6   | 51       |
| 12.06 Availability of scientists and engineers .....        | 5.2   | 9        |
| 12.07 PCT patents, applications/million pop.* .....         | 86.7  | 20       |

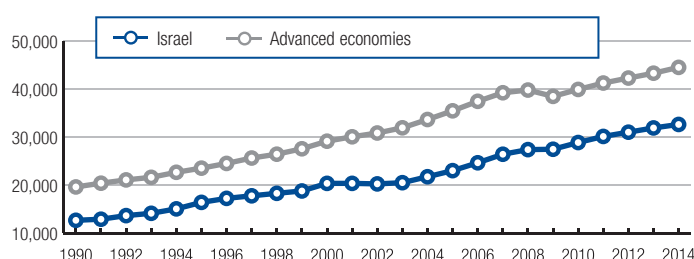
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Israel

## Key indicators, 2014

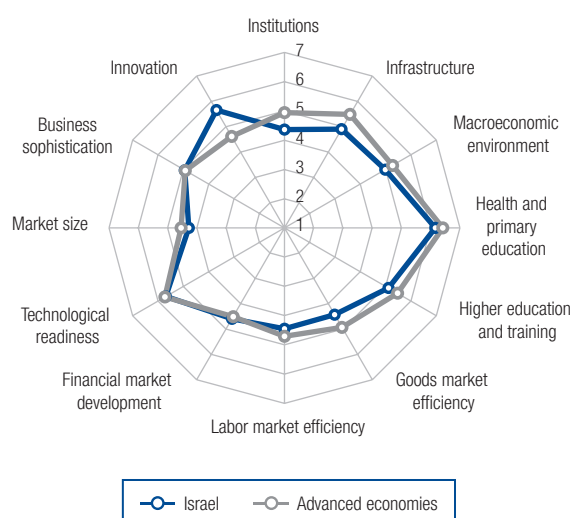
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 8.2    |
| GDP (US\$ billions).....                   | 303.8  |
| GDP per capita (US\$).....                 | 36,991 |
| GDP (PPP) as share (%) of world total..... | 0.25   |

GDP (PPP) per capita (int'l \$), 1990–2014

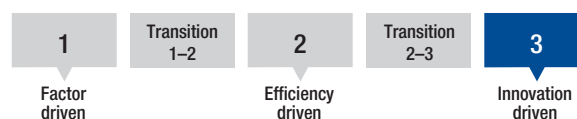


## Global Competitiveness Index

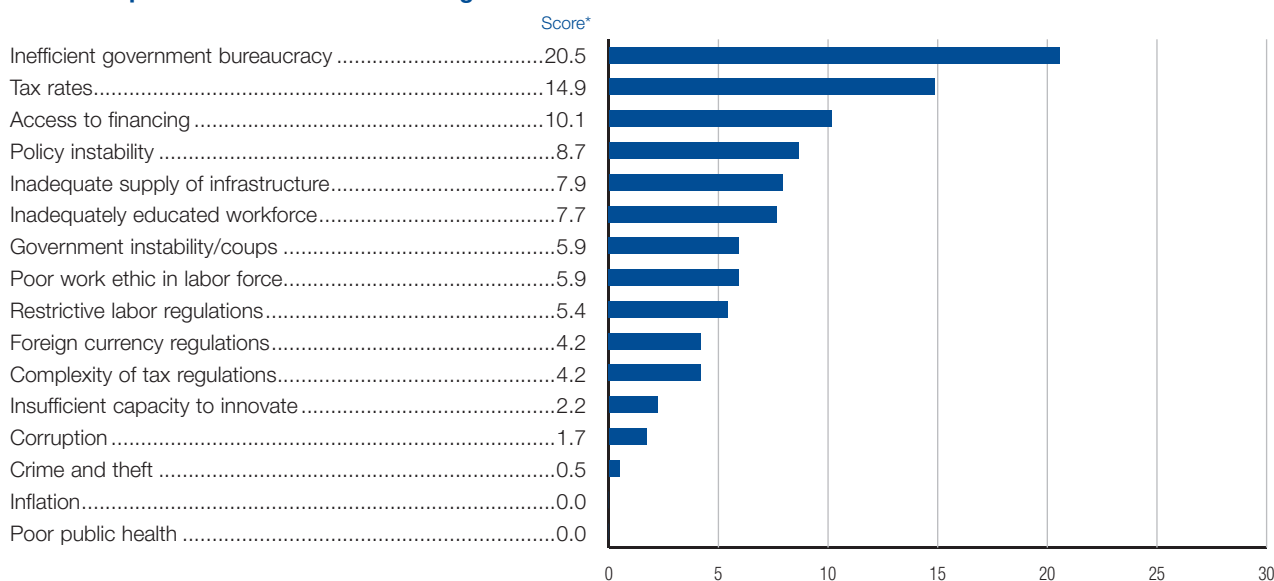
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>27</b>            | <b>5.0</b>     |
| GCI 2014–2015 (out of 144).....                            | 27                   | 4.9            |
| GCI 2013–2014 (out of 148).....                            | 27                   | 4.9            |
| GCI 2012–2013 (out of 144).....                            | 26                   | 5.0            |
| <b>Basic requirements (20.0%)</b> .....                    | <b>38</b>            | <b>5.1</b>     |
| 1st pillar: Institutions.....                              | 41                   | 4.4            |
| 2nd pillar: Infrastructure.....                            | 32                   | 4.9            |
| 3rd pillar: Macroeconomic environment.....                 | 50                   | 5.0            |
| 4th pillar: Health and primary education.....              | 39                   | 6.2            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>27</b>            | <b>4.8</b>     |
| 5th pillar: Higher education and training.....             | 28                   | 5.1            |
| 6th pillar: Goods market efficiency.....                   | 57                   | 4.4            |
| 7th pillar: Labor market efficiency.....                   | 45                   | 4.4            |
| 8th pillar: Financial market development.....              | 26                   | 4.6            |
| 9th pillar: Technological readiness.....                   | 20                   | 5.7            |
| 10th pillar: Market size.....                              | 54                   | 4.3            |
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>8</b>             | <b>5.3</b>     |
| 11th pillar: Business sophistication.....                  | 23                   | 4.9            |
| 12th pillar: Innovation.....                               | 3                    | 5.6            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140  |
|---------------------------------------------------------------|--------|-----------|
| <b>1st pillar: Institutions</b>                               |        |           |
| 1.01 Property rights .....                                    | 5.1    | 36        |
| 1.02 Intellectual property protection .....                   | 5.0    | 29        |
| 1.03 Diversion of public funds .....                          | 4.0    | 42        |
| 1.04 Public trust in politicians .....                        | 2.7    | 84        |
| 1.05 Irregular payments and bribes .....                      | 5.0    | 35        |
| 1.06 Judicial independence .....                              | 5.8    | <b>18</b> |
| 1.07 Favoritism in decisions of government officials .....    | 2.9    | 81        |
| 1.08 Wastefulness of government spending .....                | 3.0    | 79        |
| 1.09 Burden of government regulation .....                    | 3.1    | 88        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.1    | 44        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.2    | 34        |
| 1.12 Transparency of government policymaking .....            | 4.2    | 60        |
| 1.13 Business costs of terrorism .....                        | 3.3    | 130       |
| 1.14 Business costs of crime and violence .....               | 4.9    | 58        |
| 1.15 Organized crime .....                                    | 4.8    | 71        |
| 1.16 Reliability of police services .....                     | 4.1    | 68        |
| 1.17 Ethical behavior of firms .....                          | 4.2    | 48        |
| 1.18 Strength of auditing and reporting standards .....       | 5.7    | <b>22</b> |
| 1.19 Efficacy of corporate boards .....                       | 4.6    | 80        |
| 1.20 Protection of minority shareholders' interests .....     | 4.9    | 28        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 7.1    | <b>11</b> |
| <b>2nd pillar: Infrastructure</b>                             |        |           |
| 2.01 Quality of overall infrastructure .....                  | 4.3    | 60        |
| 2.02 Quality of roads .....                                   | 4.6    | 46        |
| 2.03 Quality of railroad infrastructure .....                 | 3.0    | 55        |
| 2.04 Quality of port infrastructure .....                     | 4.0    | 70        |
| 2.05 Quality of air transport infrastructure .....            | 5.1    | 39        |
| 2.06 Available airline seat km/week, millions* .....          | 545.2  | 41        |
| 2.07 Quality of electricity supply .....                      | 6.1    | 33        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 121.5  | 56        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 37.1   | 27        |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |           |
| 3.01 Government budget balance, % GDP* .....                  | –3.6   | 81        |
| 3.02 Gross national savings, % GDP* .....                     | 21.9   | 59        |
| 3.03 Inflation, annual % change* .....                        | 0.5    | 45        |
| 3.04 General government debt, % GDP* .....                    | 68.8   | 109       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 71.3   | 33        |
| <b>4th pillar: Health and primary education</b>               |        |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a       |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 5.8    | <b>9</b>  |
| 4.04 Business impact of tuberculosis .....                    | 6.8    | <b>11</b> |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2    | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 6.6    | <b>9</b>  |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.2    | <b>16</b> |
| 4.08 Life expectancy, years* .....                            | 82.1   | <b>9</b>  |
| 4.09 Quality of primary education .....                       | 4.0    | 74        |
| 4.10 Primary education enrollment, net %* .....               | 96.9   | 44        |
| <b>5th pillar: Higher education and training</b>              |        |           |
| 5.01 Secondary education enrollment, gross %* .....           | 101.4  | <b>26</b> |
| 5.02 Tertiary education enrollment, gross %* .....            | 67.9   | 29        |
| 5.03 Quality of the education system .....                    | 4.0    | 52        |
| 5.04 Quality of math and science education .....              | 4.1    | 68        |
| 5.05 Quality of management schools .....                      | 5.0    | 29        |
| 5.06 Internet access in schools .....                         | 5.4    | 28        |
| 5.07 Availability of specialized training services .....      | 4.5    | 46        |
| 5.08 Extent of staff training .....                           | 4.2    | 43        |
| <b>6th pillar: Goods market efficiency</b>                    |        |           |
| 6.01 Intensity of local competition .....                     | 4.4    | 116       |
| 6.02 Extent of market dominance .....                         | 2.8    | 133       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.7    | 81        |
| 6.04 Effect of taxation on incentives to invest .....         | 3.9    | 41        |
| 6.05 Total tax rate, % profits* .....                         | 30.1   | 39        |

| INDICATOR                                                   | VALUE | RANK/140  |
|-------------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |           |
| 6.06 No. procedures to start a business* .....              | 5     | 38        |
| 6.07 No. days to start a business* .....                    | 13.0  | 74        |
| 6.08 Agricultural policy costs .....                        | 4.0   | 48        |
| 6.09 Prevalence of non-tariff barriers .....                | 4.4   | 55        |
| 6.10 Trade tariffs, % duty* .....                           | 2.9   | 46        |
| 6.11 Prevalence of foreign ownership .....                  | 5.0   | 41        |
| 6.12 Business impact of rules on FDI .....                  | 4.7   | 54        |
| 6.13 Burden of customs procedures .....                     | 4.3   | 52        |
| 6.14 Imports as a percentage of GDP* .....                  | 31.9  | 106       |
| 6.15 Degree of customer orientation .....                   | 4.5   | 76        |
| 6.16 Buyer sophistication .....                             | 4.0   | 27        |
| <b>7th pillar: Labor market efficiency</b>                  |       |           |
| 7.01 Cooperation in labor-employer relations .....          | 4.5   | 51        |
| 7.02 Flexibility of wage determination .....                | 5.0   | 74        |
| 7.03 Hiring and firing practices .....                      | 4.4   | 30        |
| 7.04 Redundancy costs, weeks of salary* .....               | 27.4  | 117       |
| 7.05 Effect of taxation on incentives to work .....         | 3.8   | 71        |
| 7.06 Pay and productivity .....                             | 4.1   | 68        |
| 7.07 Reliance on professional management .....              | 4.7   | 33        |
| 7.08 Country capacity to retain talent .....                | 4.0   | 36        |
| 7.09 Country capacity to attract talent .....               | 3.6   | 57        |
| 7.10 Women in labor force, ratio to men* .....              | 0.88  | 36        |
| <b>8th pillar: Financial market development</b>             |       |           |
| 8.01 Availability of financial services .....               | 5.2   | 36        |
| 8.02 Affordability of financial services .....              | 4.2   | 57        |
| 8.03 Financing through local equity market .....            | 4.2   | 36        |
| 8.04 Ease of access to loans .....                          | 3.0   | 52        |
| 8.05 Venture capital availability .....                     | 4.5   | <b>4</b>  |
| 8.06 Soundness of banks .....                               | 6.0   | <b>19</b> |
| 8.07 Regulation of securities exchanges .....               | 4.9   | 38        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 6     | 44        |
| <b>9th pillar: Technological readiness</b>                  |       |           |
| 9.01 Availability of latest technologies .....              | 6.4   | <b>8</b>  |
| 9.02 Firm-level technology absorption .....                 | 6.0   | <b>5</b>  |
| 9.03 FDI and technology transfer .....                      | 5.4   | <b>8</b>  |
| 9.04 Individuals using Internet, %* .....                   | 71.5  | 39        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 26.2  | 32        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 98.4  | 29        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 52.2  | 53        |
| <b>10th pillar: Market size</b>                             |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.1   | 53        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.8   | 60        |
| 10.03 GDP (PPP\$ billions)* .....                           | 268.5 | 54        |
| 10.04 Exports as a percentage of GDP* .....                 | 33.8  | 84        |
| <b>11th pillar: Business sophistication</b>                 |       |           |
| 11.01 Local supplier quantity .....                         | 4.5   | 77        |
| 11.02 Local supplier quality .....                          | 4.9   | 33        |
| 11.03 State of cluster development .....                    | 4.3   | 30        |
| 11.04 Nature of competitive advantage .....                 | 6.1   | <b>5</b>  |
| 11.05 Value chain breadth .....                             | 4.9   | <b>22</b> |
| 11.06 Control of international distribution .....           | 4.7   | <b>17</b> |
| 11.07 Production process sophistication .....               | 5.6   | <b>17</b> |
| 11.08 Extent of marketing .....                             | 5.3   | <b>17</b> |
| 11.09 Willingness to delegate authority .....               | 4.2   | 32        |
| <b>12th pillar: Innovation</b>                              |       |           |
| 12.01 Capacity for innovation .....                         | 5.9   | <b>3</b>  |
| 12.02 Quality of scientific research institutions .....     | 6.2   | <b>3</b>  |
| 12.03 Company spending on R&D .....                         | 5.5   | <b>5</b>  |
| 12.04 University-industry collaboration in R&D .....        | 5.5   | <b>7</b>  |
| 12.05 Gov't procurement of advanced tech products .....     | 4.4   | <b>8</b>  |
| 12.06 Availability of scientists and engineers .....        | 5.2   | <b>8</b>  |
| 12.07 PCT patents, applications/million pop.* .....         | 239.1 | <b>5</b>  |

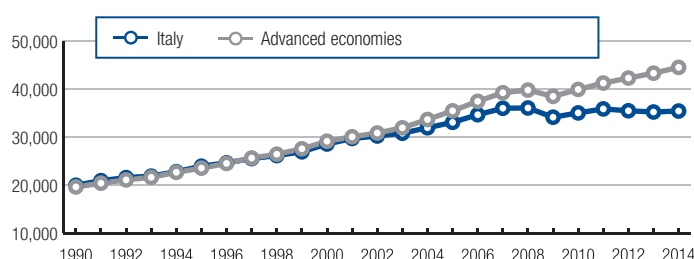
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Italy

## Key indicators, 2014

|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 60.0    |
| GDP (US\$ billions).....                   | 2,148.0 |
| GDP per capita (US\$).....                 | 35,823  |
| GDP (PPP) as share (%) of world total..... | 1.97    |

GDP (PPP) per capita (int'l \$), 1990–2014



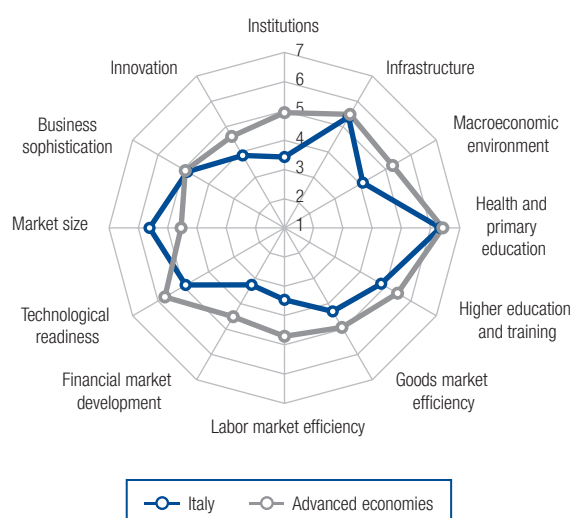
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>43</b>            | <b>4.5</b>     |
| GCI 2014–2015 (out of 144)..... | 49                   | 4.4            |
| GCI 2013–2014 (out of 148)..... | 49                   | 4.4            |
| GCI 2012–2013 (out of 144)..... | 42                   | 4.5            |

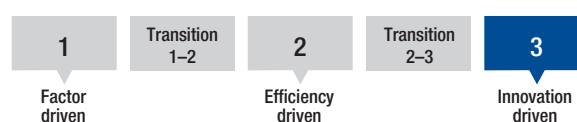
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>53</b> | <b>4.8</b> |
| 1st pillar: Institutions.....                 | 106       | 3.4        |
| 2nd pillar: Infrastructure.....               | 26        | 5.4        |
| 3rd pillar: Macroeconomic environment.....    | 111       | 4.1        |
| 4th pillar: Health and primary education..... | 26        | 6.3        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>43</b> | <b>4.4</b> |
| 5th pillar: Higher education and training..... | 45        | 4.8        |
| 6th pillar: Goods market efficiency.....       | 71        | 4.3        |
| 7th pillar: Labor market efficiency.....       | 126       | 3.5        |
| 8th pillar: Financial market development.....  | 117       | 3.2        |
| 9th pillar: Technological readiness.....       | 37        | 4.9        |
| 10th pillar: Market size.....                  | 12        | 5.6        |

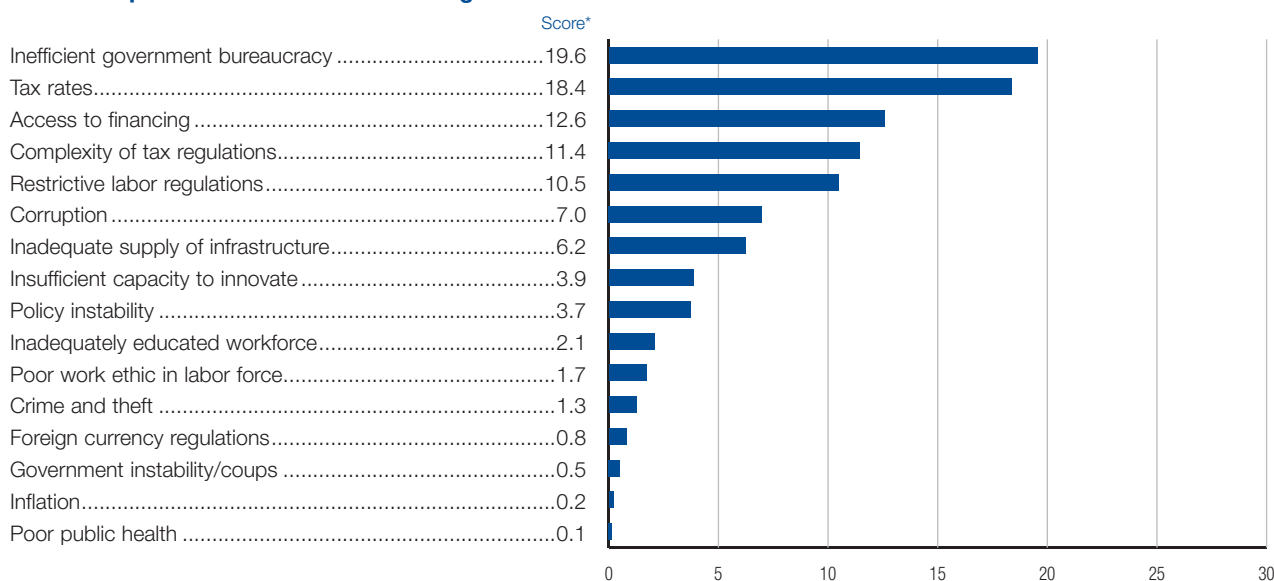
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>28</b> | <b>4.3</b> |
| 11th pillar: Business sophistication.....                  | 24        | 4.8        |
| 12th pillar: Innovation.....                               | 32        | 3.9        |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 | INDICATOR                                                   | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|-------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          | <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |          |
| 1.01 Property rights .....                                    | 4.1     | 82       | 6.06 No. procedures to start a business* .....              | 5       | 38       |
| 1.02 Intellectual property protection .....                   | 4.1     | 58       | 6.07 No. days to start a business* .....                    | 5.0     | 18       |
| 1.03 Diversion of public funds .....                          | 2.7     | 103      | 6.08 Agricultural policy costs .....                        | 3.5     | 96       |
| 1.04 Public trust in politicians .....                        | 1.8     | 129      | 6.09 Prevalence of non-tariff barriers .....                | 4.5     | 48       |
| 1.05 Irregular payments and bribes .....                      | 4.1     | 62       | 6.10 Trade tariffs, % duty* .....                           | 1.2     | 5        |
| 1.06 Judicial independence .....                              | 3.6     | 81       | 6.11 Prevalence of foreign ownership .....                  | 3.7     | 115      |
| 1.07 Favoritism in decisions of government officials .....    | 2.2     | 127      | 6.12 Business impact of rules on FDI .....                  | 3.6     | 120      |
| 1.08 Wastefulness of government spending .....                | 1.9     | 135      | 6.13 Burden of customs procedures .....                     | 4.0     | 68       |
| 1.09 Burden of government regulation .....                    | 1.9     | 138      | 6.14 Imports as a percentage of GDP* .....                  | 27.2    | 122      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.1     | 139      | 6.15 Degree of customer orientation .....                   | 5.0     | 43       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.4     | 130      | 6.16 Buyer sophistication .....                             | 3.6     | 47       |
| 1.12 Transparency of government policymaking .....            | 2.8     | 137      | <b>7th pillar: Labor market efficiency</b>                  |         |          |
| 1.13 Business costs of terrorism .....                        | 5.3     | 73       | 7.01 Cooperation in labor-employer relations .....          | 3.6     | 127      |
| 1.14 Business costs of crime and violence .....               | 4.1     | 96       | 7.02 Flexibility of wage determination .....                | 3.2     | 134      |
| 1.15 Organized crime .....                                    | 3.3     | 130      | 7.03 Hiring and firing practices .....                      | 2.7     | 132      |
| 1.16 Reliability of police services .....                     | 4.8     | 42       | 7.04 Redundancy costs, weeks of salary* .....               | 4.5     | 12       |
| 1.17 Ethical behavior of firms .....                          | 3.5     | 103      | 7.05 Effect of taxation on incentives to work .....         | 2.4     | 137      |
| 1.18 Strength of auditing and reporting standards .....       | 4.2     | 97       | 7.06 Pay and productivity .....                             | 2.9     | 131      |
| 1.19 Efficacy of corporate boards .....                       | 4.0     | 131      | 7.07 Reliance on professional management .....              | 3.5     | 119      |
| 1.20 Protection of minority shareholders' interests .....     | 3.5     | 115      | 7.08 Country capacity to retain talent .....                | 2.7     | 113      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.7     | 21       | 7.09 Country capacity to attract talent .....               | 2.6     | 115      |
| <b>2nd pillar: Infrastructure</b>                             |         |          | 7.10 Women in labor force, ratio to men* .....              | 0.72    | 92       |
| 2.01 Quality of overall infrastructure .....                  | 4.1     | 66       | <b>8th pillar: Financial market development</b>             |         |          |
| 2.02 Quality of roads .....                                   | 4.4     | 49       | 8.01 Availability of financial services .....               | 4.3     | 75       |
| 2.03 Quality of railroad infrastructure .....                 | 4.0     | 32       | 8.02 Affordability of financial services .....              | 4.0     | 81       |
| 2.04 Quality of port infrastructure .....                     | 4.3     | 56       | 8.03 Financing through local equity market .....            | 3.4     | 76       |
| 2.05 Quality of air transport infrastructure .....            | 4.5     | 63       | 8.04 Ease of access to loans .....                          | 1.6     | 136      |
| 2.06 Available airline seat km/week, millions* .....          | 2,462.5 | 18       | 8.05 Venture capital availability .....                     | 2.1     | 124      |
| 2.07 Quality of electricity supply .....                      | 5.9     | 34       | 8.06 Soundness of banks .....                               | 4.4     | 96       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 154.2   | 20       | 8.07 Regulation of securities exchanges .....               | 3.9     | 89       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 33.7    | 31       | 8.08 Legal rights index, 0–12 (best)* .....                 | 2       | 106      |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          | <b>9th pillar: Technological readiness</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.0    | 69       | 9.01 Availability of latest technologies .....              | 5.1     | 49       |
| 3.02 Gross national savings, % GDP* .....                     | 18.3    | 84       | 9.02 Firm-level technology absorption .....                 | 4.2     | 106      |
| 3.03 Inflation, annual % change* .....                        | 0.2     | 59       | 9.03 FDI and technology transfer .....                      | 3.7     | 119      |
| 3.04 General government debt, % GDP* .....                    | 132.1   | 136      | 9.04 Individuals using Internet, %* .....                   | 62.0    | 52       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 66.8    | 40       | 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 23.0    | 39       |
| <b>4th pillar: Health and primary education</b>               |         |          | 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 92.5    | 32       |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.    | n/a      | 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 70.9    | 29       |
| 4.02 Business impact of malaria .....                         | N/Apl.  | n/a      | <b>10th pillar: Market size</b>                             |         |          |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 5.7     | 7        | 10.01 Domestic market size index, 1–7 (best)* .....         | 5.5     | 12       |
| 4.04 Business impact of tuberculosis .....                    | 6.6     | 21       | 10.02 Foreign market size index, 1–7 (best)* .....          | 5.9     | 17       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.3     | 63       | 10.03 GDP (PPP\$ billions)* .....                           | 2,127.7 | 12       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.3     | 29       | 10.04 Exports as a percentage of GDP* .....                 | 30.0    | 98       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.0     | 14       | <b>11th pillar: Business sophistication</b>                 |         |          |
| 4.08 Life expectancy, years* .....                            | 82.3    | 7        | 11.01 Local supplier quantity .....                         | 5.3     | 10       |
| 4.09 Quality of primary education .....                       | 4.7     | 35       | 11.02 Local supplier quality .....                          | 5.3     | 23       |
| 4.10 Primary education enrollment, net %* .....               | 96.4    | 49       | 11.03 State of cluster development .....                    | 5.5     | 4        |
| <b>5th pillar: Higher education and training</b>              |         |          | 11.04 Nature of competitive advantage .....                 | 6.0     | 9        |
| 5.01 Secondary education enrollment, gross %* .....           | 99.2    | 38       | 11.05 Value chain breadth .....                             | 5.2     | 14       |
| 5.02 Tertiary education enrollment, gross %* .....            | 62.5    | 35       | 11.06 Control of international distribution .....           | 4.3     | 32       |
| 5.03 Quality of the education system .....                    | 3.7     | 65       | 11.07 Production process sophistication .....               | 5.2     | 24       |
| 5.04 Quality of math and science education .....              | 4.6     | 41       | 11.08 Extent of marketing .....                             | 4.5     | 55       |
| 5.05 Quality of management schools .....                      | 5.1     | 28       | 11.09 Willingness to delegate authority .....               | 3.1     | 127      |
| 5.06 Internet access in schools .....                         | 3.9     | 88       | <b>12th pillar: Innovation</b>                              |         |          |
| 5.07 Availability of specialized training services .....      | 4.9     | 30       | 12.01 Capacity for innovation .....                         | 4.5     | 37       |
| 5.08 Extent of staff training .....                           | 3.2     | 132      | 12.02 Quality of scientific research institutions .....     | 4.7     | 35       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          | 12.03 Company spending on R&D .....                         | 3.8     | 35       |
| 6.01 Intensity of local competition .....                     | 5.3     | 53       | 12.04 University-industry collaboration in R&D .....        | 3.7     | 59       |
| 6.02 Extent of market dominance .....                         | 5.0     | 14       | 12.05 Gov't procurement of advanced tech products .....     | 2.8     | 114      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.7     | 78       | 12.06 Availability of scientists and engineers .....        | 4.8     | 26       |
| 6.04 Effect of taxation on incentives to invest .....         | 1.9     | 140      | 12.07 PCT patents, applications/million pop.* .....         | 55.2    | 24       |
| 6.05 Total tax rate, % profits* .....                         | 65.4    | 129      |                                                             |         |          |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

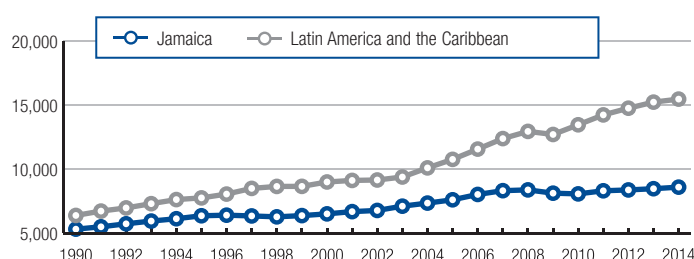


# Jamaica

## Key indicators, 2014

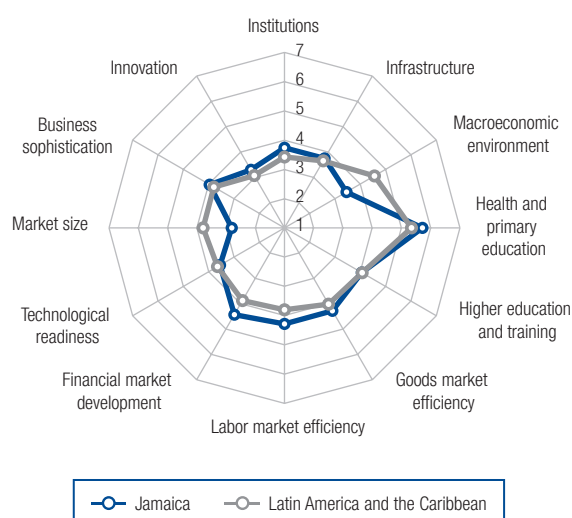
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 2.8   |
| GDP (US\$ billions).....                   | 13.8  |
| GDP per capita (US\$).....                 | 4,926 |
| GDP (PPP) as share (%) of world total..... | 0.02  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

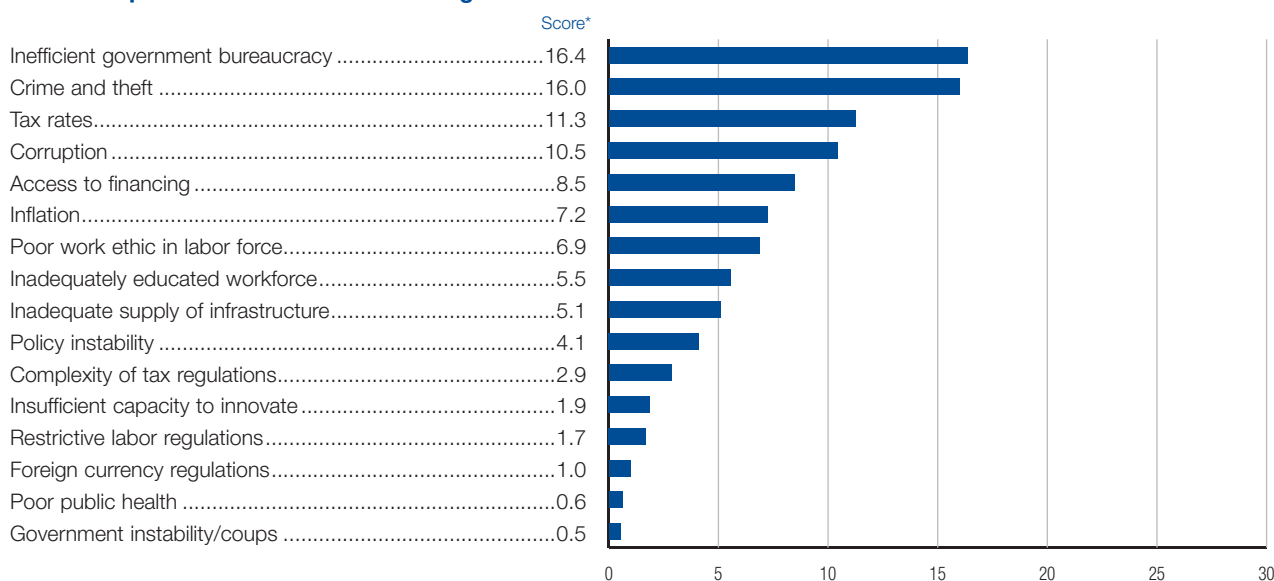
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>86</b>            | <b>4.0</b>     |
| GCI 2014–2015 (out of 144).....                            | 86                   | 4.0            |
| GCI 2013–2014 (out of 148).....                            | 94                   | 3.9            |
| GCI 2012–2013 (out of 144).....                            | 97                   | 3.8            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>94</b>            | <b>4.2</b>     |
| 1st pillar: Institutions.....                              | 80                   | 3.7            |
| 2nd pillar: Infrastructure.....                            | 79                   | 3.7            |
| 3rd pillar: Macroeconomic environment.....                 | 131                  | 3.4            |
| 4th pillar: Health and primary education.....              | 70                   | 5.7            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>79</b>            | <b>3.9</b>     |
| 5th pillar: Higher education and training.....             | 84                   | 4.1            |
| 6th pillar: Goods market efficiency.....                   | 74                   | 4.3            |
| 7th pillar: Labor market efficiency.....                   | 65                   | 4.3            |
| 8th pillar: Financial market development.....              | 32                   | 4.4            |
| 9th pillar: Technological readiness.....                   | 82                   | 3.5            |
| 10th pillar: Market size.....                              | 117                  | 2.8            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>63</b>            | <b>3.6</b>     |
| 11th pillar: Business sophistication.....                  | 66                   | 4.0            |
| 12th pillar: Innovation.....                               | 67                   | 3.3            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Jamaica

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.5    | 49       |
| 1.02 Intellectual property protection .....                   | 4.2    | 53       |
| 1.03 Diversion of public funds .....                          | 3.2    | 80       |
| 1.04 Public trust in politicians .....                        | 2.3    | 106      |
| 1.05 Irregular payments and bribes .....                      | 3.7    | 82       |
| 1.06 Judicial independence .....                              | 4.8    | 40       |
| 1.07 Favoritism in decisions of government officials .....    | 2.7    | 102      |
| 1.08 Wastefulness of government spending .....                | 2.3    | 122      |
| 1.09 Burden of government regulation .....                    | 3.0    | 106      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.4    | 84       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.5    | 67       |
| 1.12 Transparency of government policymaking .....            | 3.8    | 91       |
| 1.13 Business costs of terrorism .....                        | 5.5    | 57       |
| 1.14 Business costs of crime and violence .....               | 1.9    | 139      |
| 1.15 Organized crime .....                                    | 2.6    | 137      |
| 1.16 Reliability of police services .....                     | 3.6    | 104      |
| 1.17 Ethical behavior of firms .....                          | 3.9    | 67       |
| 1.18 Strength of auditing and reporting standards .....       | 5.1    | 45       |
| 1.19 Efficacy of corporate boards .....                       | 4.9    | 51       |
| 1.20 Protection of minority shareholders' interests .....     | 4.3    | 48       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.7    | 69       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.0    | 73       |
| 2.02 Quality of roads .....                                   | 3.6    | 85       |
| 2.03 Quality of railroad infrastructure .....                 | N/Apl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 4.7    | 45       |
| 2.05 Quality of air transport infrastructure .....            | 4.9    | 46       |
| 2.06 Available airline seat km/week, millions* .....          | 147.5  | 75       |
| 2.07 Quality of electricity supply .....                      | 4.5    | 79       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 102.9  | 92       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 9.1    | 86       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | −0.4   | 25       |
| 3.02 Gross national savings, % GDP* .....                     | 13.0   | 112      |
| 3.03 Inflation, annual % change* .....                        | 7.1    | 119      |
| 3.04 General government debt, % GDP* .....                    | 140.6  | 138      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 24.9   | 117      |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 6.5    | 15       |
| 4.04 Business impact of tuberculosis .....                    | 5.9    | 61       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.8    | 121      |
| 4.06 Business impact of HIV/AIDS .....                        | 4.7    | 97       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 14.3   | 75       |
| 4.08 Life expectancy, years* .....                            | 73.5   | 81       |
| 4.09 Quality of primary education .....                       | 4.0    | 71       |
| 4.10 Primary education enrollment, net %* .....               | 92.1   | 82       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 77.8   | 93       |
| 5.02 Tertiary education enrollment, gross %* .....            | 28.7   | 79       |
| 5.03 Quality of the education system .....                    | 3.7    | 70       |
| 5.04 Quality of math and science education .....              | 3.5    | 96       |
| 5.05 Quality of management schools .....                      | 4.5    | 46       |
| 5.06 Internet access in schools .....                         | 4.2    | 73       |
| 5.07 Availability of specialized training services .....      | 4.3    | 67       |
| 5.08 Extent of staff training .....                           | 4.0    | 67       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.4    | 39       |
| 6.02 Extent of market dominance .....                         | 3.3    | 105      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.9    | 62       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.1    | 113      |
| 6.05 Total tax rate, % profits* .....                         | 39.3   | 77       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 2     | 3        |
| 6.07 No. days to start a business* .....                 | 15.0  | 83       |
| 6.08 Agricultural policy costs .....                     | 3.8   | 66       |
| 6.09 Prevalence of non-tariff barriers .....             | 5.1   | 10       |
| 6.10 Trade tariffs, % duty* .....                        | 9.0   | 96       |
| 6.11 Prevalence of foreign ownership .....               | 5.0   | 45       |
| 6.12 Business impact of rules on FDI .....               | 4.9   | 35       |
| 6.13 Burden of customs procedures .....                  | 3.6   | 87       |
| 6.14 Imports as a percentage of GDP* .....               | 57.6  | 47       |
| 6.15 Degree of customer orientation .....                | 3.8   | 118      |
| 6.16 Buyer sophistication .....                          | 3.3   | 74       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.3   | 75       |
| 7.02 Flexibility of wage determination .....             | 5.2   | 53       |
| 7.03 Hiring and firing practices .....                   | 3.7   | 80       |
| 7.04 Redundancy costs, weeks of salary* .....            | 14.0  | 59       |
| 7.05 Effect of taxation on incentives to work .....      | 3.9   | 56       |
| 7.06 Pay and productivity .....                          | 3.4   | 111      |
| 7.07 Reliance on professional management .....           | 4.6   | 45       |
| 7.08 Country capacity to retain talent .....             | 2.9   | 105      |
| 7.09 Country capacity to attract talent .....            | 3.2   | 83       |
| 7.10 Women in labor force, ratio to men* .....           | 0.83  | 65       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.6   | 59       |
| 8.02 Affordability of financial services .....           | 4.0   | 78       |
| 8.03 Financing through local equity market .....         | 4.3   | 30       |
| 8.04 Ease of access to loans .....                       | 2.2   | 118      |
| 8.05 Venture capital availability .....                  | 2.1   | 121      |
| 8.06 Soundness of banks .....                            | 5.4   | 50       |
| 8.07 Regulation of securities exchanges .....            | 4.9   | 34       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 10    | 8        |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 5.2   | 43       |
| 9.02 Firm-level technology absorption .....              | 4.7   | 59       |
| 9.03 FDI and technology transfer .....                   | 4.5   | 65       |
| 9.04 Individuals using Internet, %* .....                | 40.5  | 86       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 5.4   | 83       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 14.2  | 91       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 33.1  | 80       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.6   | 115      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.4   | 119      |
| 10.03 GDP (PPP\$ billions)* .....                        | 24.1  | 116      |
| 10.04 Exports as a percentage of GDP* .....              | 30.8  | 93       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.6   | 56       |
| 11.02 Local supplier quality .....                       | 4.2   | 75       |
| 11.03 State of cluster development .....                 | 3.5   | 93       |
| 11.04 Nature of competitive advantage .....              | 3.9   | 45       |
| 11.05 Value chain breadth .....                          | 3.7   | 78       |
| 11.06 Control of international distribution .....        | 3.6   | 88       |
| 11.07 Production process sophistication .....            | 3.6   | 87       |
| 11.08 Extent of marketing .....                          | 4.6   | 46       |
| 11.09 Willingness to delegate authority .....            | 3.6   | 75       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.2   | 51       |
| 12.02 Quality of scientific research institutions .....  | 4.1   | 51       |
| 12.03 Company spending on R&D .....                      | 3.2   | 74       |
| 12.04 University-industry collaboration in R&D .....     | 3.8   | 56       |
| 12.05 Gov't procurement of advanced tech products .....  | 2.9   | 107      |
| 12.06 Availability of scientists and engineers .....     | 3.5   | 99       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.4   | 82       |

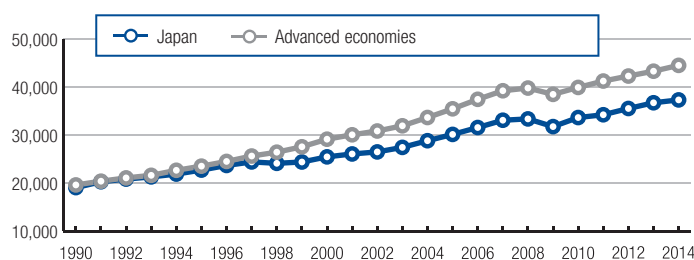
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Japan

## Key indicators, 2014

|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 127.1   |
| GDP (US\$ billions).....                   | 4,616.3 |
| GDP per capita (US\$).....                 | 36,332  |
| GDP (PPP) as share (%) of world total..... | 4.40    |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>6</b>             | <b>5.5</b>     |
| GCI 2014–2015 (out of 144)..... | 6                    | 5.5            |
| GCI 2013–2014 (out of 148)..... | 9                    | 5.4            |
| GCI 2012–2013 (out of 144)..... | 10                   | 5.4            |

### Basic requirements (20.0%).....24.....5.5

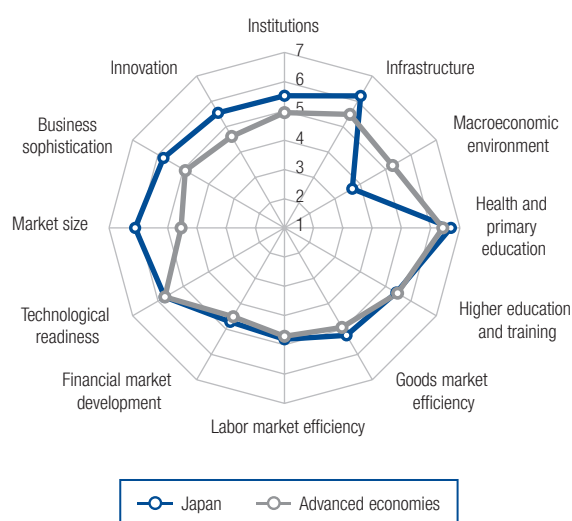
|                                               |     |     |
|-----------------------------------------------|-----|-----|
| 1st pillar: Institutions.....                 | 13  | 5.5 |
| 2nd pillar: Infrastructure.....               | 5   | 6.2 |
| 3rd pillar: Macroeconomic environment.....    | 121 | 3.7 |
| 4th pillar: Health and primary education..... | 4   | 6.7 |

### Efficiency enhancers (50.0%).....8.....5.3

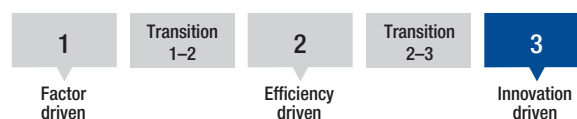
|                                                |    |     |
|------------------------------------------------|----|-----|
| 5th pillar: Higher education and training..... | 21 | 5.4 |
| 6th pillar: Goods market efficiency.....       | 11 | 5.2 |
| 7th pillar: Labor market efficiency.....       | 21 | 4.8 |
| 8th pillar: Financial market development.....  | 19 | 4.7 |
| 9th pillar: Technological readiness.....       | 19 | 5.7 |
| 10th pillar: Market size.....                  | 4  | 6.1 |

### Innovation and sophistication factors (30.0%).....2.....5.7

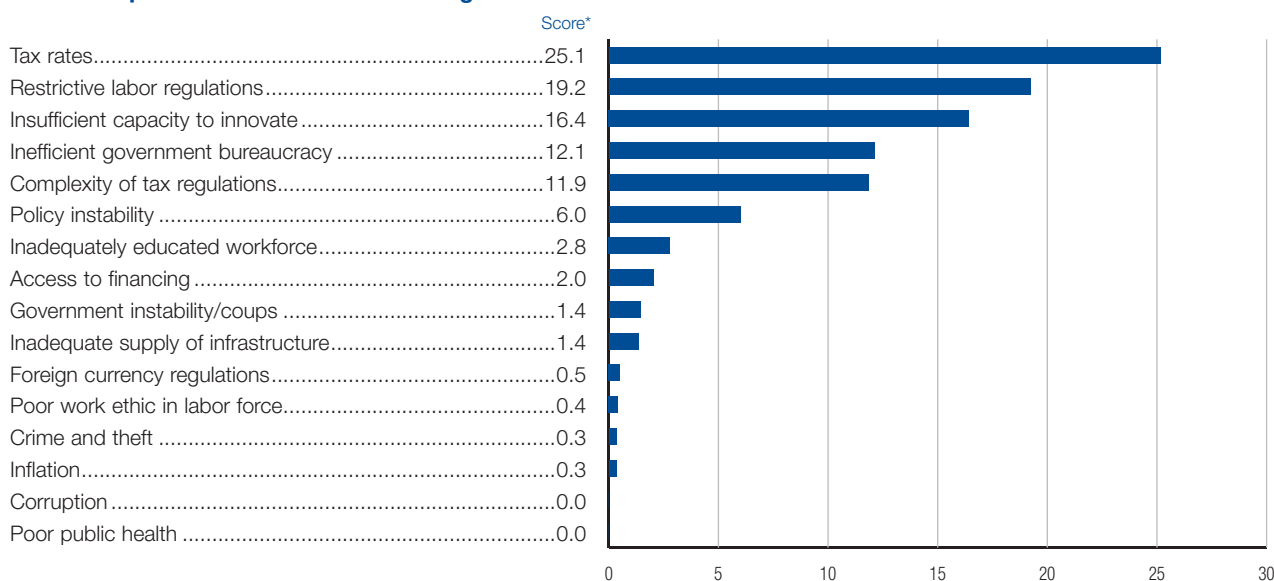
|                                           |   |     |
|-------------------------------------------|---|-----|
| 11th pillar: Business sophistication..... | 2 | 5.8 |
| 12th pillar: Innovation.....              | 5 | 5.5 |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Japan

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 6.2     | 7        |
| 1.02 Intellectual property protection .....                   | 6.1     | 6        |
| 1.03 Diversion of public funds .....                          | 5.6     | 14       |
| 1.04 Public trust in politicians .....                        | 4.5     | 21       |
| 1.05 Irregular payments and bribes .....                      | 6.3     | 12       |
| 1.06 Judicial independence .....                              | 6.2     | 12       |
| 1.07 Favoritism in decisions of government officials .....    | 5.1     | 7        |
| 1.08 Wastefulness of government spending .....                | 4.1     | 22       |
| 1.09 Burden of government regulation .....                    | 3.6     | 54       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.4     | 13       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.6     | 24       |
| 1.12 Transparency of government policymaking .....            | 5.5     | 12       |
| 1.13 Business costs of terrorism .....                        | 5.2     | 77       |
| 1.14 Business costs of crime and violence .....               | 5.4     | 31       |
| 1.15 Organized crime .....                                    | 5.4     | 47       |
| 1.16 Reliability of police services .....                     | 6.0     | 17       |
| 1.17 Ethical behavior of firms .....                          | 5.9     | 9        |
| 1.18 Strength of auditing and reporting standards .....       | 6.0     | 14       |
| 1.19 Efficacy of corporate boards .....                       | 5.6     | 22       |
| 1.20 Protection of minority shareholders' interests .....     | 5.3     | 14       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.3     | 32       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 6.2     | 7        |
| 2.02 Quality of roads .....                                   | 6.0     | 8        |
| 2.03 Quality of railroad infrastructure .....                 | 6.7     | 1        |
| 2.04 Quality of port infrastructure .....                     | 5.4     | 22       |
| 2.05 Quality of air transport infrastructure .....            | 5.6     | 25       |
| 2.06 Available airline seat km/week, millions* .....          | 5,781.1 | 4        |
| 2.07 Quality of electricity supply .....                      | 6.4     | 21       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 120.2   | 58       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 50.1    | 10       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –7.7    | 132      |
| 3.02 Gross national savings, % GDP* .....                     | 22.4    | 56       |
| 3.03 Inflation, annual % change* .....                        | 2.7     | 1        |
| 3.04 General government debt, % GDP* .....                    | 246.4   | 140      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 81.7    | 19       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.    | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl.  | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 18.0    | 39       |
| 4.04 Business impact of tuberculosis .....                    | 6.2     | 43       |
| 4.05 HIV prevalence, % adult pop.* .....                      | <0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.1     | 36       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 2.1     | 4        |
| 4.08 Life expectancy, years* .....                            | 83.3    | 2        |
| 4.09 Quality of primary education .....                       | 5.8     | 7        |
| 4.10 Primary education enrollment, net %* .....               | 100.0   | 2        |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 101.8   | 24       |
| 5.02 Tertiary education enrollment, gross %* .....            | 61.5    | 40       |
| 5.03 Quality of the education system .....                    | 4.5     | 27       |
| 5.04 Quality of math and science education .....              | 5.3     | 9        |
| 5.05 Quality of management schools .....                      | 4.4     | 51       |
| 5.06 Internet access in schools .....                         | 5.0     | 37       |
| 5.07 Availability of specialized training services .....      | 5.4     | 19       |
| 5.08 Extent of staff training .....                           | 5.4     | 6        |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 6.3     | 1        |
| 6.02 Extent of market dominance .....                         | 5.9     | 2        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.4     | 3        |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8     | 49       |
| 6.05 Total tax rate, % profits* .....                         | 51.3    | 114      |

| INDICATOR                                                   | VALUE   | RANK/140 |
|-------------------------------------------------------------|---------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |          |
| 6.06 No. procedures to start a business* .....              | 8       | 93       |
| 6.07 No. days to start a business* .....                    | 10.7    | 58       |
| 6.08 Agricultural policy costs .....                        | 3.1     | 120      |
| 6.09 Prevalence of non-tariff barriers .....                | 3.9     | 115      |
| 6.10 Trade tariffs, % duty* .....                           | 2.1     | 36       |
| 6.11 Prevalence of foreign ownership .....                  | 5.3     | 22       |
| 6.12 Business impact of rules on FDI .....                  | 4.8     | 46       |
| 6.13 Burden of customs procedures .....                     | 5.0     | 24       |
| 6.14 Imports as a percentage of GDP* .....                  | 21.9    | 133      |
| 6.15 Degree of customer orientation .....                   | 6.3     | 1        |
| 6.16 Buyer sophistication .....                             | 5.2     | 2        |
| <b>7th pillar: Labor market efficiency</b>                  |         |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.7     | 5        |
| 7.02 Flexibility of wage determination .....                | 6.0     | 7        |
| 7.03 Hiring and firing practices .....                      | 3.0     | 123      |
| 7.04 Redundancy costs, weeks of salary* .....               | 4.3     | 7        |
| 7.05 Effect of taxation on incentives to work .....         | 4.1     | 38       |
| 7.06 Pay and productivity .....                             | 4.8     | 14       |
| 7.07 Reliance on professional management .....              | 5.6     | 18       |
| 7.08 Country capacity to retain talent .....                | 4.2     | 29       |
| 7.09 Country capacity to attract talent .....               | 3.3     | 78       |
| 7.10 Women in labor force, ratio to men* .....              | 0.77    | 83       |
| <b>8th pillar: Financial market development</b>             |         |          |
| 8.01 Availability of financial services .....               | 5.3     | 26       |
| 8.02 Affordability of financial services .....              | 5.1     | 28       |
| 8.03 Financing through local equity market .....            | 5.1     | 12       |
| 8.04 Ease of access to loans .....                          | 3.7     | 19       |
| 8.05 Venture capital availability .....                     | 3.6     | 21       |
| 8.06 Soundness of banks .....                               | 5.8     | 28       |
| 8.07 Regulation of securities exchanges .....               | 5.7     | 11       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 4       | 80       |
| <b>9th pillar: Technological readiness</b>                  |         |          |
| 9.01 Availability of latest technologies .....              | 6.2     | 16       |
| 9.02 Firm-level technology absorption .....                 | 6.1     | 2        |
| 9.03 FDI and technology transfer .....                      | 4.8     | 41       |
| 9.04 Individuals using Internet, %* .....                   | 90.6    | 11       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 29.3    | 21       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 48.6    | 52       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 121.4   | 5        |
| <b>10th pillar: Market size</b>                             |         |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 6.1     | 4        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 6.1     | 6        |
| 10.03 GDP (PPP\$ billions)* .....                           | 4,750.8 | 4        |
| 10.04 Exports as a percentage of GDP* .....                 | 18.2    | 123      |
| <b>11th pillar: Business sophistication</b>                 |         |          |
| 11.01 Local supplier quantity .....                         | 6.2     | 1        |
| 11.02 Local supplier quality .....                          | 6.2     | 1        |
| 11.03 State of cluster development .....                    | 5.3     | 10       |
| 11.04 Nature of competitive advantage .....                 | 6.4     | 1        |
| 11.05 Value chain breadth .....                             | 6.2     | 1        |
| 11.06 Control of international distribution .....           | 5.5     | 2        |
| 11.07 Production process sophistication .....               | 6.4     | 2        |
| 11.08 Extent of marketing .....                             | 5.3     | 20       |
| 11.09 Willingness to delegate authority .....               | 4.7     | 20       |
| <b>12th pillar: Innovation</b>                              |         |          |
| 12.01 Capacity for innovation .....                         | 5.3     | 14       |
| 12.02 Quality of scientific research institutions .....     | 5.8     | 7        |
| 12.03 Company spending on R&D .....                         | 5.7     | 2        |
| 12.04 University-industry collaboration in R&D .....        | 5.0     | 16       |
| 12.05 Gov't procurement of advanced tech products .....     | 4.1     | 14       |
| 12.06 Availability of scientists and engineers .....        | 5.6     | 3        |
| 12.07 PCT patents, applications/million pop.* .....         | 334.9   | 1        |

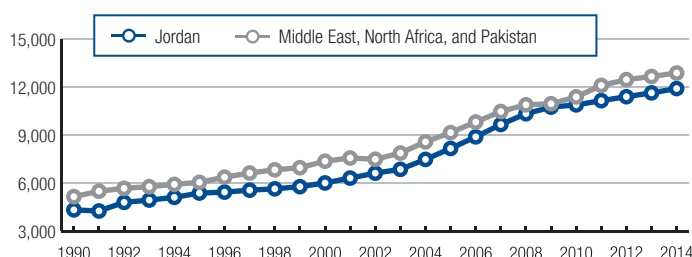
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Jordan

## Key indicators, 2014

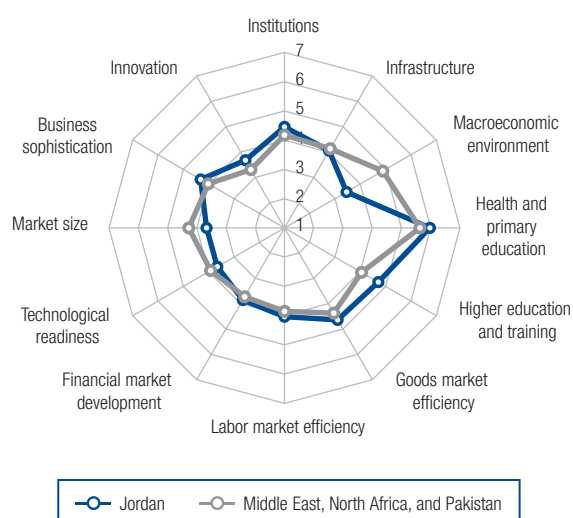
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 6.7   |
| GDP (US\$ billions).....                   | 35.8  |
| GDP per capita (US\$).....                 | 5,358 |
| GDP (PPP) as share (%) of world total..... | 0.07  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

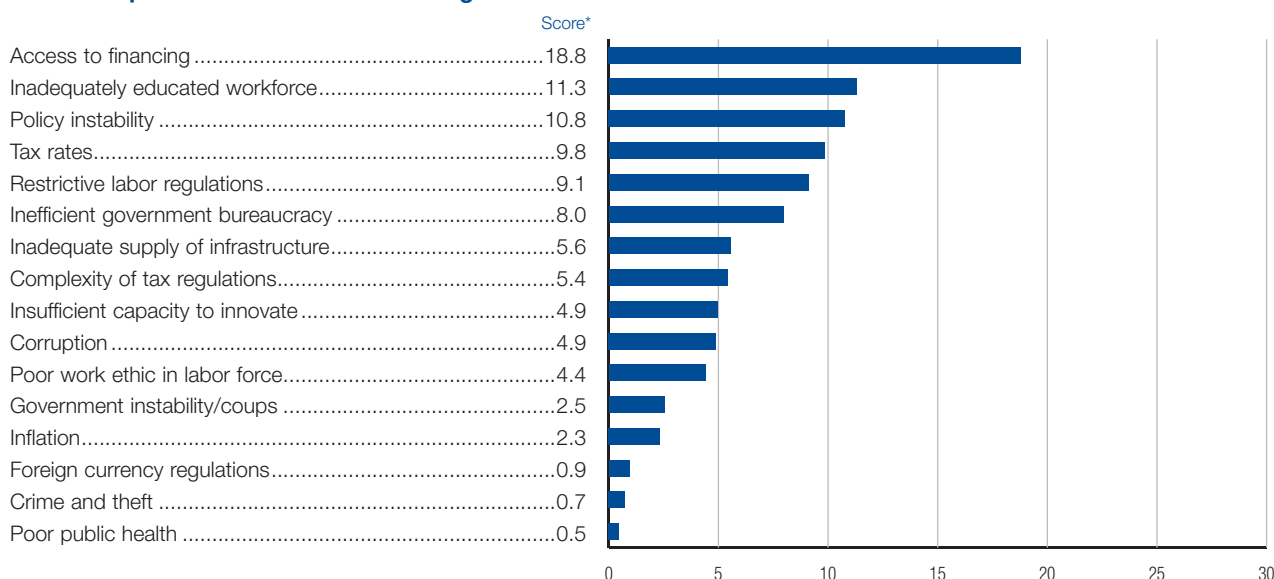
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>64</b>            | <b>4.2</b>     |
| GCI 2014–2015 (out of 144).....                            | 64                   | 4.3            |
| GCI 2013–2014 (out of 148).....                            | 68                   | 4.2            |
| GCI 2012–2013 (out of 144).....                            | 64                   | 4.2            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>75</b>            | <b>4.5</b>     |
| 1st pillar: Institutions.....                              | 36                   | 4.4            |
| 2nd pillar: Infrastructure.....                            | 70                   | 4.0            |
| 3rd pillar: Macroeconomic environment.....                 | 130                  | 3.4            |
| 4th pillar: Health and primary education.....              | 54                   | 6.0            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>67</b>            | <b>4.1</b>     |
| 5th pillar: Higher education and training.....             | 50                   | 4.7            |
| 6th pillar: Goods market efficiency.....                   | 39                   | 4.6            |
| 7th pillar: Labor market efficiency.....                   | 93                   | 4.0            |
| 8th pillar: Financial market development.....              | 71                   | 3.8            |
| 9th pillar: Technological readiness.....                   | 76                   | 3.7            |
| 10th pillar: Market size.....                              | 76                   | 3.7            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>40</b>            | <b>4.0</b>     |
| 11th pillar: Business sophistication.....                  | 40                   | 4.3            |
| 12th pillar: Innovation.....                               | 40                   | 3.7            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Jordan

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.8    | 39       |
| 1.02 Intellectual property protection .....                   | 4.6    | 35       |
| 1.03 Diversion of public funds .....                          | 4.5    | 32       |
| 1.04 Public trust in politicians .....                        | 3.8    | 37       |
| 1.05 Irregular payments and bribes .....                      | 4.4    | 47       |
| 1.06 Judicial independence .....                              | 4.6    | 44       |
| 1.07 Favoritism in decisions of government officials .....    | 3.8    | 35       |
| 1.08 Wastefulness of government spending .....                | 3.8    | 33       |
| 1.09 Burden of government regulation .....                    | 4.0    | 28       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.4    | 36       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.3    | 30       |
| 1.12 Transparency of government policymaking .....            | 4.3    | 52       |
| 1.13 Business costs of terrorism .....                        | 4.3    | 119      |
| 1.14 Business costs of crime and violence .....               | 4.4    | 78       |
| 1.15 Organized crime .....                                    | 5.1    | 58       |
| 1.16 Reliability of police services .....                     | 5.3    | 31       |
| 1.17 Ethical behavior of firms .....                          | 4.7    | 30       |
| 1.18 Strength of auditing and reporting standards .....       | 4.9    | 54       |
| 1.19 Efficacy of corporate boards .....                       | 4.4    | 88       |
| 1.20 Protection of minority shareholders' interests .....     | 4.4    | 40       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.2    | 121      |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.4    | 53       |
| 2.02 Quality of roads .....                                   | 3.9    | 74       |
| 2.03 Quality of railroad infrastructure .....                 | 2.5    | 74       |
| 2.04 Quality of port infrastructure .....                     | 4.0    | 72       |
| 2.05 Quality of air transport infrastructure .....            | 4.5    | 62       |
| 2.06 Available airline seat km/week, millions* .....          | 188.3  | 66       |
| 2.07 Quality of electricity supply .....                      | 5.3    | 54       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 147.8  | 26       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 5.0    | 104      |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –10.0  | 137      |
| 3.02 Gross national savings, % GDP* .....                     | 14.3   | 104      |
| 3.03 Inflation, annual % change* .....                        | 2.9    | 1        |
| 3.04 General government debt, % GDP* .....                    | 89.3   | 122      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 39.1   | 78       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 5.8    | 9        |
| 4.04 Business impact of tuberculosis .....                    | 5.7    | 65       |
| 4.05 HIV prevalence, % adult pop.* .....                      | <0.2   | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.7    | 68       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 16.0   | 80       |
| 4.08 Life expectancy, years* .....                            | 73.9   | 77       |
| 4.09 Quality of primary education .....                       | 4.0    | 69       |
| 4.10 Primary education enrollment, net %* .....               | 97.1   | 39       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 87.8   | 77       |
| 5.02 Tertiary education enrollment, gross %* .....            | 46.6   | 57       |
| 5.03 Quality of the education system .....                    | 4.4    | 32       |
| 5.04 Quality of math and science education .....              | 4.2    | 64       |
| 5.05 Quality of management schools .....                      | 4.4    | 50       |
| 5.06 Internet access in schools .....                         | 4.6    | 56       |
| 5.07 Availability of specialized training services .....      | 4.5    | 50       |
| 5.08 Extent of staff training .....                           | 4.3    | 38       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.2    | 57       |
| 6.02 Extent of market dominance .....                         | 4.3    | 27       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.3    | 31       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8    | 59       |
| 6.05 Total tax rate, % profits* .....                         | 29.0   | 33       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 7     | 76       |
| 6.07 No. days to start a business* .....                 | 12.0  | 68       |
| 6.08 Agricultural policy costs .....                     | 4.0   | 47       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.1   | 96       |
| 6.10 Trade tariffs, % duty* .....                        | 7.5   | 89       |
| 6.11 Prevalence of foreign ownership .....               | 4.5   | 71       |
| 6.12 Business impact of rules on FDI .....               | 4.3   | 83       |
| 6.13 Burden of customs procedures .....                  | 4.5   | 46       |
| 6.14 Imports as a percentage of GDP* .....               | 76.5  | 25       |
| 6.15 Degree of customer orientation .....                | 4.8   | 57       |
| 6.16 Buyer sophistication .....                          | 3.7   | 42       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.5   | 52       |
| 7.02 Flexibility of wage determination .....             | 4.8   | 79       |
| 7.03 Hiring and firing practices .....                   | 4.2   | 40       |
| 7.04 Redundancy costs, weeks of salary* .....            | 4.3   | 7        |
| 7.05 Effect of taxation on incentives to work .....      | 3.7   | 76       |
| 7.06 Pay and productivity .....                          | 4.4   | 40       |
| 7.07 Reliance on professional management .....           | 4.2   | 71       |
| 7.08 Country capacity to retain talent .....             | 3.8   | 44       |
| 7.09 Country capacity to attract talent .....            | 3.7   | 48       |
| 7.10 Women in labor force, ratio to men* .....           | 0.24  | 138      |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.7   | 56       |
| 8.02 Affordability of financial services .....           | 4.5   | 46       |
| 8.03 Financing through local equity market .....         | 4.2   | 35       |
| 8.04 Ease of access to loans .....                       | 3.6   | 25       |
| 8.05 Venture capital availability .....                  | 3.7   | 19       |
| 8.06 Soundness of banks .....                            | 5.0   | 62       |
| 8.07 Regulation of securities exchanges .....            | 4.6   | 49       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 0     | 139      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 5.1   | 47       |
| 9.02 Firm-level technology absorption .....              | 5.3   | 35       |
| 9.03 FDI and technology transfer .....                   | 4.7   | 49       |
| 9.04 Individuals using Internet, %* .....                | 44.0  | 79       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 4.7   | 84       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 7.9   | 107      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 19.1  | 99       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.5   | 75       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.3   | 79       |
| 10.03 GDP (PPP\$ billions)* .....                        | 79.6  | 79       |
| 10.04 Exports as a percentage of GDP* .....              | 41.4  | 60       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.7   | 42       |
| 11.02 Local supplier quality .....                       | 4.4   | 60       |
| 11.03 State of cluster development .....                 | 4.3   | 31       |
| 11.04 Nature of competitive advantage .....              | 4.1   | 35       |
| 11.05 Value chain breadth .....                          | 4.1   | 48       |
| 11.06 Control of international distribution .....        | 4.2   | 35       |
| 11.07 Production process sophistication .....            | 4.3   | 44       |
| 11.08 Extent of marketing .....                          | 4.4   | 60       |
| 11.09 Willingness to delegate authority .....            | 4.4   | 30       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.3   | 47       |
| 12.02 Quality of scientific research institutions .....  | 4.0   | 57       |
| 12.03 Company spending on R&D .....                      | 3.7   | 37       |
| 12.04 University-industry collaboration in R&D .....     | 3.8   | 52       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.7   | 42       |
| 12.06 Availability of scientists and engineers .....     | 4.8   | 25       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.7   | 73       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

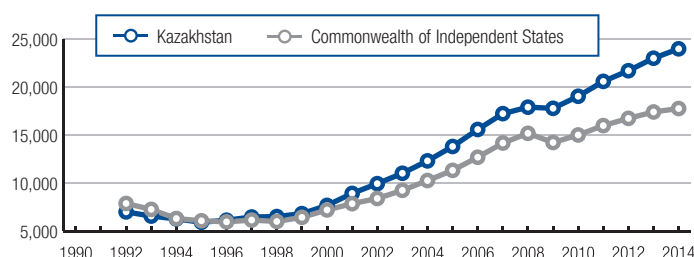


# Kazakhstan

## Key indicators, 2014

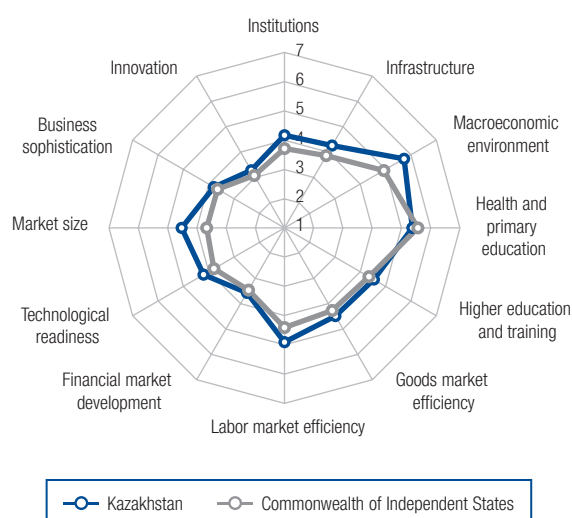
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 17.4   |
| GDP (US\$ billions).....                   | 212.3  |
| GDP per capita (US\$).....                 | 12,184 |
| GDP (PPP) as share (%) of world total..... | 0.39   |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

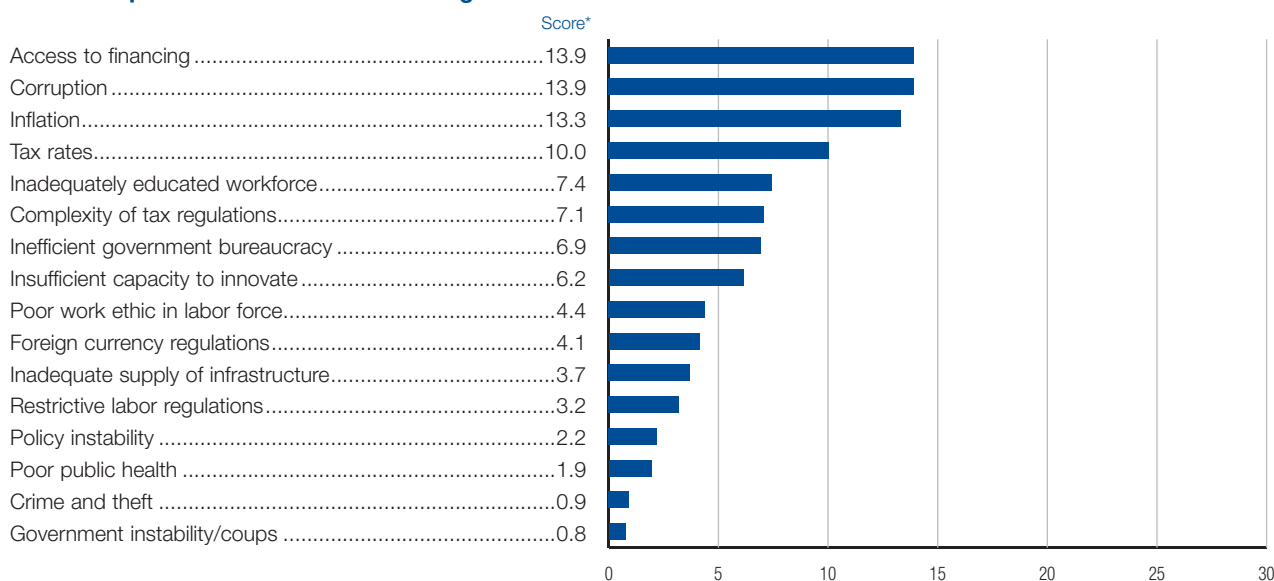
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>42</b>            | <b>4.5</b>     |
| GCI 2014–2015 (out of 144).....                            | 50                   | 4.4            |
| GCI 2013–2014 (out of 148).....                            | 50                   | 4.4            |
| GCI 2012–2013 (out of 144).....                            | 51                   | 4.4            |
| <b>Basic requirements (40.2%)</b> .....                    | <b>46</b>            | <b>4.9</b>     |
| 1st pillar: Institutions.....                              | 50                   | 4.2            |
| 2nd pillar: Infrastructure.....                            | 58                   | 4.2            |
| 3rd pillar: Macroeconomic environment.....                 | 25                   | 5.7            |
| 4th pillar: Health and primary education.....              | 93                   | 5.4            |
| <b>Efficiency enhancers (49.9%)</b> .....                  | <b>45</b>            | <b>4.4</b>     |
| 5th pillar: Higher education and training.....             | 60                   | 4.5            |
| 6th pillar: Goods market efficiency.....                   | 49                   | 4.5            |
| 7th pillar: Labor market efficiency.....                   | 18                   | 4.9            |
| 8th pillar: Financial market development.....              | 91                   | 3.6            |
| 9th pillar: Technological readiness.....                   | 61                   | 4.2            |
| 10th pillar: Market size.....                              | 46                   | 4.5            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>78</b>            | <b>3.5</b>     |
| 11th pillar: Business sophistication.....                  | 79                   | 3.8            |
| 12th pillar: Innovation.....                               | 72                   | 3.3            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Kazakhstan

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE       | RANK/140  |
|---------------------------------------------------------------|-------------|-----------|
| <b>1st pillar: Institutions</b>                               |             |           |
| 1.01 Property rights .....                                    | 4.2 .....   | 67        |
| 1.02 Intellectual property protection .....                   | 3.9 .....   | 70        |
| 1.03 Diversion of public funds .....                          | 3.6 .....   | 59        |
| 1.04 Public trust in politicians .....                        | 4.0 .....   | <b>29</b> |
| 1.05 Irregular payments and bribes .....                      | 4.0 .....   | 64        |
| 1.06 Judicial independence .....                              | 3.8 .....   | 72        |
| 1.07 Favoritism in decisions of government officials .....    | 3.4 .....   | 50        |
| 1.08 Wastefulness of government spending .....                | 3.7 .....   | <b>41</b> |
| 1.09 Burden of government regulation .....                    | 3.7 .....   | <b>46</b> |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.0 .....   | 48        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.7 .....   | 52        |
| 1.12 Transparency of government policymaking .....            | 4.7 .....   | <b>30</b> |
| 1.13 Business costs of terrorism .....                        | 5.4 .....   | 66        |
| 1.14 Business costs of crime and violence .....               | 5.1 .....   | 47        |
| 1.15 Organized crime .....                                    | 4.9 .....   | 64        |
| 1.16 Reliability of police services .....                     | 3.8 .....   | 89        |
| 1.17 Ethical behavior of firms .....                          | 4.2 .....   | 43        |
| 1.18 Strength of auditing and reporting standards .....       | 4.5 .....   | 74        |
| 1.19 Efficacy of corporate boards .....                       | 4.9 .....   | 58        |
| 1.20 Protection of minority shareholders' interests .....     | 4.3 .....   | 52        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.6 .....   | <b>25</b> |
| <b>2nd pillar: Infrastructure</b>                             |             |           |
| 2.01 Quality of overall infrastructure .....                  | 4.2 .....   | 62        |
| 2.02 Quality of roads .....                                   | 3.1 .....   | 107       |
| 2.03 Quality of railroad infrastructure .....                 | 4.2 .....   | <b>27</b> |
| 2.04 Quality of port infrastructure .....                     | 2.9 .....   | 114       |
| 2.05 Quality of air transport infrastructure .....            | 4.0 .....   | 85        |
| 2.06 Available airline seat km/week, millions* .....          | 274.8 ..... | 57        |
| 2.07 Quality of electricity supply .....                      | 4.6 .....   | 74        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 168.6 ..... | <b>7</b>  |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 26.1 .....  | <b>40</b> |
| <b>3rd pillar: Macroeconomic environment</b>                  |             |           |
| 3.01 Government budget balance, % GDP* .....                  | 1.9 .....   | <b>10</b> |
| 3.02 Gross national savings, % GDP* .....                     | 27.3 .....  | <b>31</b> |
| 3.03 Inflation, annual % change* .....                        | 6.7 .....   | 115       |
| 3.04 General government debt, % GDP* .....                    | 15.1 .....  | <b>12</b> |
| 3.05 Country credit rating, 0–100 (best)* .....               | 57.8 .....  | 54        |
| <b>4th pillar: Health and primary education</b>               |             |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L. ....   | n/a       |
| 4.02 Business impact of malaria .....                         | N/Apl. .... | n/a       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 139.0 ..... | 101       |
| 4.04 Business impact of tuberculosis .....                    | 4.4 .....   | 107       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2 .....   | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 5.2 .....   | <b>80</b> |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 14.6 .....  | 78        |
| 4.08 Life expectancy, years* .....                            | 70.5 .....  | 95        |
| 4.09 Quality of primary education .....                       | 4.1 .....   | 63        |
| 4.10 Primary education enrollment, net %* .....               | 85.6 .....  | 118       |
| <b>5th pillar: Higher education and training</b>              |             |           |
| 5.01 Secondary education enrollment, gross %* .....           | 97.7 .....  | 42        |
| 5.02 Tertiary education enrollment, gross %* .....            | 44.5 .....  | 61        |
| 5.03 Quality of the education system .....                    | 3.7 .....   | 67        |
| 5.04 Quality of math and science education .....              | 4.1 .....   | 71        |
| 5.05 Quality of management schools .....                      | 3.7 .....   | 101       |
| 5.06 Internet access in schools .....                         | 4.9 .....   | <b>41</b> |
| 5.07 Availability of specialized training services .....      | 4.4 .....   | 55        |
| 5.08 Extent of staff training .....                           | 3.9 .....   | 76        |
| <b>6th pillar: Goods market efficiency</b>                    |             |           |
| 6.01 Intensity of local competition .....                     | 4.7 .....   | 94        |
| 6.02 Extent of market dominance .....                         | 3.8 .....   | 57        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.8 .....   | 68        |
| 6.04 Effect of taxation on incentives to invest .....         | 4.1 .....   | <b>28</b> |
| 6.05 Total tax rate, % profits* .....                         | 28.6 .....  | <b>31</b> |

| INDICATOR                                                   | VALUE       | RANK/140  |
|-------------------------------------------------------------|-------------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |             |           |
| 6.06 No. procedures to start a business* .....              | 6 .....     | 57        |
| 6.07 No. days to start a business* .....                    | 10.0 .....  | 53        |
| 6.08 Agricultural policy costs .....                        | 3.8 .....   | 70        |
| 6.09 Prevalence of non-tariff barriers .....                | 4.5 .....   | 45        |
| 6.10 Trade tariffs, % duty* .....                           | 5.5 .....   | 73        |
| 6.11 Prevalence of foreign ownership .....                  | 4.1 .....   | 97        |
| 6.12 Business impact of rules on FDI .....                  | 4.3 .....   | 85        |
| 6.13 Burden of customs procedures .....                     | 4.2 .....   | 55        |
| 6.14 Imports as a percentage of GDP* .....                  | 25.4 .....  | 126       |
| 6.15 Degree of customer orientation .....                   | 4.6 .....   | 69        |
| 6.16 Buyer sophistication .....                             | 3.9 .....   | <b>31</b> |
| <b>7th pillar: Labor market efficiency</b>                  |             |           |
| 7.01 Cooperation in labor-employer relations .....          | 4.5 .....   | 53        |
| 7.02 Flexibility of wage determination .....                | 5.6 .....   | <b>22</b> |
| 7.03 Hiring and firing practices .....                      | 4.4 .....   | <b>29</b> |
| 7.04 Redundancy costs, weeks of salary* .....               | 8.6 .....   | <b>20</b> |
| 7.05 Effect of taxation on incentives to work .....         | 4.3 .....   | <b>29</b> |
| 7.06 Pay and productivity .....                             | 4.6 .....   | <b>22</b> |
| 7.07 Reliance on professional management .....              | 4.1 .....   | 79        |
| 7.08 Country capacity to retain talent .....                | 3.6 .....   | 57        |
| 7.09 Country capacity to attract talent .....               | 3.8 .....   | 43        |
| 7.10 Women in labor force, ratio to men* .....              | 0.91 .....  | <b>26</b> |
| <b>8th pillar: Financial market development</b>             |             |           |
| 8.01 Availability of financial services .....               | 4.5 .....   | 63        |
| 8.02 Affordability of financial services .....              | 4.3 .....   | 53        |
| 8.03 Financing through local equity market .....            | 3.1 .....   | 91        |
| 8.04 Ease of access to loans .....                          | 3.2 .....   | 44        |
| 8.05 Venture capital availability .....                     | 2.9 .....   | 59        |
| 8.06 Soundness of banks .....                               | 4.2 .....   | 110       |
| 8.07 Regulation of securities exchanges .....               | 3.9 .....   | 87        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 3 .....     | 93        |
| <b>9th pillar: Technological readiness</b>                  |             |           |
| 9.01 Availability of latest technologies .....              | 4.4 .....   | 89        |
| 9.02 Firm-level technology absorption .....                 | 4.4 .....   | 90        |
| 9.03 FDI and technology transfer .....                      | 4.0 .....   | 103       |
| 9.04 Individuals using Internet, %* .....                   | 54.9 .....  | 62        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 12.9 .....  | 58        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 51.5 .....  | 47        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 59.8 .....  | 44        |
| <b>10th pillar: Market size</b>                             |             |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.3 .....   | 47        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.2 .....   | 45        |
| 10.03 GDP (PPP\$ billions)* .....                           | 418.5 ..... | <b>41</b> |
| 10.04 Exports as a percentage of GDP* .....                 | 39.8 .....  | 66        |
| <b>11th pillar: Business sophistication</b>                 |             |           |
| 11.01 Local supplier quantity .....                         | 4.1 .....   | 102       |
| 11.02 Local supplier quality .....                          | 4.0 .....   | 88        |
| 11.03 State of cluster development .....                    | 3.1 .....   | 114       |
| 11.04 Nature of competitive advantage .....                 | 3.4 .....   | 77        |
| 11.05 Value chain breadth .....                             | 3.4 .....   | 106       |
| 11.06 Control of international distribution .....           | 3.9 .....   | 60        |
| 11.07 Production process sophistication .....               | 3.8 .....   | 66        |
| 11.08 Extent of marketing .....                             | 4.3 .....   | 71        |
| 11.09 Willingness to delegate authority .....               | 3.9 .....   | 54        |
| <b>12th pillar: Innovation</b>                              |             |           |
| 12.01 Capacity for innovation .....                         | 4.0 .....   | 68        |
| 12.02 Quality of scientific research institutions .....     | 3.6 .....   | 81        |
| 12.03 Company spending on R&D .....                         | 3.4 .....   | 55        |
| 12.04 University-industry collaboration in R&D .....        | 3.3 .....   | 88        |
| 12.05 Gov't procurement of advanced tech products .....     | 3.4 .....   | 63        |
| 12.06 Availability of scientists and engineers .....        | 4.0 .....   | 70        |
| 12.07 PCT patents, applications/million pop.* .....         | 1.0 .....   | 68        |

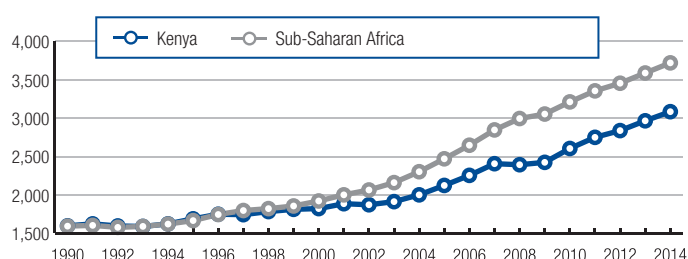
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Kenya

## Key indicators, 2014

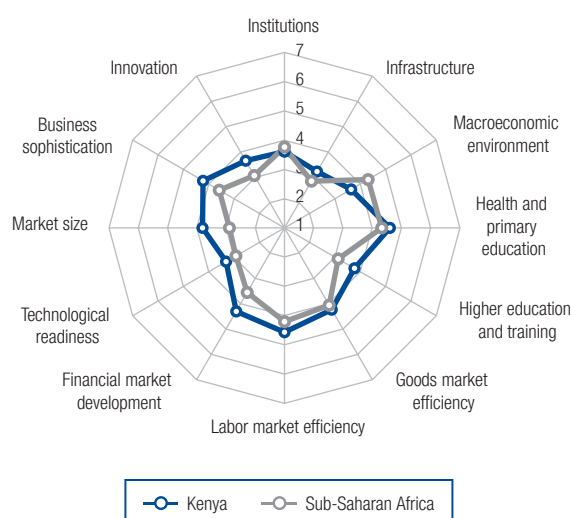
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 42.9  |
| GDP (US\$ billions).....                   | 60.8  |
| GDP per capita (US\$).....                 | 1,416 |
| GDP (PPP) as share (%) of world total..... | 0.12  |

GDP (PPP) per capita (int'l \$), 1990–2014

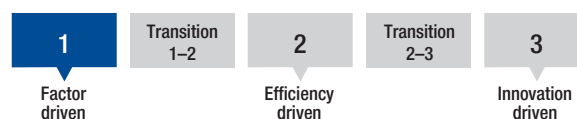


## Global Competitiveness Index

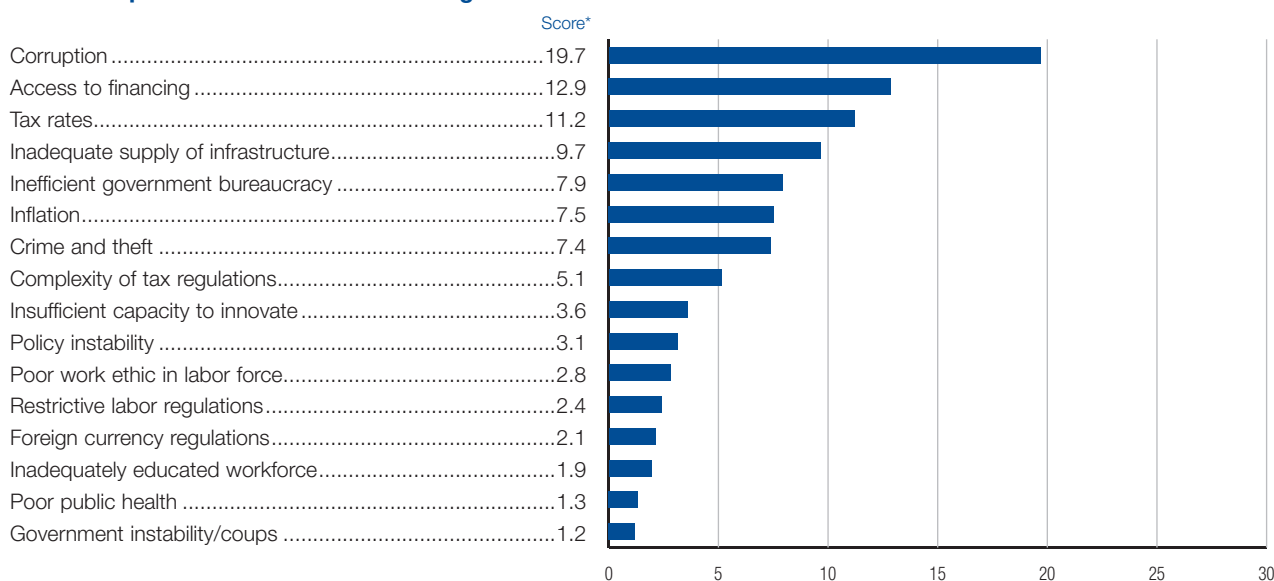
|                                                          | Rank<br>(out of 140) | Score<br>(1–7) |
|----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016.....</b>                                | <b>99</b>            | <b>3.9</b>     |
| GCI 2014–2015 (out of 144).....                          | 90                   | 3.9            |
| GCI 2013–2014 (out of 148).....                          | 96                   | 3.8            |
| GCI 2012–2013 (out of 144).....                          | 106                  | 3.7            |
| <b>Basic requirements (60.0%).....</b>                   | <b>116</b>           | <b>3.8</b>     |
| 1st pillar: Institutions.....                            | 91                   | 3.6            |
| 2nd pillar: Infrastructure.....                          | 99                   | 3.2            |
| 3rd pillar: Macroeconomic environment.....               | 123                  | 3.6            |
| 4th pillar: Health and primary education.....            | 114                  | 4.6            |
| <b>Efficiency enhancers (35.0%).....</b>                 | <b>73</b>            | <b>4.0</b>     |
| 5th pillar: Higher education and training.....           | 98                   | 3.8            |
| 6th pillar: Goods market efficiency.....                 | 84                   | 4.2            |
| 7th pillar: Labor market efficiency.....                 | 31                   | 4.6            |
| 8th pillar: Financial market development.....            | 42                   | 4.3            |
| 9th pillar: Technological readiness.....                 | 94                   | 3.3            |
| 10th pillar: Market size.....                            | 71                   | 3.8            |
| <b>Innovation and sophistication factors (5.0%).....</b> | <b>42</b>            | <b>3.9</b>     |
| 11th pillar: Business sophistication.....                | 48                   | 4.2            |
| 12th pillar: Innovation.....                             | 41                   | 3.7            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Kenya

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 4.2     | 70       |
| 1.02 Intellectual property protection .....                   | 3.7     | 81       |
| 1.03 Diversion of public funds .....                          | 2.9     | 93       |
| 1.04 Public trust in politicians .....                        | 3.0     | 69       |
| 1.05 Irregular payments and bribes .....                      | 2.9     | 118      |
| 1.06 Judicial independence .....                              | 4.1     | 61       |
| 1.07 Favoritism in decisions of government officials .....    | 2.8     | 89       |
| 1.08 Wastefulness of government spending .....                | 3.3     | 62       |
| 1.09 Burden of government regulation .....                    | 3.7     | 44       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.0     | 52       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.0     | 44       |
| 1.12 Transparency of government policymaking .....            | 4.2     | 61       |
| 1.13 Business costs of terrorism .....                        | 2.5     | 140      |
| 1.14 Business costs of crime and violence .....               | 2.7     | 134      |
| 1.15 Organized crime .....                                    | 3.3     | 129      |
| 1.16 Reliability of police services .....                     | 3.9     | 83       |
| 1.17 Ethical behavior of firms .....                          | 3.7     | 88       |
| 1.18 Strength of auditing and reporting standards .....       | 4.5     | 73       |
| 1.19 Efficacy of corporate boards .....                       | 4.9     | 50       |
| 1.20 Protection of minority shareholders' interests .....     | 4.2     | 61       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.6     | 105      |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 4.2     | 63       |
| 2.02 Quality of roads .....                                   | 4.2     | 60       |
| 2.03 Quality of railroad infrastructure .....                 | 2.6     | 72       |
| 2.04 Quality of port infrastructure .....                     | 4.2     | 63       |
| 2.05 Quality of air transport infrastructure .....            | 4.8     | 49       |
| 2.06 Available airline seat km/week, millions* .....          | 256.7   | 60       |
| 2.07 Quality of electricity supply .....                      | 3.7     | 97       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 73.8    | 122      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.4     | 130      |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –6.8    | 129      |
| 3.02 Gross national savings, % GDP* .....                     | 13.3    | 108      |
| 3.03 Inflation, annual % change* .....                        | 6.9     | 116      |
| 3.04 General government debt, % GDP* .....                    | 48.6    | 82       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 36.7    | 85       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 8,106.0 | 53       |
| 4.02 Business impact of malaria .....                         | 4.5     | 44       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 268.0   | 124      |
| 4.04 Business impact of tuberculosis .....                    | 4.6     | 99       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 6.0     | 130      |
| 4.06 Business impact of HIV/AIDS .....                        | 4.0     | 122      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 47.5    | 119      |
| 4.08 Life expectancy, years* .....                            | 61.7    | 117      |
| 4.09 Quality of primary education .....                       | 3.7     | 84       |
| 4.10 Primary education enrollment, net %* .....               | 83.6    | 123      |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 67.0    | 109      |
| 5.02 Tertiary education enrollment, gross %* .....            | 4.0     | 130      |
| 5.03 Quality of the education system .....                    | 4.3     | 36       |
| 5.04 Quality of math and science education .....              | 3.9     | 78       |
| 5.05 Quality of management schools .....                      | 4.4     | 56       |
| 5.06 Internet access in schools .....                         | 3.9     | 91       |
| 5.07 Availability of specialized training services .....      | 4.6     | 43       |
| 5.08 Extent of staff training .....                           | 4.2     | 46       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.6     | 23       |
| 6.02 Extent of market dominance .....                         | 3.9     | 53       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.9     | 60       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.6     | 71       |
| 6.05 Total tax rate, % profits* .....                         | 38.1    | 70       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 10    | 116      |
| 6.07 No. days to start a business* .....                 | 30.0  | 112      |
| 6.08 Agricultural policy costs .....                     | 3.9   | 59       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.1   | 95       |
| 6.10 Trade tariffs, % duty* .....                        | 9.8   | 105      |
| 6.11 Prevalence of foreign ownership .....               | 4.4   | 77       |
| 6.12 Business impact of rules on FDI .....               | 4.4   | 75       |
| 6.13 Burden of customs procedures .....                  | 3.6   | 92       |
| 6.14 Imports as a percentage of GDP* .....               | 34.7  | 95       |
| 6.15 Degree of customer orientation .....                | 4.7   | 58       |
| 6.16 Buyer sophistication .....                          | 3.0   | 108      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.0   | 101      |
| 7.02 Flexibility of wage determination .....             | 5.2   | 54       |
| 7.03 Hiring and firing practices .....                   | 4.1   | 45       |
| 7.04 Redundancy costs, weeks of salary* .....            | 6.4   | 15       |
| 7.05 Effect of taxation on incentives to work .....      | 3.7   | 75       |
| 7.06 Pay and productivity .....                          | 3.9   | 78       |
| 7.07 Reliance on professional management .....           | 4.4   | 54       |
| 7.08 Country capacity to retain talent .....             | 3.5   | 66       |
| 7.09 Country capacity to attract talent .....            | 3.7   | 49       |
| 7.10 Women in labor force, ratio to men* .....           | 0.86  | 48       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.7   | 54       |
| 8.02 Affordability of financial services .....           | 4.2   | 62       |
| 8.03 Financing through local equity market .....         | 4.4   | 28       |
| 8.04 Ease of access to loans .....                       | 3.4   | 34       |
| 8.05 Venture capital availability .....                  | 2.9   | 54       |
| 8.06 Soundness of banks .....                            | 5.1   | 61       |
| 8.07 Regulation of securities exchanges .....            | 4.5   | 54       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 7     | 24       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 5.1   | 50       |
| 9.02 Firm-level technology absorption .....              | 4.8   | 54       |
| 9.03 FDI and technology transfer .....                   | 4.6   | 56       |
| 9.04 Individuals using Internet, %* .....                | 43.4  | 80       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.2   | 120      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 25.2  | 80       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 9.1   | 116      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.7   | 65       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.0   | 89       |
| 10.03 GDP (PPP\$ billions)* .....                        | 132.4 | 69       |
| 10.04 Exports as a percentage of GDP* .....              | 16.7  | 130      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 5.1   | 21       |
| 11.02 Local supplier quality .....                       | 4.4   | 58       |
| 11.03 State of cluster development .....                 | 4.1   | 37       |
| 11.04 Nature of competitive advantage .....              | 3.7   | 54       |
| 11.05 Value chain breadth .....                          | 4.2   | 44       |
| 11.06 Control of international distribution .....        | 3.8   | 68       |
| 11.07 Production process sophistication .....            | 3.9   | 62       |
| 11.08 Extent of marketing .....                          | 4.5   | 51       |
| 11.09 Willingness to delegate authority .....            | 4.1   | 37       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.3   | 42       |
| 12.02 Quality of scientific research institutions .....  | 4.2   | 44       |
| 12.03 Company spending on R&D .....                      | 3.8   | 33       |
| 12.04 University-industry collaboration in R&D .....     | 4.2   | 37       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.8   | 37       |
| 12.06 Availability of scientists and engineers .....     | 4.2   | 55       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.2   | 90       |

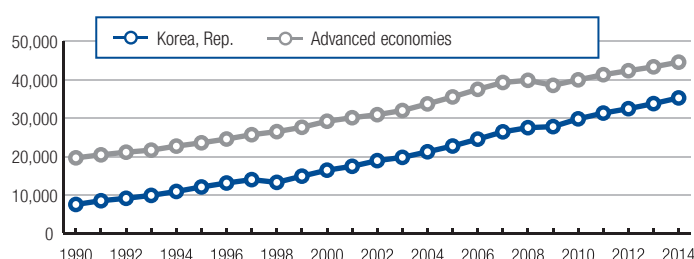
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Korea, Rep.

## Key indicators, 2014

|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 50.4    |
| GDP (US\$ billions).....                   | 1,416.9 |
| GDP per capita (US\$).....                 | 28,101  |
| GDP (PPP) as share (%) of world total..... | 1.65    |

GDP (PPP) per capita (int'l \$), 1990–2014



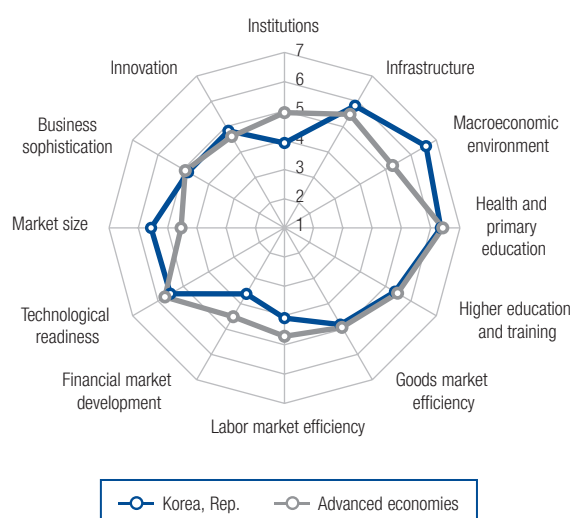
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>26</b>            | <b>5.0</b>     |
| GCI 2014–2015 (out of 144)..... | 26                   | 5.0            |
| GCI 2013–2014 (out of 148)..... | 25                   | 5.0            |
| GCI 2012–2013 (out of 144)..... | 19                   | 5.1            |

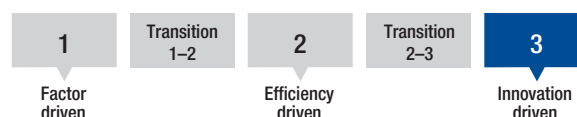
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>18</b> | <b>5.7</b> |
| 1st pillar: Institutions.....                 | 69        | 3.9        |
| 2nd pillar: Infrastructure.....               | 13        | 5.8        |
| 3rd pillar: Macroeconomic environment.....    | 5         | 6.6        |
| 4th pillar: Health and primary education..... | 23        | 6.3        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>25</b> | <b>4.8</b> |
| 5th pillar: Higher education and training..... | 23        | 5.4        |
| 6th pillar: Goods market efficiency.....       | 26        | 4.8        |
| 7th pillar: Labor market efficiency.....       | 83        | 4.1        |
| 8th pillar: Financial market development.....  | 87        | 3.6        |
| 9th pillar: Technological readiness.....       | 27        | 5.5        |
| 10th pillar: Market size.....                  | 13        | 5.6        |

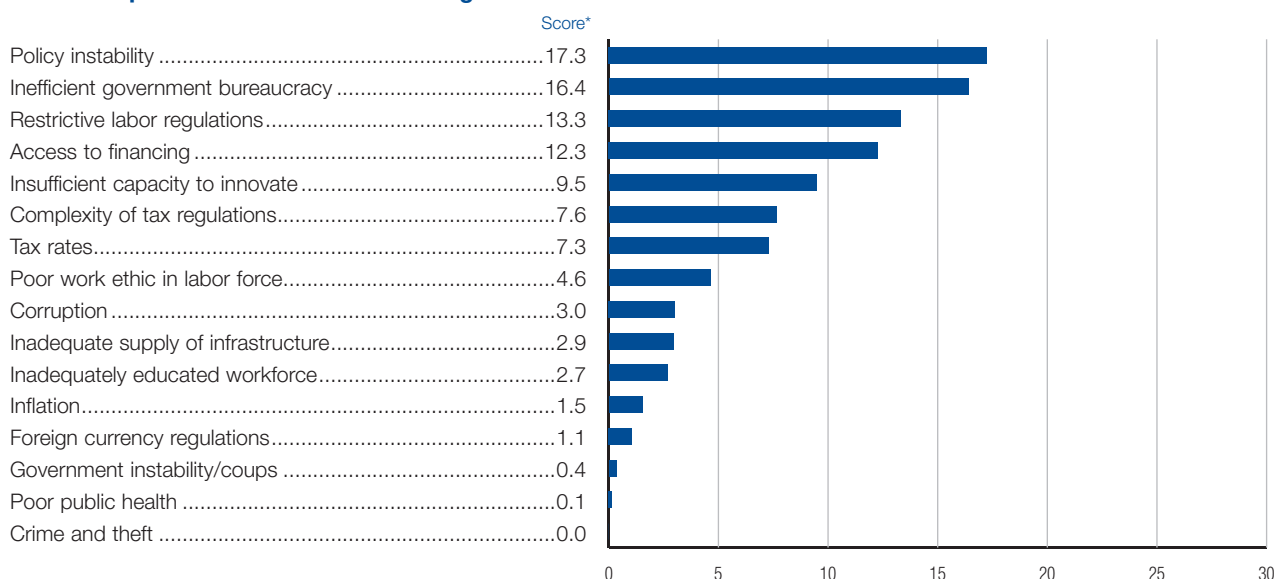
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>22</b> | <b>4.8</b> |
| 11th pillar: Business sophistication.....                  | 26        | 4.8        |
| 12th pillar: Innovation.....                               | 19        | 4.8        |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Korea, Rep.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 4.6     | 45       |
| 1.02 Intellectual property protection .....                   | 4.2     | 52       |
| 1.03 Diversion of public funds .....                          | 3.4     | 66       |
| 1.04 Public trust in politicians .....                        | 2.5     | 94       |
| 1.05 Irregular payments and bribes .....                      | 4.5     | 46       |
| 1.06 Judicial independence .....                              | 3.8     | 69       |
| 1.07 Favoritism in decisions of government officials .....    | 2.9     | 80       |
| 1.08 Wastefulness of government spending .....                | 3.2     | 70       |
| 1.09 Burden of government regulation .....                    | 3.1     | 97       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.9     | 57       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.4     | 74       |
| 1.12 Transparency of government policymaking .....            | 3.3     | 123      |
| 1.13 Business costs of terrorism .....                        | 4.8     | 93       |
| 1.14 Business costs of crime and violence .....               | 4.6     | 68       |
| 1.15 Organized crime .....                                    | 4.6     | 83       |
| 1.16 Reliability of police services .....                     | 4.6     | 47       |
| 1.17 Ethical behavior of firms .....                          | 3.6     | 95       |
| 1.18 Strength of auditing and reporting standards .....       | 4.5     | 72       |
| 1.19 Efficacy of corporate boards .....                       | 4.1     | 120      |
| 1.20 Protection of minority shareholders' interests .....     | 3.7     | 95       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.7     | 21       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 5.6     | 20       |
| 2.02 Quality of roads .....                                   | 5.6     | 17       |
| 2.03 Quality of railroad infrastructure .....                 | 5.6     | 10       |
| 2.04 Quality of port infrastructure .....                     | 5.2     | 27       |
| 2.05 Quality of air transport infrastructure .....            | 5.5     | 28       |
| 2.06 Available airline seat km/week, millions* .....          | 2,446.0 | 19       |
| 2.07 Quality of electricity supply .....                      | 5.7     | 38       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 115.5   | 65       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 59.5    | 4        |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | 0.3     | 19       |
| 3.02 Gross national savings, % GDP* .....                     | 35.1    | 14       |
| 3.03 Inflation, annual % change* .....                        | 1.3     | 1        |
| 3.04 General government debt, % GDP* .....                    | 35.7    | 52       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 81.5    | 20       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 2.7     | 18       |
| 4.02 Business impact of malaria .....                         | 5.5     | 22       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 97.0    | 89       |
| 4.04 Business impact of tuberculosis .....                    | 5.2     | 85       |
| 4.05 HIV prevalence, % adult pop.* .....                      | <0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.2     | 79       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.2     | 16       |
| 4.08 Life expectancy, years* .....                            | 81.5    | 13       |
| 4.09 Quality of primary education .....                       | 4.7     | 36       |
| 4.10 Primary education enrollment, net %* .....               | 97.7    | 31       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 97.2    | 48       |
| 5.02 Tertiary education enrollment, gross %* .....            | 98.4    | 2        |
| 5.03 Quality of the education system .....                    | 3.7     | 66       |
| 5.04 Quality of math and science education .....              | 4.8     | 30       |
| 5.05 Quality of management schools .....                      | 4.3     | 59       |
| 5.06 Internet access in schools .....                         | 5.8     | 19       |
| 5.07 Availability of specialized training services .....      | 4.5     | 48       |
| 5.08 Extent of staff training .....                           | 4.3     | 36       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.8     | 13       |
| 6.02 Extent of market dominance .....                         | 3.4     | 97       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.3     | 93       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.5     | 78       |
| 6.05 Total tax rate, % profits* .....                         | 32.4    | 48       |

| INDICATOR                                                   | VALUE   | RANK/140 |
|-------------------------------------------------------------|---------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |          |
| 6.06 No. procedures to start a business* .....              | 3       | 9        |
| 6.07 No. days to start a business* .....                    | 4.0     | 10       |
| 6.08 Agricultural policy costs .....                        | 3.8     | 69       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.1     | 97       |
| 6.10 Trade tariffs, % duty* .....                           | 6.8     | 85       |
| 6.11 Prevalence of foreign ownership .....                  | 4.2     | 92       |
| 6.12 Business impact of rules on FDI .....                  | 4.1     | 98       |
| 6.13 Burden of customs procedures .....                     | 4.5     | 43       |
| 6.14 Imports as a percentage of GDP* .....                  | 45.1    | 74       |
| 6.15 Degree of customer orientation .....                   | 5.3     | 25       |
| 6.16 Buyer sophistication .....                             | 4.6     | 8        |
| <b>7th pillar: Labor market efficiency</b>                  |         |          |
| 7.01 Cooperation in labor-employer relations .....          | 3.5     | 132      |
| 7.02 Flexibility of wage determination .....                | 5.1     | 66       |
| 7.03 Hiring and firing practices .....                      | 3.3     | 115      |
| 7.04 Redundancy costs, weeks of salary* .....               | 27.4    | 117      |
| 7.05 Effect of taxation on incentives to work .....         | 3.5     | 99       |
| 7.06 Pay and productivity .....                             | 4.6     | 24       |
| 7.07 Reliance on professional management .....              | 4.7     | 37       |
| 7.08 Country capacity to retain talent .....                | 4.5     | 25       |
| 7.09 Country capacity to attract talent .....               | 3.9     | 35       |
| 7.10 Women in labor force, ratio to men* .....              | 0.73    | 91       |
| <b>8th pillar: Financial market development</b>             |         |          |
| 8.01 Availability of financial services .....               | 4.0     | 99       |
| 8.02 Affordability of financial services .....              | 3.9     | 89       |
| 8.03 Financing through local equity market .....            | 3.9     | 47       |
| 8.04 Ease of access to loans .....                          | 2.2     | 119      |
| 8.05 Venture capital availability .....                     | 2.6     | 86       |
| 8.06 Soundness of banks .....                               | 4.1     | 113      |
| 8.07 Regulation of securities exchanges .....               | 4.1     | 78       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 5       | 63       |
| <b>9th pillar: Technological readiness</b>                  |         |          |
| 9.01 Availability of latest technologies .....              | 5.6     | 31       |
| 9.02 Firm-level technology absorption .....                 | 5.4     | 27       |
| 9.03 FDI and technology transfer .....                      | 4.5     | 67       |
| 9.04 Individuals using Internet, %* .....                   | 84.3    | 20       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 38.8    | 5        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 45.2    | 57       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 108.6   | 12       |
| <b>10th pillar: Market size</b>                             |         |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.4     | 13       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 6.1     | 8        |
| 10.03 GDP (PPP\$ billions)* .....                           | 1,778.8 | 13       |
| 10.04 Exports as a percentage of GDP* .....                 | 47.9    | 47       |
| <b>11th pillar: Business sophistication</b>                 |         |          |
| 11.01 Local supplier quantity .....                         | 5.0     | 23       |
| 11.02 Local supplier quality .....                          | 5.1     | 28       |
| 11.03 State of cluster development .....                    | 4.5     | 23       |
| 11.04 Nature of competitive advantage .....                 | 5.2     | 20       |
| 11.05 Value chain breadth .....                             | 4.9     | 21       |
| 11.06 Control of international distribution .....           | 4.8     | 15       |
| 11.07 Production process sophistication .....               | 5.2     | 23       |
| 11.08 Extent of marketing .....                             | 4.8     | 33       |
| 11.09 Willingness to delegate authority .....               | 3.8     | 62       |
| <b>12th pillar: Innovation</b>                              |         |          |
| 12.01 Capacity for innovation .....                         | 4.8     | 24       |
| 12.02 Quality of scientific research institutions .....     | 4.8     | 27       |
| 12.03 Company spending on R&D .....                         | 4.6     | 21       |
| 12.04 University-industry collaboration in R&D .....        | 4.6     | 26       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.9     | 24       |
| 12.06 Availability of scientists and engineers .....        | 4.4     | 40       |
| 12.07 PCT patents, applications/million pop.* .....         | 220.7   | 7        |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

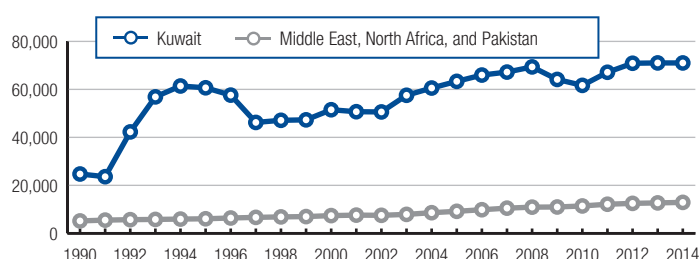


# Kuwait

## Key indicators, 2014

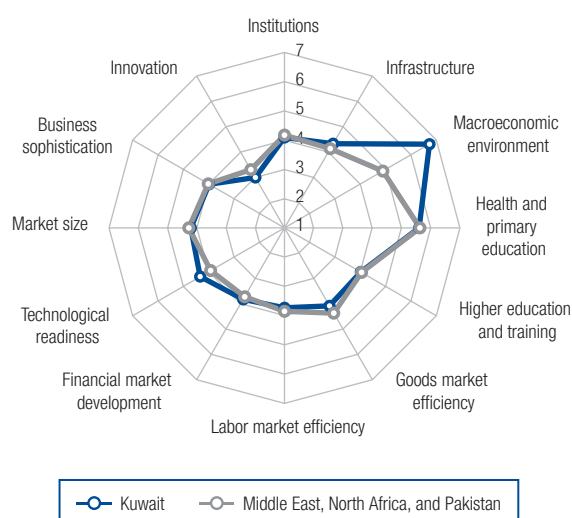
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 4.0    |
| GDP (US\$ billions).....                   | 172.4  |
| GDP per capita (US\$).....                 | 43,103 |
| GDP (PPP) as share (%) of world total..... | 0.26   |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

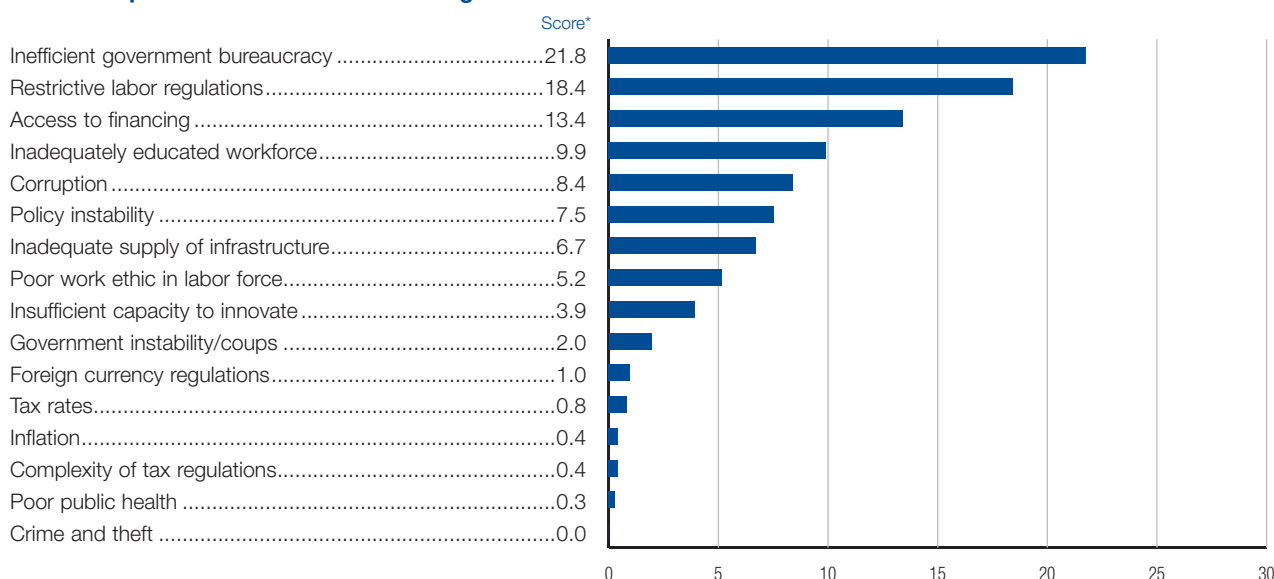
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>34</b>            | <b>4.6</b>     |
| GCI 2014–2015 (out of 144).....                           | 40                   | 4.5            |
| GCI 2013–2014 (out of 148).....                           | 36                   | 4.6            |
| GCI 2012–2013 (out of 144).....                           | 37                   | 4.6            |
| <b>Basic requirements (51.7%)</b> .....                   | <b>33</b>            | <b>5.2</b>     |
| 1st pillar: Institutions.....                             | 56                   | 4.1            |
| 2nd pillar: Infrastructure.....                           | 54                   | 4.3            |
| 3rd pillar: Macroeconomic environment.....                | 3                    | 6.7            |
| 4th pillar: Health and primary education.....             | 79                   | 5.6            |
| <b>Efficiency enhancers (41.2%)</b> .....                 | <b>72</b>            | <b>4.0</b>     |
| 5th pillar: Higher education and training.....            | 85                   | 4.0            |
| 6th pillar: Goods market efficiency.....                  | 98                   | 4.1            |
| 7th pillar: Labor market efficiency.....                  | 117                  | 3.7            |
| 8th pillar: Financial market development.....             | 73                   | 3.8            |
| 9th pillar: Technological readiness.....                  | 56                   | 4.3            |
| 10th pillar: Market size.....                             | 58                   | 4.2            |
| <b>Innovation and sophistication factors (7.1%)</b> ..... | <b>82</b>            | <b>3.5</b>     |
| 11th pillar: Business sophistication.....                 | 63                   | 4.0            |
| 12th pillar: Innovation.....                              | 109                  | 3.0            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140  |
|---------------------------------------------------------------|---------|-----------|
| <b>1st pillar: Institutions</b>                               |         |           |
| 1.01 Property rights .....                                    | 4.3     | 59        |
| 1.02 Intellectual property protection .....                   | 3.7     | 84        |
| 1.03 Diversion of public funds .....                          | 3.6     | 58        |
| 1.04 Public trust in politicians .....                        | 3.0     | 65        |
| 1.05 Irregular payments and bribes .....                      | 4.2     | 56        |
| 1.06 Judicial independence .....                              | 4.9     | 34        |
| 1.07 Favoritism in decisions of government officials .....    | 2.9     | 86        |
| 1.08 Wastefulness of government spending .....                | 2.8     | 93        |
| 1.09 Burden of government regulation .....                    | 2.7     | 125       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.1     | 45        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.1     | 36        |
| 1.12 Transparency of government policymaking .....            | 3.8     | 96        |
| 1.13 Business costs of terrorism .....                        | 5.5     | 59        |
| 1.14 Business costs of crime and violence .....               | 5.3     | 34        |
| 1.15 Organized crime .....                                    | 5.7     | <b>31</b> |
| 1.16 Reliability of police services .....                     | 4.4     | 56        |
| 1.17 Ethical behavior of firms .....                          | 4.0     | 58        |
| 1.18 Strength of auditing and reporting standards .....       | 4.4     | 81        |
| 1.19 Efficacy of corporate boards .....                       | 3.9     | 134       |
| 1.20 Protection of minority shareholders' interests .....     | 4.1     | 65        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.1     | 42        |
| <b>2nd pillar: Infrastructure</b>                             |         |           |
| 2.01 Quality of overall infrastructure .....                  | 4.1     | 67        |
| 2.02 Quality of roads .....                                   | 4.5     | 47        |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. | n/a       |
| 2.04 Quality of port infrastructure .....                     | 4.0     | 74        |
| 2.05 Quality of air transport infrastructure .....            | 3.9     | 89        |
| 2.06 Available airline seat km/week, millions* .....          | 284.7   | 55        |
| 2.07 Quality of electricity supply .....                      | 5.3     | 55        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 218.4   | <b>2</b>  |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 14.2    | 74        |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |           |
| 3.01 Government budget balance, % GDP* .....                  | 25.5    | <b>1</b>  |
| 3.02 Gross national savings, % GDP* .....                     | 51.9    | <b>2</b>  |
| 3.03 Inflation, annual % change* .....                        | 2.9     | 46        |
| 3.04 General government debt, % GDP* .....                    | 7.1     | <b>4</b>  |
| 3.05 Country credit rating, 0–100 (best)* .....               | 76.8    | <b>27</b> |
| <b>4th pillar: Health and primary education</b>               |         |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.    | n/a       |
| 4.02 Business impact of malaria .....                         | N/Appl. | n/a       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 24.0    | 52        |
| 4.04 Business impact of tuberculosis .....                    | 6.2     | 37        |
| 4.05 HIV prevalence, % adult pop.* .....                      | <0.2    | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 6.4     | <b>26</b> |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 8.1     | 50        |
| 4.08 Life expectancy, years* .....                            | 74.5    | 67        |
| 4.09 Quality of primary education .....                       | 3.3     | 103       |
| 4.10 Primary education enrollment, net %* .....               | 92.1    | 81        |
| <b>5th pillar: Higher education and training</b>              |         |           |
| 5.01 Secondary education enrollment, gross %* .....           | 100.3   | <b>32</b> |
| 5.02 Tertiary education enrollment, gross %* .....            | 28.5    | 80        |
| 5.03 Quality of the education system .....                    | 3.4     | 88        |
| 5.04 Quality of math and science education .....              | 3.4     | 99        |
| 5.05 Quality of management schools .....                      | 3.9     | 86        |
| 5.06 Internet access in schools .....                         | 4.0     | 81        |
| 5.07 Availability of specialized training services .....      | 3.6     | 112       |
| 5.08 Extent of staff training .....                           | 3.8     | 84        |
| <b>6th pillar: Goods market efficiency</b>                    |         |           |
| 6.01 Intensity of local competition .....                     | 5.0     | 69        |
| 6.02 Extent of market dominance .....                         | 3.3     | 107       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.1     | 126       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.5     | <b>22</b> |
| 6.05 Total tax rate, % profits* .....                         | 12.8    | <b>3</b>  |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 12    | 130       |
| 6.07 No. days to start a business* .....                 | 31.0  | 116       |
| 6.08 Agricultural policy costs .....                     | 2.8   | 135       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.0   | 104       |
| 6.10 Trade tariffs, % duty* .....                        | 4.2   | 60        |
| 6.11 Prevalence of foreign ownership .....               | 2.8   | 136       |
| 6.12 Business impact of rules on FDI .....               | 2.9   | 137       |
| 6.13 Burden of customs procedures .....                  | 3.5   | 102       |
| 6.14 Imports as a percentage of GDP* .....               | 31.2  | 110       |
| 6.15 Degree of customer orientation .....                | 4.4   | 85        |
| 6.16 Buyer sophistication .....                          | 3.5   | 58        |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 4.6   | 48        |
| 7.02 Flexibility of wage determination .....             | 5.4   | 35        |
| 7.03 Hiring and firing practices .....                   | 4.0   | 53        |
| 7.04 Redundancy costs, weeks of salary* .....            | 28.1  | 122       |
| 7.05 Effect of taxation on incentives to work .....      | 4.8   | <b>16</b> |
| 7.06 Pay and productivity .....                          | 3.6   | 101       |
| 7.07 Reliance on professional management .....           | 3.4   | 123       |
| 7.08 Country capacity to retain talent .....             | 3.4   | 80        |
| 7.09 Country capacity to attract talent .....            | 3.3   | 72        |
| 7.10 Women in labor force, ratio to men* .....           | 0.53  | 123       |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 4.4   | 66        |
| 8.02 Affordability of financial services .....           | 4.4   | 50        |
| 8.03 Financing through local equity market .....         | 4.1   | 38        |
| 8.04 Ease of access to loans .....                       | 3.1   | 46        |
| 8.05 Venture capital availability .....                  | 2.9   | 51        |
| 8.06 Soundness of banks .....                            | 5.6   | 37        |
| 8.07 Regulation of securities exchanges .....            | 4.0   | 85        |
| 8.08 Legal rights index, 0–12 (best)* .....              | 2     | 106       |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 4.8   | 67        |
| 9.02 Firm-level technology absorption .....              | 4.7   | 60        |
| 9.03 FDI and technology transfer .....                   | 3.4   | 132       |
| 9.04 Individuals using Internet, %* .....                | 78.7  | <b>29</b> |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 1.4   | 103       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 50.1  | 49        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 139.8 | <b>2</b>  |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.9   | 61        |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 5.2   | 41        |
| 10.03 GDP (PPP\$ billions)* .....                        | 284.0 | 52        |
| 10.04 Exports as a percentage of GDP* .....              | 63.8  | <b>26</b> |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 4.8   | 37        |
| 11.02 Local supplier quality .....                       | 4.1   | 86        |
| 11.03 State of cluster development .....                 | 3.8   | 61        |
| 11.04 Nature of competitive advantage .....              | 3.7   | 53        |
| 11.05 Value chain breadth .....                          | 3.5   | 96        |
| 11.06 Control of international distribution .....        | 4.2   | 34        |
| 11.07 Production process sophistication .....            | 3.6   | 81        |
| 11.08 Extent of marketing .....                          | 4.2   | 80        |
| 11.09 Willingness to delegate authority .....            | 4.1   | 38        |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 3.6   | 101       |
| 12.02 Quality of scientific research institutions .....  | 3.3   | 96        |
| 12.03 Company spending on R&D .....                      | 2.9   | 102       |
| 12.04 University-industry collaboration in R&D .....     | 3.1   | 107       |
| 12.05 Gov't procurement of advanced tech products .....  | 2.9   | 102       |
| 12.06 Availability of scientists and engineers .....     | 3.8   | 85        |
| 12.07 PCT patents, applications/million pop.* .....      | 0.3   | 88        |

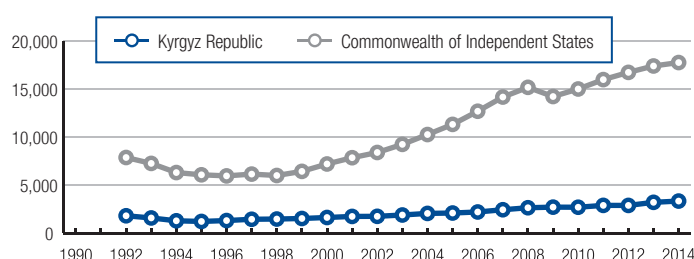
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Kyrgyz Republic

## Key indicators, 2014

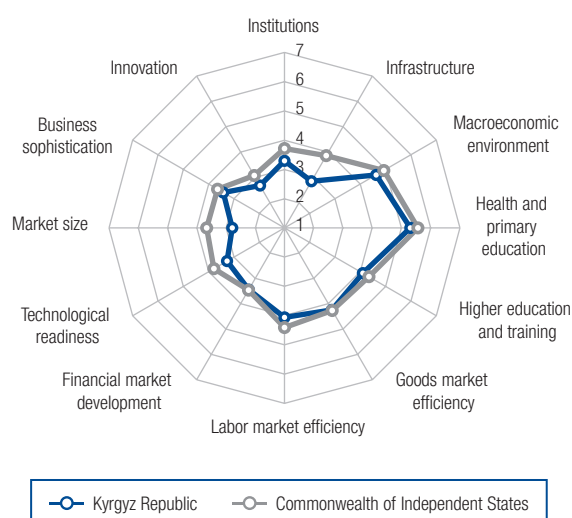
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 5.7   |
| GDP (US\$ billions).....                   | 7.4   |
| GDP per capita (US\$).....                 | 1,299 |
| GDP (PPP) as share (%) of world total..... | 0.02  |

GDP (PPP) per capita (int'l \$), 1990–2014

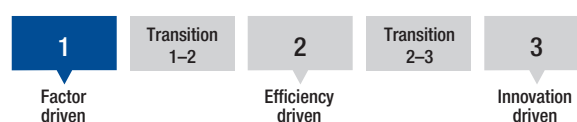


## Global Competitiveness Index

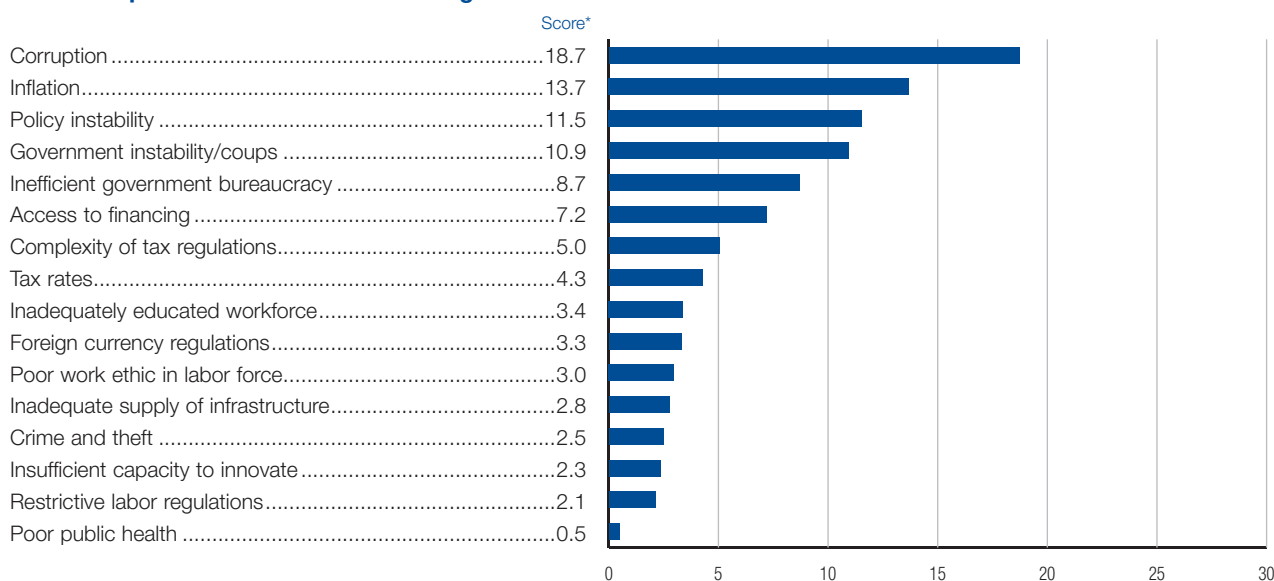
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>102</b>           | <b>3.8</b>     |
| GCI 2014–2015 (out of 144).....                           | 108                  | 3.7            |
| GCI 2013–2014 (out of 148).....                           | 121                  | 3.6            |
| GCI 2012–2013 (out of 144).....                           | 127                  | 3.4            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>106</b>           | <b>4.0</b>     |
| 1st pillar: Institutions.....                             | 115                  | 3.3            |
| 2nd pillar: Infrastructure.....                           | 114                  | 2.8            |
| 3rd pillar: Macroeconomic environment.....                | 80                   | 4.6            |
| 4th pillar: Health and primary education.....             | 98                   | 5.3            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>99</b>            | <b>3.6</b>     |
| 5th pillar: Higher education and training.....            | 80                   | 4.1            |
| 6th pillar: Goods market efficiency.....                  | 81                   | 4.2            |
| 7th pillar: Labor market efficiency.....                  | 88                   | 4.1            |
| 8th pillar: Financial market development.....             | 102                  | 3.4            |
| 9th pillar: Technological readiness.....                  | 95                   | 3.3            |
| 10th pillar: Market size.....                             | 118                  | 2.8            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>122</b>           | <b>3.0</b>     |
| 11th pillar: Business sophistication.....                 | 118                  | 3.4            |
| 12th pillar: Innovation.....                              | 125                  | 2.7            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Kyrgyz Republic

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140  |
|---------------------------------------------------------------|-------|-----------|
| <b>1st pillar: Institutions</b>                               |       |           |
| 1.01 Property rights .....                                    | 3.3   | 124       |
| 1.02 Intellectual property protection .....                   | 3.1   | 114       |
| 1.03 Diversion of public funds .....                          | 3.0   | 88        |
| 1.04 Public trust in politicians .....                        | 2.7   | 85        |
| 1.05 Irregular payments and bribes .....                      | 2.6   | 130       |
| 1.06 Judicial independence .....                              | 2.9   | 109       |
| 1.07 Favoritism in decisions of government officials .....    | 2.7   | 101       |
| 1.08 Wastefulness of government spending .....                | 2.4   | 119       |
| 1.09 Burden of government regulation .....                    | 3.5   | 68        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.0   | 113       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.0   | 99        |
| 1.12 Transparency of government policymaking .....            | 3.8   | 95        |
| 1.13 Business costs of terrorism .....                        | 4.4   | 116       |
| 1.14 Business costs of crime and violence .....               | 4.1   | 89        |
| 1.15 Organized crime .....                                    | 3.9   | 116       |
| 1.16 Reliability of police services .....                     | 3.1   | 117       |
| 1.17 Ethical behavior of firms .....                          | 3.5   | 110       |
| 1.18 Strength of auditing and reporting standards .....       | 4.2   | 129       |
| 1.19 Efficacy of corporate boards .....                       | 4.2   | 108       |
| 1.20 Protection of minority shareholders' interests .....     | 3.3   | 126       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.3   | <b>32</b> |
| <b>2nd pillar: Infrastructure</b>                             |       |           |
| 2.01 Quality of overall infrastructure .....                  | 3.3   | 104       |
| 2.02 Quality of roads .....                                   | 2.6   | 131       |
| 2.03 Quality of railroad infrastructure .....                 | 2.4   | 77        |
| 2.04 Quality of port infrastructure .....                     | 1.5   | 138       |
| 2.05 Quality of air transport infrastructure .....            | 2.9   | 126       |
| 2.06 Available airline seat km/week, millions* .....          | 74.5  | 89        |
| 2.07 Quality of electricity supply .....                      | 2.9   | 115       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 134.5 | <b>39</b> |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 7.9   | 93        |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |           |
| 3.01 Government budget balance, % GDP* .....                  | 0.2   | <b>20</b> |
| 3.02 Gross national savings, % GDP* .....                     | 13.3  | 109       |
| 3.03 Inflation, annual % change* .....                        | 7.5   | 121       |
| 3.04 General government debt, % GDP* .....                    | 53.0  | 87        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 30.6  | 101       |
| <b>4th pillar: Health and primary education</b>               |       |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.0   | 1         |
| 4.02 Business impact of malaria .....                         | 5.1   | 31        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 141.0 | 102       |
| 4.04 Business impact of tuberculosis .....                    | 4.2   | 120       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2   | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 4.8   | 92        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 21.6  | 89        |
| 4.08 Life expectancy, years* .....                            | 70.2  | 96        |
| 4.09 Quality of primary education .....                       | 3.0   | 109       |
| 4.10 Primary education enrollment, net %* .....               | 91.2  | 93        |
| <b>5th pillar: Higher education and training</b>              |       |           |
| 5.01 Secondary education enrollment, gross %* .....           | 88.2  | 76        |
| 5.02 Tertiary education enrollment, gross %* .....            | 47.6  | 55        |
| 5.03 Quality of the education system .....                    | 3.0   | 112       |
| 5.04 Quality of math and science education .....              | 3.0   | 118       |
| 5.05 Quality of management schools .....                      | 3.1   | 131       |
| 5.06 Internet access in schools .....                         | 3.9   | 87        |
| 5.07 Availability of specialized training services .....      | 3.7   | 100       |
| 5.08 Extent of staff training .....                           | 3.6   | 101       |
| <b>6th pillar: Goods market efficiency</b>                    |       |           |
| 6.01 Intensity of local competition .....                     | 4.4   | 115       |
| 6.02 Extent of market dominance .....                         | 3.3   | 101       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.2   | 115       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.4   | 87        |
| 6.05 Total tax rate, % profits* .....                         | 29.0  | <b>33</b> |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 2     | <b>3</b>  |
| 6.07 No. days to start a business* .....                 | 8.0   | <b>42</b> |
| 6.08 Agricultural policy costs .....                     | 3.2   | 117       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.3   | 77        |
| 6.10 Trade tariffs, % duty* .....                        | 10.9  | 116       |
| 6.11 Prevalence of foreign ownership .....               | 3.8   | 109       |
| 6.12 Business impact of rules on FDI .....               | 3.9   | 106       |
| 6.13 Burden of customs procedures .....                  | 3.5   | 97        |
| 6.14 Imports as a percentage of GDP* .....               | 93.9  | <b>8</b>  |
| 6.15 Degree of customer orientation .....                | 4.3   | 87        |
| 6.16 Buyer sophistication .....                          | 3.5   | 59        |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 4.2   | 81        |
| 7.02 Flexibility of wage determination .....             | 5.7   | <b>18</b> |
| 7.03 Hiring and firing practices .....                   | 4.0   | 61        |
| 7.04 Redundancy costs, weeks of salary* .....            | 17.3  | 77        |
| 7.05 Effect of taxation on incentives to work .....      | 3.7   | 81        |
| 7.06 Pay and productivity .....                          | 4.4   | <b>35</b> |
| 7.07 Reliance on professional management .....           | 3.2   | 129       |
| 7.08 Country capacity to retain talent .....             | 2.5   | 126       |
| 7.09 Country capacity to attract talent .....            | 2.3   | 130       |
| 7.10 Women in labor force, ratio to men* .....           | 0.72  | 95        |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 3.8   | 108       |
| 8.02 Affordability of financial services .....           | 3.7   | 107       |
| 8.03 Financing through local equity market .....         | 2.8   | 108       |
| 8.04 Ease of access to loans .....                       | 2.3   | 113       |
| 8.05 Venture capital availability .....                  | 2.6   | 84        |
| 8.06 Soundness of banks .....                            | 3.6   | 125       |
| 8.07 Regulation of securities exchanges .....            | 2.9   | 126       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 8     | <b>17</b> |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 3.6   | 130       |
| 9.02 Firm-level technology absorption .....              | 3.9   | 118       |
| 9.03 FDI and technology transfer .....                   | 3.6   | 122       |
| 9.04 Individuals using Internet, %* .....                | 28.3  | 97        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 4.2   | 88        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 8.2   | 104       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 68.5  | <b>32</b> |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.6   | 114       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.4   | 122       |
| 10.03 GDP (PPP\$ billions)* .....                        | 19.2  | 121       |
| 10.04 Exports as a percentage of GDP* .....              | 34.3  | 82        |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 4.1   | 106       |
| 11.02 Local supplier quality .....                       | 3.8   | 106       |
| 11.03 State of cluster development .....                 | 2.9   | 128       |
| 11.04 Nature of competitive advantage .....              | 3.1   | 91        |
| 11.05 Value chain breadth .....                          | 3.3   | 118       |
| 11.06 Control of international distribution .....        | 3.2   | 114       |
| 11.07 Production process sophistication .....            | 3.1   | 116       |
| 11.08 Extent of marketing .....                          | 3.9   | 98        |
| 11.09 Willingness to delegate authority .....            | 3.4   | 107       |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 3.6   | 98        |
| 12.02 Quality of scientific research institutions .....  | 2.7   | 126       |
| 12.03 Company spending on R&D .....                      | 2.5   | 123       |
| 12.04 University-industry collaboration in R&D .....     | 2.6   | 130       |
| 12.05 Gov't procurement of advanced tech products .....  | 2.8   | 116       |
| 12.06 Availability of scientists and engineers .....     | 3.2   | 121       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.1   | 97        |

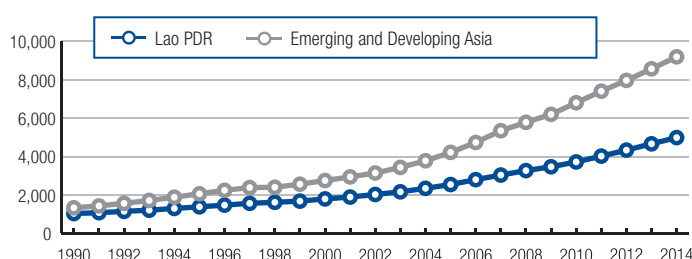
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Lao PDR

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 6.9   |
| GDP (US\$ billions).....                   | 11.7  |
| GDP per capita (US\$).....                 | 1,693 |
| GDP (PPP) as share (%) of world total..... | 0.03  |

GDP (PPP) per capita (int'l \$), 1990–2014



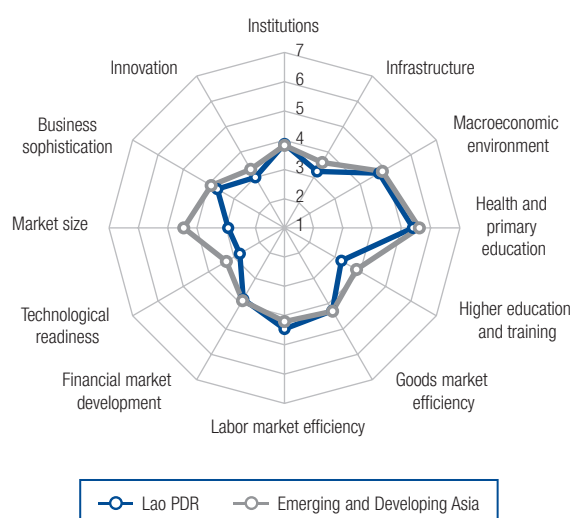
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016.....</b>       | <b>83</b>            | <b>4.0</b>     |
| GCI 2014–2015 (out of 144)..... | 93                   | 3.9            |
| GCI 2013–2014 (out of 148)..... | 81                   | 4.1            |
| GCI 2012–2013 (out of 144)..... | n/a                  | n/a            |

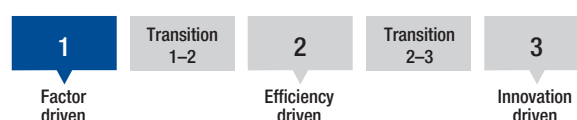
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (60.0%).....</b>        | <b>86</b> | <b>4.3</b> |
| 1st pillar: Institutions.....                 | 71        | 3.9        |
| 2nd pillar: Infrastructure.....               | 98        | 3.2        |
| 3rd pillar: Macroeconomic environment.....    | 70        | 4.7        |
| 4th pillar: Health and primary education..... | 90        | 5.4        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (35.0%).....</b>       | <b>106</b> | <b>3.6</b> |
| 5th pillar: Higher education and training..... | 112        | 3.2        |
| 6th pillar: Goods market efficiency.....       | 76         | 4.3        |
| 7th pillar: Labor market efficiency.....       | 44         | 4.5        |
| 8th pillar: Financial market development.....  | 74         | 3.8        |
| 9th pillar: Technological readiness.....       | 119        | 2.8        |
| 10th pillar: Market size.....                  | 109        | 2.9        |

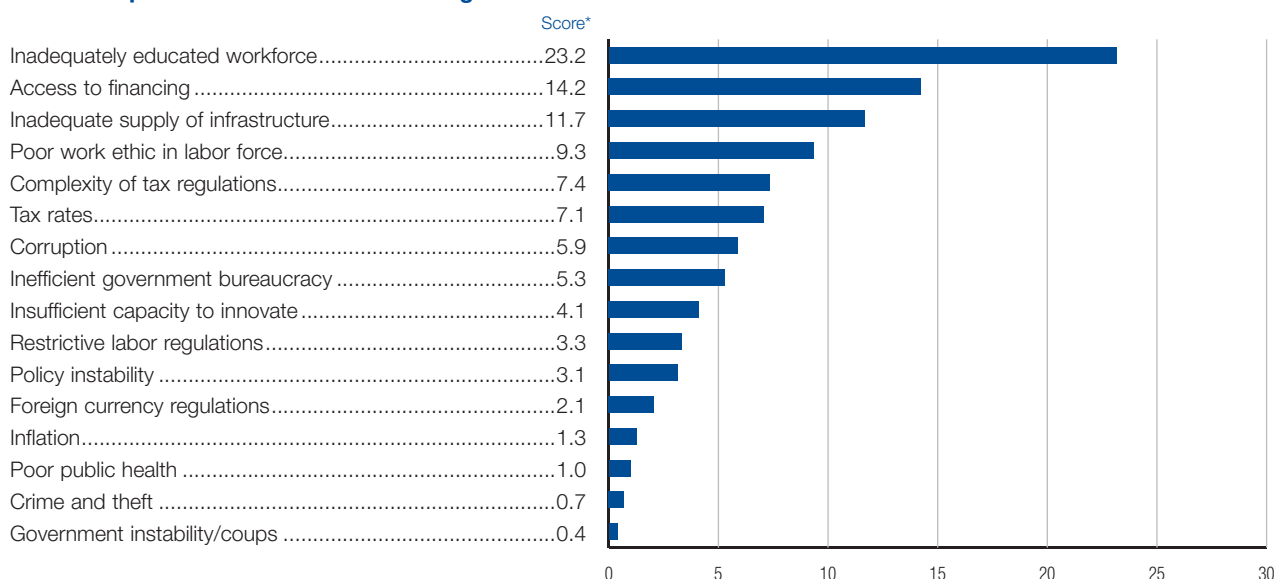
|                                                          |            |            |
|----------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (5.0%).....</b> | <b>103</b> | <b>3.3</b> |
| 11th pillar: Business sophistication.....                | 96         | 3.7        |
| 12th pillar: Innovation.....                             | 108        | 3.0        |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Lao PDR

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140   |
|---------------------------------------------------------------|---------|------------|
| <b>1st pillar: Institutions</b>                               |         |            |
| 1.01 Property rights .....                                    | 3.6     | 115        |
| 1.02 Intellectual property protection .....                   | 3.4     | 100        |
| 1.03 Diversion of public funds .....                          | 3.5     | 64         |
| 1.04 Public trust in politicians .....                        | 3.7     | <b>39</b>  |
| 1.05 Irregular payments and bribes .....                      | 3.3     | 101        |
| 1.06 Judicial independence .....                              | 3.7     | 78         |
| 1.07 Favoritism in decisions of government officials .....    | 3.7     | <b>36</b>  |
| 1.08 Wastefulness of government spending .....                | 4.1     | <b>25</b>  |
| 1.09 Burden of government regulation .....                    | 3.9     | <b>32</b>  |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.1     | <b>46</b>  |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.4     | 68         |
| 1.12 Transparency of government policymaking .....            | 3.6     | 107        |
| 1.13 Business costs of terrorism .....                        | 5.2     | 80         |
| 1.14 Business costs of crime and violence .....               | 5.1     | <b>48</b>  |
| 1.15 Organized crime .....                                    | 4.9     | 66         |
| 1.16 Reliability of police services .....                     | 4.2     | 63         |
| 1.17 Ethical behavior of firms .....                          | 3.9     | 72         |
| 1.18 Strength of auditing and reporting standards .....       | 3.6     | 126        |
| 1.19 Efficacy of corporate boards .....                       | 4.8     | 63         |
| 1.20 Protection of minority shareholders' interests .....     | 4.2     | 60         |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 2.9     | 135        |
| <b>2nd pillar: Infrastructure</b>                             |         |            |
| 2.01 Quality of overall infrastructure .....                  | 3.9     | 78         |
| 2.02 Quality of roads .....                                   | 3.6     | 83         |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. | n/a        |
| 2.04 Quality of port infrastructure .....                     | 2.2     | 130        |
| 2.05 Quality of air transport infrastructure .....            | 3.8     | 94         |
| 2.06 Available airline seat km/week, millions* .....          | 23.3    | 117        |
| 2.07 Quality of electricity supply .....                      | 4.7     | 72         |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 67.0    | 130        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 13.4    | 75         |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |            |
| 3.01 Government budget balance, % GDP* .....                  | –3.8    | 88         |
| 3.02 Gross national savings, % GDP* .....                     | 32.3    | <b>17</b>  |
| 3.03 Inflation, annual % change* .....                        | 4.1     | 86         |
| 3.04 General government debt, % GDP* .....                    | 62.5    | 98         |
| 3.05 Country credit rating, 0–100 (best)* .....               | 21.4    | 125        |
| <b>4th pillar: Health and primary education</b>               |         |            |
| 4.01 Malaria cases/100,000 pop.* .....                        | 1,655.2 | 45         |
| 4.02 Business impact of malaria .....                         | 4.0     | 52         |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 197.0   | 118        |
| 4.04 Business impact of tuberculosis .....                    | 4.0     | 126        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2     | <b>1</b>   |
| 4.06 Business impact of HIV/AIDS .....                        | 4.2     | <b>117</b> |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 53.8    | 123        |
| 4.08 Life expectancy, years* .....                            | 68.2    | 102        |
| 4.09 Quality of primary education .....                       | 3.3     | 95         |
| 4.10 Primary education enrollment, net %* .....               | 97.3    | <b>37</b>  |
| <b>5th pillar: Higher education and training</b>              |         |            |
| 5.01 Secondary education enrollment, gross %* .....           | 50.5    | 118        |
| 5.02 Tertiary education enrollment, gross %* .....            | 17.7    | 97         |
| 5.03 Quality of the education system .....                    | 3.8     | 62         |
| 5.04 Quality of math and science education .....              | 3.6     | 90         |
| 5.05 Quality of management schools .....                      | 3.9     | 92         |
| 5.06 Internet access in schools .....                         | 3.6     | 101        |
| 5.07 Availability of specialized training services .....      | 3.9     | 89         |
| 5.08 Extent of staff training .....                           | 4.0     | 59         |
| <b>6th pillar: Goods market efficiency</b>                    |         |            |
| 6.01 Intensity of local competition .....                     | 4.3     | 122        |
| 6.02 Extent of market dominance .....                         | 4.2     | <b>31</b>  |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.8     | 65         |
| 6.04 Effect of taxation on incentives to invest .....         | 4.0     | <b>37</b>  |
| 6.05 Total tax rate, % profits* .....                         | 25.8    | <b>25</b>  |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 6     | 57        |
| 6.07 No. days to start a business* .....                 | 92.0  | 137       |
| 6.08 Agricultural policy costs .....                     | 4.4   | <b>26</b> |
| 6.09 Prevalence of non-tariff barriers .....             | 4.4   | 63        |
| 6.10 Trade tariffs, % duty* .....                        | 8.2   | 93        |
| 6.11 Prevalence of foreign ownership .....               | 4.5   | 73        |
| 6.12 Business impact of rules on FDI .....               | 4.2   | 93        |
| 6.13 Burden of customs procedures .....                  | 4.0   | 69        |
| 6.14 Imports as a percentage of GDP* .....               | 32.8  | 101       |
| 6.15 Degree of customer orientation .....                | 4.4   | 78        |
| 6.16 Buyer sophistication .....                          | 3.7   | <b>43</b> |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 4.8   | <b>38</b> |
| 7.02 Flexibility of wage determination .....             | 5.5   | <b>30</b> |
| 7.03 Hiring and firing practices .....                   | 4.1   | <b>50</b> |
| 7.04 Redundancy costs, weeks of salary* .....            | 47.1  | 132       |
| 7.05 Effect of taxation on incentives to work .....      | 4.4   | <b>24</b> |
| 7.06 Pay and productivity .....                          | 4.7   | <b>16</b> |
| 7.07 Reliance on professional management .....           | 4.0   | 84        |
| 7.08 Country capacity to retain talent .....             | 3.8   | <b>43</b> |
| 7.09 Country capacity to attract talent .....            | 3.2   | 80        |
| 7.10 Women in labor force, ratio to men* .....           | 0.99  | <b>6</b>  |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 4.3   | 77        |
| 8.02 Affordability of financial services .....           | 4.2   | 55        |
| 8.03 Financing through local equity market .....         | 2.9   | 106       |
| 8.04 Ease of access to loans .....                       | 2.8   | 72        |
| 8.05 Venture capital availability .....                  | 2.6   | 87        |
| 8.06 Soundness of banks .....                            | 4.5   | 86        |
| 8.07 Regulation of securities exchanges .....            | 3.8   | 95        |
| 8.08 Legal rights index, 0–12 (best)* .....              | 7     | <b>24</b> |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 3.9   | 117       |
| 9.02 Firm-level technology absorption .....              | 4.3   | 96        |
| 9.03 FDI and technology transfer .....                   | 4.1   | 91        |
| 9.04 Individuals using Internet, %* .....                | 14.3  | 118       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.2   | 123       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 2.8   | 128       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 4.6   | 126       |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.7   | 103       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.6   | 111       |
| 10.03 GDP (PPP\$ billions)* .....                        | 34.4  | 102       |
| 10.04 Exports as a percentage of GDP* .....              | 28.0  | 105       |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 3.9   | 118       |
| 11.02 Local supplier quality .....                       | 3.6   | 119       |
| 11.03 State of cluster development .....                 | 3.9   | 51        |
| 11.04 Nature of competitive advantage .....              | 2.8   | 113       |
| 11.05 Value chain breadth .....                          | 3.3   | 114       |
| 11.06 Control of international distribution .....        | 3.6   | 91        |
| 11.07 Production process sophistication .....            | 3.2   | 112       |
| 11.08 Extent of marketing .....                          | 4.1   | 85        |
| 11.09 Willingness to delegate authority .....            | 4.2   | <b>33</b> |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 3.7   | 89        |
| 12.02 Quality of scientific research institutions .....  | 3.2   | 103       |
| 12.03 Company spending on R&D .....                      | 3.2   | 72        |
| 12.04 University-industry collaboration in R&D .....     | 3.5   | 76        |
| 12.05 Gov't procurement of advanced tech products .....  | 3.1   | 85        |
| 12.06 Availability of scientists and engineers .....     | 3.0   | 129       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 115       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

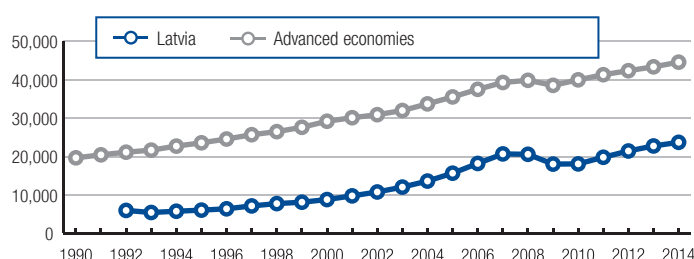


# Latvia

## Key indicators, 2014

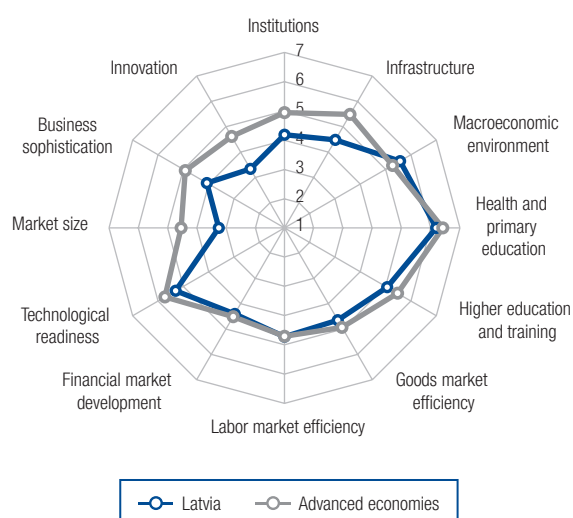
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 2.0    |
| GDP (US\$ billions).....                   | 32.0   |
| GDP per capita (US\$).....                 | 15,729 |
| GDP (PPP) as share (%) of world total..... | 0.05   |

GDP (PPP) per capita (int'l \$), 1990–2014

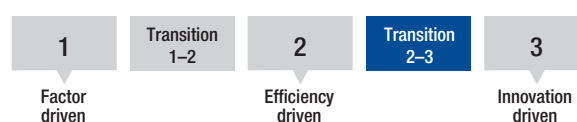


## Global Competitiveness Index

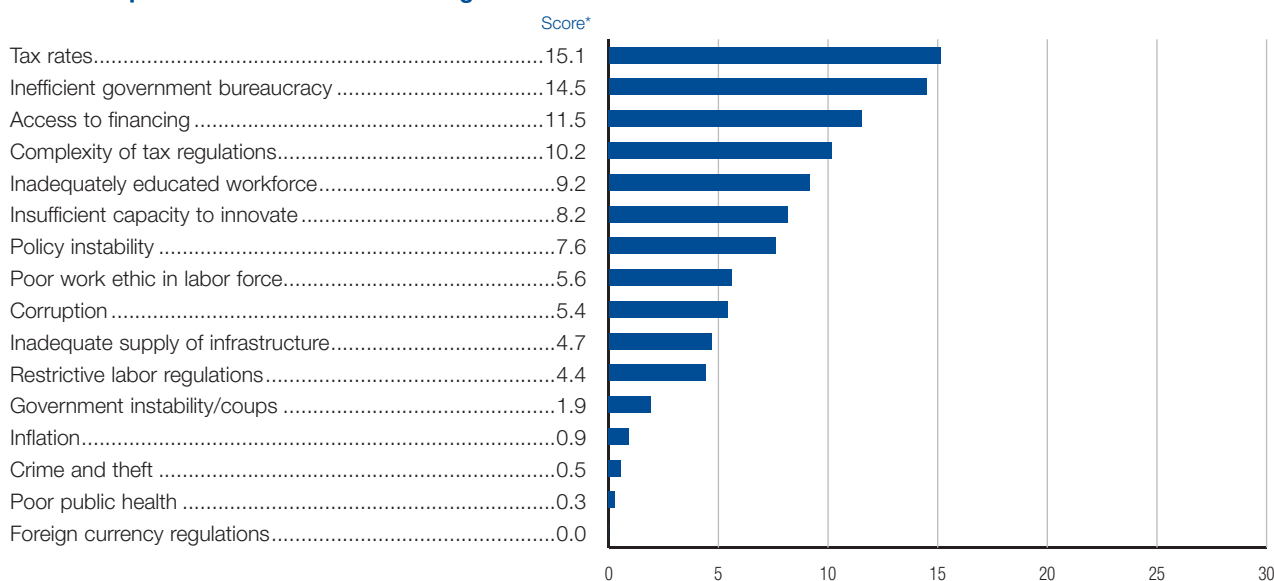
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>44</b>            | <b>4.5</b>     |
| GCI 2014–2015 (out of 144).....                            | 42                   | 4.5            |
| GCI 2013–2014 (out of 148).....                            | 52                   | 4.4            |
| GCI 2012–2013 (out of 144).....                            | 55                   | 4.3            |
| <b>Basic requirements (23.2%)</b> .....                    | <b>37</b>            | <b>5.1</b>     |
| 1st pillar: Institutions.....                              | 48                   | 4.2            |
| 2nd pillar: Infrastructure.....                            | 49                   | 4.5            |
| 3rd pillar: Macroeconomic environment.....                 | 31                   | 5.6            |
| 4th pillar: Health and primary education.....              | 37                   | 6.2            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>39</b>            | <b>4.6</b>     |
| 5th pillar: Higher education and training.....             | 32                   | 5.1            |
| 6th pillar: Goods market efficiency.....                   | 34                   | 4.6            |
| 7th pillar: Labor market efficiency.....                   | 25                   | 4.7            |
| 8th pillar: Financial market development.....              | 37                   | 4.4            |
| 9th pillar: Technological readiness.....                   | 33                   | 5.3            |
| 10th pillar: Market size.....                              | 94                   | 3.2            |
| <b>Innovation and sophistication factors (26.8%)</b> ..... | <b>58</b>            | <b>3.7</b>     |
| 11th pillar: Business sophistication.....                  | 60                   | 4.1            |
| 12th pillar: Innovation.....                               | 62                   | 3.3            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.7    | 40       |
| 1.02 Intellectual property protection .....                   | 4.3    | 45       |
| 1.03 Diversion of public funds .....                          | 3.3    | 71       |
| 1.04 Public trust in politicians .....                        | 2.6    | 87       |
| 1.05 Irregular payments and bribes .....                      | 4.8    | 41       |
| 1.06 Judicial independence .....                              | 4.2    | 55       |
| 1.07 Favoritism in decisions of government officials .....    | 2.8    | 87       |
| 1.08 Wastefulness of government spending .....                | 3.0    | 81       |
| 1.09 Burden of government regulation .....                    | 3.5    | 59       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.0    | 112      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.3    | 81       |
| 1.12 Transparency of government policymaking .....            | 4.5    | 40       |
| 1.13 Business costs of terrorism .....                        | 6.1    | 27       |
| 1.14 Business costs of crime and violence .....               | 5.3    | 36       |
| 1.15 Organized crime .....                                    | 6.1    | 20       |
| 1.16 Reliability of police services .....                     | 4.6    | 45       |
| 1.17 Ethical behavior of firms .....                          | 4.1    | 56       |
| 1.18 Strength of auditing and reporting standards .....       | 5.0    | 48       |
| 1.19 Efficacy of corporate boards .....                       | 5.0    | 44       |
| 1.20 Protection of minority shareholders' interests .....     | 3.9    | 80       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.0    | 48       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.8    | 38       |
| 2.02 Quality of roads .....                                   | 3.3    | 96       |
| 2.03 Quality of railroad infrastructure .....                 | 4.0    | 31       |
| 2.04 Quality of port infrastructure .....                     | 5.2    | 30       |
| 2.05 Quality of air transport infrastructure .....            | 5.4    | 31       |
| 2.06 Available airline seat km/week, millions* .....          | 73.0   | 91       |
| 2.07 Quality of electricity supply .....                      | 5.6    | 43       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 124.2  | 52       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 19.0   | 58       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –1.7   | 42       |
| 3.02 Gross national savings, % GDP* .....                     | 20.8   | 67       |
| 3.03 Inflation, annual % change* .....                        | 0.7    | 1        |
| 3.04 General government debt, % GDP* .....                    | 37.8   | 59       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 67.6   | 38       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 50.0   | 70       |
| 4.04 Business impact of tuberculosis .....                    | 6.2    | 44       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.7    | 98       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.0    | 46       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 7.4    | 48       |
| 4.08 Life expectancy, years* .....                            | 74.0   | 75       |
| 4.09 Quality of primary education .....                       | 4.8    | 31       |
| 4.10 Primary education enrollment, net %* .....               | 96.5   | 46       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 97.7   | 43       |
| 5.02 Tertiary education enrollment, gross %* .....            | 65.1   | 31       |
| 5.03 Quality of the education system .....                    | 3.7    | 64       |
| 5.04 Quality of math and science education .....              | 4.6    | 40       |
| 5.05 Quality of management schools .....                      | 4.5    | 45       |
| 5.06 Internet access in schools .....                         | 5.7    | 20       |
| 5.07 Availability of specialized training services .....      | 4.4    | 54       |
| 5.08 Extent of staff training .....                           | 4.3    | 42       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.4    | 38       |
| 6.02 Extent of market dominance .....                         | 3.8    | 61       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.0    | 51       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8    | 48       |
| 6.05 Total tax rate, % profits* .....                         | 35.0   | 60       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 4     | 22       |
| 6.07 No. days to start a business* .....                    | 12.5  | 73       |
| 6.08 Agricultural policy costs .....                        | 4.0   | 56       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.7   | 24       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 5.2   | 28       |
| 6.12 Business impact of rules on FDI .....                  | 5.1   | 28       |
| 6.13 Burden of customs procedures .....                     | 4.6   | 38       |
| 6.14 Imports as a percentage of GDP* .....                  | 63.9  | 36       |
| 6.15 Degree of customer orientation .....                   | 5.0   | 39       |
| 6.16 Buyer sophistication .....                             | 3.0   | 101      |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.9   | 30       |
| 7.02 Flexibility of wage determination .....                | 6.2   | 2        |
| 7.03 Hiring and firing practices .....                      | 3.9   | 63       |
| 7.04 Redundancy costs, weeks of salary* .....               | 13.0  | 51       |
| 7.05 Effect of taxation on incentives to work .....         | 3.3   | 107      |
| 7.06 Pay and productivity .....                             | 4.6   | 23       |
| 7.07 Reliance on professional management .....              | 4.7   | 38       |
| 7.08 Country capacity to retain talent .....                | 2.9   | 104      |
| 7.09 Country capacity to attract talent .....               | 2.6   | 110      |
| 7.10 Women in labor force, ratio to men* .....              | 0.93  | 21       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 5.1   | 39       |
| 8.02 Affordability of financial services .....              | 5.1   | 31       |
| 8.03 Financing through local equity market .....            | 3.0   | 99       |
| 8.04 Ease of access to loans .....                          | 2.5   | 96       |
| 8.05 Venture capital availability .....                     | 2.9   | 52       |
| 8.06 Soundness of banks .....                               | 5.3   | 52       |
| 8.07 Regulation of securities exchanges .....               | 4.4   | 62       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 9     | 11       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 5.8   | 27       |
| 9.02 Firm-level technology absorption .....                 | 5.0   | 46       |
| 9.03 FDI and technology transfer .....                      | 4.8   | 40       |
| 9.04 Individuals using Internet, %* .....                   | 75.8  | 32       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 24.7  | 34       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 93.7  | 31       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 71.7  | 28       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 2.9   | 93       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.2   | 82       |
| 10.03 GDP (PPP\$ billions)* .....                           | 48.2  | 95       |
| 10.04 Exports as a percentage of GDP* .....                 | 61.4  | 27       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.1   | 105      |
| 11.02 Local supplier quality .....                          | 4.8   | 39       |
| 11.03 State of cluster development .....                    | 3.6   | 78       |
| 11.04 Nature of competitive advantage .....                 | 3.5   | 62       |
| 11.05 Value chain breadth .....                             | 3.6   | 82       |
| 11.06 Control of international distribution .....           | 4.0   | 47       |
| 11.07 Production process sophistication .....               | 4.1   | 52       |
| 11.08 Extent of marketing .....                             | 4.5   | 58       |
| 11.09 Willingness to delegate authority .....               | 4.0   | 44       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 4.0   | 61       |
| 12.02 Quality of scientific research institutions .....     | 4.1   | 50       |
| 12.03 Company spending on R&D .....                         | 3.1   | 81       |
| 12.04 University-industry collaboration in R&D .....        | 3.7   | 63       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.0   | 100      |
| 12.06 Availability of scientists and engineers .....        | 3.5   | 101      |
| 12.07 PCT patents, applications/million pop.* .....         | 13.8  | 30       |

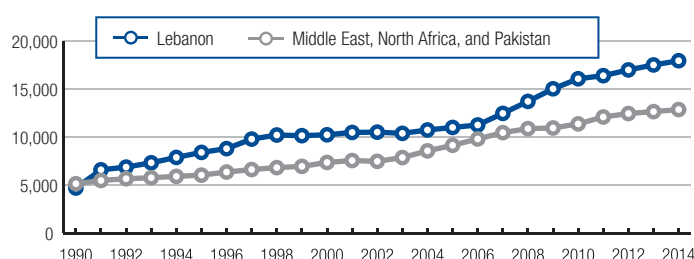
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Lebanon

## Key indicators, 2014

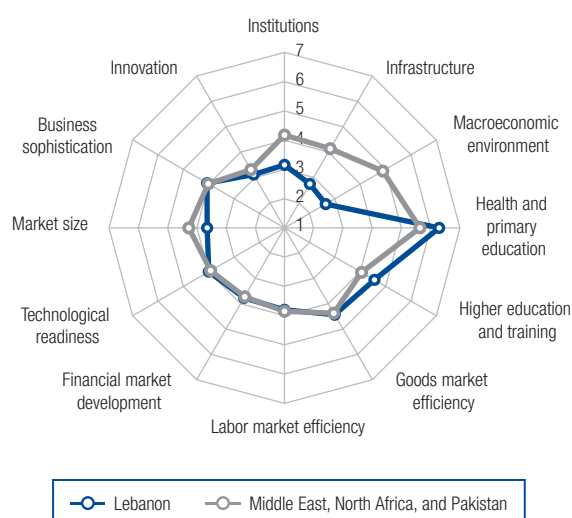
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 4.5    |
| GDP (US\$ billions).....                   | 49.9   |
| GDP per capita (US\$).....                 | 11,068 |
| GDP (PPP) as share (%) of world total..... | 0.08   |

GDP (PPP) per capita (int'l \$), 1990–2014

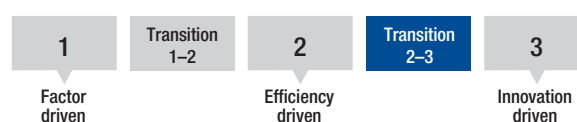


## Global Competitiveness Index

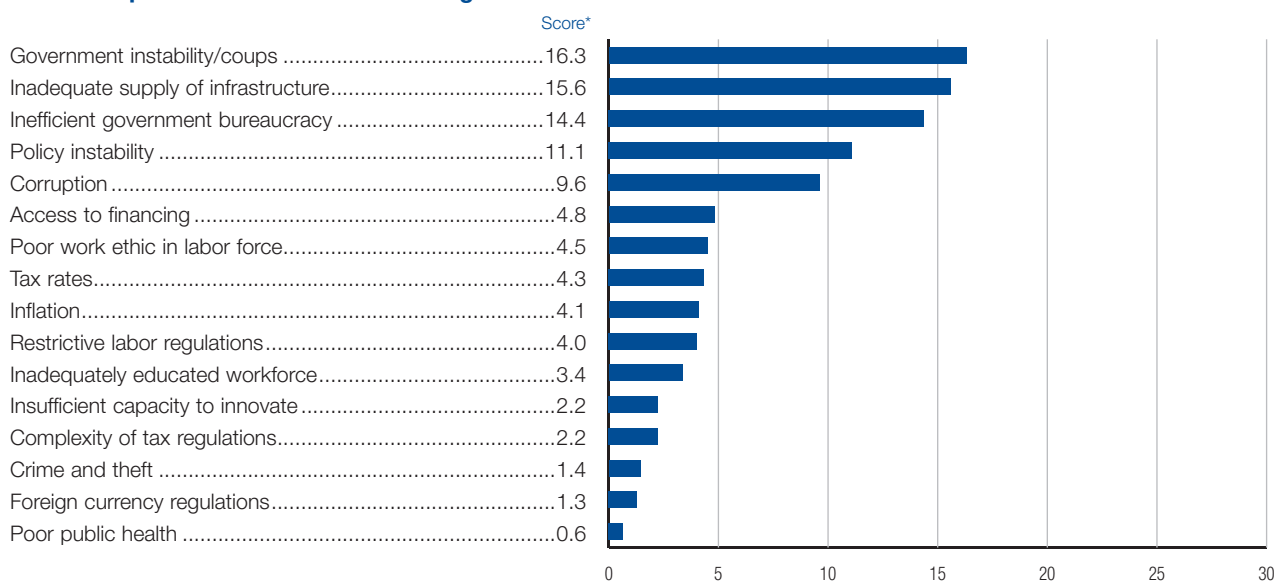
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>101</b>           | <b>3.8</b>     |
| GCI 2014–2015 (out of 144).....                            | 113                  | 3.7            |
| GCI 2013–2014 (out of 148).....                            | 103                  | 3.8            |
| GCI 2012–2013 (out of 144).....                            | 91                   | 3.9            |
| <b>Basic requirements (34.8%)</b> .....                    | <b>121</b>           | <b>3.7</b>     |
| 1st pillar: Institutions.....                              | 128                  | 3.2            |
| 2nd pillar: Infrastructure.....                            | 116                  | 2.7            |
| 3rd pillar: Macroeconomic environment.....                 | 139                  | 2.6            |
| 4th pillar: Health and primary education.....              | 30                   | 6.3            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>71</b>            | <b>4.0</b>     |
| 5th pillar: Higher education and training.....             | 58                   | 4.5            |
| 6th pillar: Goods market efficiency.....                   | 56                   | 4.4            |
| 7th pillar: Labor market efficiency.....                   | 109                  | 3.8            |
| 8th pillar: Financial market development.....              | 78                   | 3.8            |
| 9th pillar: Technological readiness.....                   | 66                   | 4.0            |
| 10th pillar: Market size.....                              | 77                   | 3.6            |
| <b>Innovation and sophistication factors (15.2%)</b> ..... | <b>67</b>            | <b>3.6</b>     |
| 11th pillar: Business sophistication.....                  | 61                   | 4.1            |
| 12th pillar: Innovation.....                               | 95                   | 3.1            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Lebanon

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.1    | 80       |
| 1.02 Intellectual property protection .....                   | 3.1    | 122      |
| 1.03 Diversion of public funds .....                          | 2.7    | 105      |
| 1.04 Public trust in politicians .....                        | 1.8    | 127      |
| 1.05 Irregular payments and bribes .....                      | 2.8    | 127      |
| 1.06 Judicial independence .....                              | 2.7    | 113      |
| 1.07 Favoritism in decisions of government officials .....    | 2.4    | 114      |
| 1.08 Wastefulness of government spending .....                | 1.4    | 139      |
| 1.09 Burden of government regulation .....                    | 2.9    | 114      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.1    | 104      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.8    | 113      |
| 1.12 Transparency of government policymaking .....            | 3.1    | 130      |
| 1.13 Business costs of terrorism .....                        | 2.8    | 137      |
| 1.14 Business costs of crime and violence .....               | 3.8    | 106      |
| 1.15 Organized crime .....                                    | 4.5    | 90       |
| 1.16 Reliability of police services .....                     | 2.8    | 130      |
| 1.17 Ethical behavior of firms .....                          | 3.3    | 124      |
| 1.18 Strength of auditing and reporting standards .....       | 4.4    | 76       |
| 1.19 Efficacy of corporate boards .....                       | 4.1    | 119      |
| 1.20 Protection of minority shareholders' interests .....     | 3.9    | 79       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.9    | 92       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 2.4    | 138      |
| 2.02 Quality of roads .....                                   | 2.8    | 119      |
| 2.03 Quality of railroad infrastructure .....                 | N/Apl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 3.9    | 80       |
| 2.05 Quality of air transport infrastructure .....            | 4.3    | 68       |
| 2.06 Available airline seat km/week, millions* .....          | 154.2  | 73       |
| 2.07 Quality of electricity supply .....                      | 1.6    | 137      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 88.3   | 109      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 19.4   | 56       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –7.1   | 130      |
| 3.02 Gross national savings, % GDP* .....                     | –2.1   | 136      |
| 3.03 Inflation, annual % change* .....                        | 1.9    | 1        |
| 3.04 General government debt, % GDP* .....                    | 134.4  | 137      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 30.0   | 102      |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 16.0   | 35       |
| 4.04 Business impact of tuberculosis .....                    | 6.3    | 35       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.2    | 35       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 7.8    | 49       |
| 4.08 Life expectancy, years* .....                            | 80.1   | 29       |
| 4.09 Quality of primary education .....                       | 5.4    | 14       |
| 4.10 Primary education enrollment, net %* .....               | 93.4   | 74       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 75.0   | 97       |
| 5.02 Tertiary education enrollment, gross %* .....            | 47.9   | 54       |
| 5.03 Quality of the education system .....                    | 4.9    | 19       |
| 5.04 Quality of math and science education .....              | 5.6    | 6        |
| 5.05 Quality of management schools .....                      | 5.5    | 12       |
| 5.06 Internet access in schools .....                         | 3.9    | 85       |
| 5.07 Availability of specialized training services .....      | 4.4    | 51       |
| 5.08 Extent of staff training .....                           | 3.6    | 108      |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.4    | 34       |
| 6.02 Extent of market dominance .....                         | 3.8    | 58       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.2    | 118      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.9    | 44       |
| 6.05 Total tax rate, % profits* .....                         | 29.9   | 38       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 5     | 38       |
| 6.07 No. days to start a business* .....                    | 9.0   | 50       |
| 6.08 Agricultural policy costs .....                        | 2.9   | 130      |
| 6.09 Prevalence of non-tariff barriers .....                | 4.3   | 75       |
| 6.10 Trade tariffs, % duty* .....                           | 5.0   | 69       |
| 6.11 Prevalence of foreign ownership .....                  | 3.8   | 110      |
| 6.12 Business impact of rules on FDI .....                  | 4.3   | 91       |
| 6.13 Burden of customs procedures .....                     | 3.0   | 129      |
| 6.14 Imports as a percentage of GDP* .....                  | 67.8  | 31       |
| 6.15 Degree of customer orientation .....                   | 4.8   | 50       |
| 6.16 Buyer sophistication .....                             | 3.6   | 53       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.3   | 78       |
| 7.02 Flexibility of wage determination .....                | 5.3   | 43       |
| 7.03 Hiring and firing practices .....                      | 3.8   | 73       |
| 7.04 Redundancy costs, weeks of salary* .....               | 8.7   | 24       |
| 7.05 Effect of taxation on incentives to work .....         | 4.3   | 32       |
| 7.06 Pay and productivity .....                             | 4.0   | 71       |
| 7.07 Reliance on professional management .....              | 3.8   | 90       |
| 7.08 Country capacity to retain talent .....                | 2.6   | 122      |
| 7.09 Country capacity to attract talent .....               | 2.4   | 127      |
| 7.10 Women in labor force, ratio to men* .....              | 0.34  | 134      |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.6   | 58       |
| 8.02 Affordability of financial services .....              | 4.1   | 70       |
| 8.03 Financing through local equity market .....            | 2.8   | 109      |
| 8.04 Ease of access to loans .....                          | 2.8   | 76       |
| 8.05 Venture capital availability .....                     | 3.1   | 42       |
| 8.06 Soundness of banks .....                               | 5.9   | 23       |
| 8.07 Regulation of securities exchanges .....               | 4.3   | 64       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 2     | 106      |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 4.4   | 90       |
| 9.02 Firm-level technology absorption .....                 | 4.3   | 94       |
| 9.03 FDI and technology transfer .....                      | 3.5   | 128      |
| 9.04 Individuals using Internet, %* .....                   | 74.7  | 33       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 22.8  | 40       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 24.0  | 82       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 53.5  | 52       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 3.5   | 76       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.2   | 83       |
| 10.03 GDP (PPP\$ billions)* .....                           | 81.1  | 77       |
| 10.04 Exports as a percentage of GDP* .....                 | 36.2  | 77       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 5.0   | 25       |
| 11.02 Local supplier quality .....                          | 4.2   | 77       |
| 11.03 State of cluster development .....                    | 3.7   | 69       |
| 11.04 Nature of competitive advantage .....                 | 3.9   | 42       |
| 11.05 Value chain breadth .....                             | 4.1   | 47       |
| 11.06 Control of international distribution .....           | 4.2   | 37       |
| 11.07 Production process sophistication .....               | 3.7   | 72       |
| 11.08 Extent of marketing .....                             | 4.7   | 41       |
| 11.09 Willingness to delegate authority .....               | 3.2   | 121      |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 4.3   | 45       |
| 12.02 Quality of scientific research institutions .....     | 3.3   | 98       |
| 12.03 Company spending on R&D .....                         | 2.9   | 103      |
| 12.04 University-industry collaboration in R&D .....        | 2.9   | 118      |
| 12.05 Gov't procurement of advanced tech products .....     | 2.6   | 132      |
| 12.06 Availability of scientists and engineers .....        | 4.8   | 27       |
| 12.07 PCT patents, applications/million pop.* .....         | 1.7   | 59       |

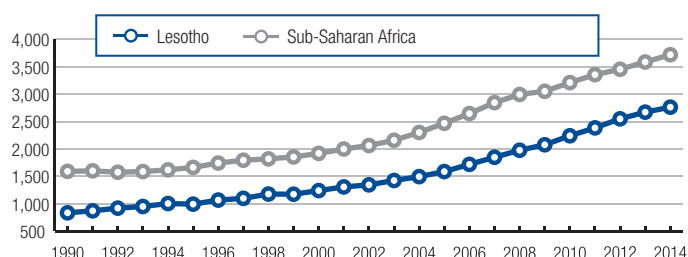
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Lesotho

## Key indicators, 2014

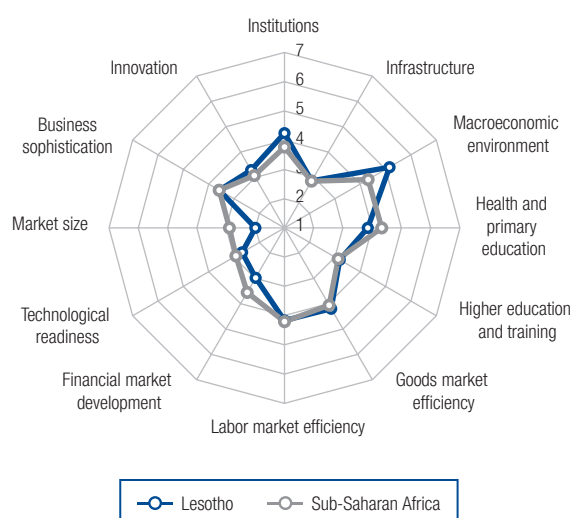
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 1.9   |
| GDP (US\$ billions).....                   | 2.2   |
| GDP per capita (US\$).....                 | 1,130 |
| GDP (PPP) as share (%) of world total..... | 0.01  |

GDP (PPP) per capita (int'l \$), 1990–2014

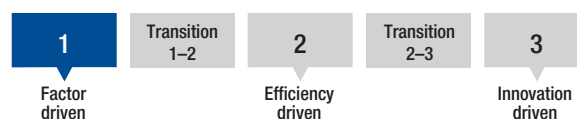


## Global Competitiveness Index

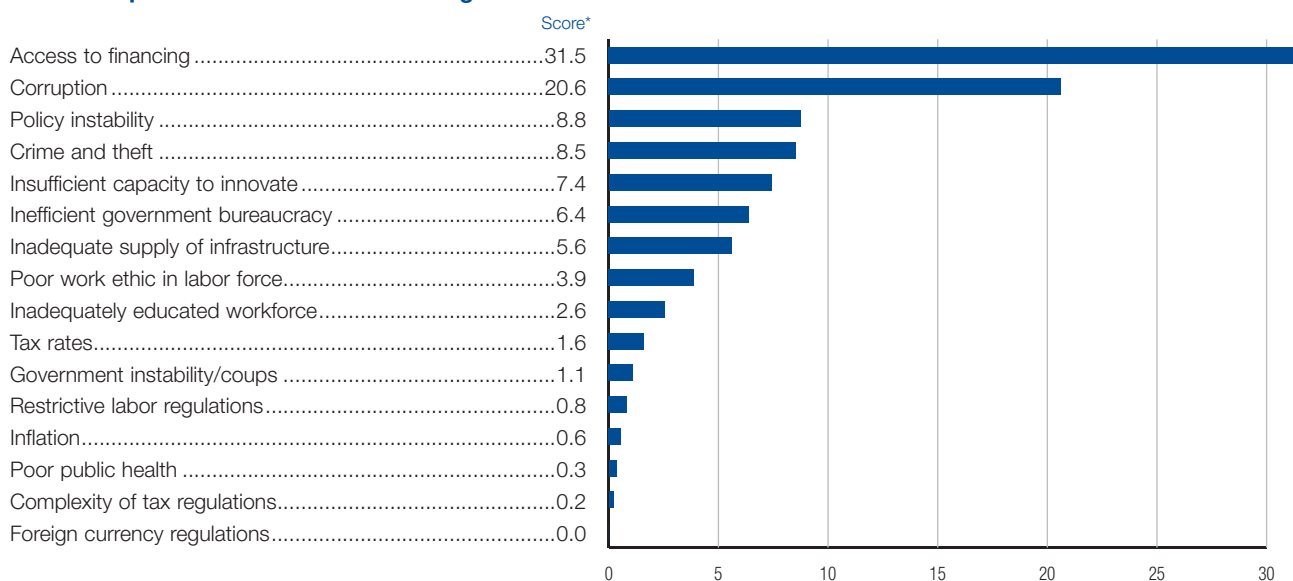
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>113</b>           | <b>3.7</b>     |
| GCI 2014–2015 (out of 144).....                           | 107                  | 3.7            |
| GCI 2013–2014 (out of 148).....                           | 123                  | 3.5            |
| GCI 2012–2013 (out of 144).....                           | 137                  | 3.2            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>105</b>           | <b>4.0</b>     |
| 1st pillar: Institutions.....                             | 45                   | 4.2            |
| 2nd pillar: Infrastructure.....                           | 113                  | 2.9            |
| 3rd pillar: Macroeconomic environment.....                | 44                   | 5.1            |
| 4th pillar: Health and primary education.....             | 130                  | 3.8            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>130</b>           | <b>3.2</b>     |
| 5th pillar: Higher education and training.....            | 116                  | 3.2            |
| 6th pillar: Goods market efficiency.....                  | 88                   | 4.2            |
| 7th pillar: Labor market efficiency.....                  | 75                   | 4.2            |
| 8th pillar: Financial market development.....             | 127                  | 3.0            |
| 9th pillar: Technological readiness.....                  | 123                  | 2.7            |
| 10th pillar: Market size.....                             | 133                  | 2.0            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>91</b>            | <b>3.4</b>     |
| 11th pillar: Business sophistication.....                 | 105                  | 3.6            |
| 12th pillar: Innovation.....                              | 70                   | 3.3            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Lesotho

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140  |
|---------------------------------------------------------------|---------|-----------|
| <b>1st pillar: Institutions</b>                               |         |           |
| 1.01 Property rights .....                                    | 4.4     | 52        |
| 1.02 Intellectual property protection .....                   | 4.1     | 57        |
| 1.03 Diversion of public funds .....                          | 4.4     | <b>36</b> |
| 1.04 Public trust in politicians .....                        | 3.4     | 51        |
| 1.05 Irregular payments and bribes .....                      | 3.3     | 102       |
| 1.06 Judicial independence .....                              | 4.8     | <b>38</b> |
| 1.07 Favoritism in decisions of government officials .....    | 3.6     | <b>39</b> |
| 1.08 Wastefulness of government spending .....                | 3.7     | <b>40</b> |
| 1.09 Burden of government regulation .....                    | 4.4     | <b>11</b> |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.7     | 71        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.6     | 60        |
| 1.12 Transparency of government policymaking .....            | 3.8     | 92        |
| 1.13 Business costs of terrorism .....                        | 6.0     | <b>31</b> |
| 1.14 Business costs of crime and violence .....               | 5.8     | <b>15</b> |
| 1.15 Organized crime .....                                    | 5.9     | <b>24</b> |
| 1.16 Reliability of police services .....                     | 4.7     | <b>44</b> |
| 1.17 Ethical behavior of firms .....                          | 4.5     | <b>33</b> |
| 1.18 Strength of auditing and reporting standards .....       | 3.0     | 138       |
| 1.19 Efficacy of corporate boards .....                       | 3.6     | 138       |
| 1.20 Protection of minority shareholders' interests .....     | 3.1     | 130       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.9     | 92        |
| <b>2nd pillar: Infrastructure</b>                             |         |           |
| 2.01 Quality of overall infrastructure .....                  | 3.8     | 84        |
| 2.02 Quality of roads .....                                   | 3.6     | 84        |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. | n/a       |
| 2.04 Quality of port infrastructure .....                     | 2.7     | 119       |
| 2.05 Quality of air transport infrastructure .....            | 1.5     | 140       |
| 2.06 Available airline seat km/week, millions* .....          | 0.3     | 139       |
| 2.07 Quality of electricity supply .....                      | 3.7     | 100       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 101.9   | 94        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 2.4     | 113       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |           |
| 3.01 Government budget balance, % GDP* .....                  | –2.4    | 58        |
| 3.02 Gross national savings, % GDP* .....                     | 26.6    | <b>33</b> |
| 3.03 Inflation, annual % change* .....                        | 3.9     | 80        |
| 3.04 General government debt, % GDP* .....                    | 45.9    | 76        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 35.0    | 89        |
| <b>4th pillar: Health and primary education</b>               |         |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.    | n/a       |
| 4.02 Business impact of malaria .....                         | N/Appl. | n/a       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 916.0   | 139       |
| 4.04 Business impact of tuberculosis .....                    | 5.2     | 84        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 22.9    | 139       |
| 4.06 Business impact of HIV/AIDS .....                        | 4.4     | 111       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 73.0    | 136       |
| 4.08 Life expectancy, years* .....                            | 49.3    | 137       |
| 4.09 Quality of primary education .....                       | 4.1     | 67        |
| 4.10 Primary education enrollment, net %* .....               | 79.6    | 127       |
| <b>5th pillar: Higher education and training</b>              |         |           |
| 5.01 Secondary education enrollment, gross %* .....           | 53.3    | 117       |
| 5.02 Tertiary education enrollment, gross %* .....            | 10.8    | 112       |
| 5.03 Quality of the education system .....                    | 4.2     | <b>44</b> |
| 5.04 Quality of math and science education .....              | 3.4     | 100       |
| 5.05 Quality of management schools .....                      | 3.6     | 108       |
| 5.06 Internet access in schools .....                         | 3.4     | 113       |
| 5.07 Availability of specialized training services .....      | 3.9     | 90        |
| 5.08 Extent of staff training .....                           | 3.9     | 75        |
| <b>6th pillar: Goods market efficiency</b>                    |         |           |
| 6.01 Intensity of local competition .....                     | 4.4     | 119       |
| 6.02 Extent of market dominance .....                         | 3.5     | 80        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.4     | 105       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8     | 52        |
| 6.05 Total tax rate, % profits* .....                         | 13.6    | <b>5</b>  |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 7     | 76        |
| 6.07 No. days to start a business* .....                 | 29.0  | 111       |
| 6.08 Agricultural policy costs .....                     | 3.7   | 79        |
| 6.09 Prevalence of non-tariff barriers .....             | 3.3   | 136       |
| 6.10 Trade tariffs, % duty* .....                        | 6.4   | 82        |
| 6.11 Prevalence of foreign ownership .....               | 3.8   | 112       |
| 6.12 Business impact of rules on FDI .....               | 4.1   | 100       |
| 6.13 Burden of customs procedures .....                  | 3.4   | 110       |
| 6.14 Imports as a percentage of GDP* .....               | 111.6 | <b>5</b>  |
| 6.15 Degree of customer orientation .....                | 3.7   | 125       |
| 6.16 Buyer sophistication .....                          | 3.7   | <b>41</b> |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 3.8   | 115       |
| 7.02 Flexibility of wage determination .....             | 3.9   | 127       |
| 7.03 Hiring and firing practices .....                   | 3.9   | 62        |
| 7.04 Redundancy costs, weeks of salary* .....            | 15.0  | 65        |
| 7.05 Effect of taxation on incentives to work .....      | 3.9   | 62        |
| 7.06 Pay and productivity .....                          | 4.0   | 75        |
| 7.07 Reliance on professional management .....           | 3.5   | 115       |
| 7.08 Country capacity to retain talent .....             | 3.6   | 56        |
| 7.09 Country capacity to attract talent .....            | 3.8   | <b>44</b> |
| 7.10 Women in labor force, ratio to men* .....           | 0.81  | 70        |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 3.2   | 131       |
| 8.02 Affordability of financial services .....           | 3.4   | 125       |
| 8.03 Financing through local equity market .....         | 2.7   | 113       |
| 8.04 Ease of access to loans .....                       | 2.9   | 64        |
| 8.05 Venture capital availability .....                  | 2.4   | 98        |
| 8.06 Soundness of banks .....                            | 2.8   | 138       |
| 8.07 Regulation of securities exchanges .....            | 2.7   | 131       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 5     | 63        |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 3.6   | 128       |
| 9.02 Firm-level technology absorption .....              | 3.5   | 135       |
| 9.03 FDI and technology transfer .....                   | 3.5   | 129       |
| 9.04 Individuals using Internet, %* .....                | 11.0  | 121       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.1   | 128       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 2.4   | 131       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 32.8  | 81        |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 1.8   | 133       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 2.7   | 134       |
| 10.03 GDP (PPP\$ billions)* .....                        | 5.3   | 136       |
| 10.04 Exports as a percentage of GDP* .....              | 39.5  | 68        |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 3.9   | 119       |
| 11.02 Local supplier quality .....                       | 3.8   | 107       |
| 11.03 State of cluster development .....                 | 3.7   | 70        |
| 11.04 Nature of competitive advantage .....              | 3.5   | 65        |
| 11.05 Value chain breadth .....                          | 3.5   | 95        |
| 11.06 Control of international distribution .....        | 3.5   | 97        |
| 11.07 Production process sophistication .....            | 3.6   | 84        |
| 11.08 Extent of marketing .....                          | 3.7   | 119       |
| 11.09 Willingness to delegate authority .....            | 3.0   | 129       |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 3.7   | 94        |
| 12.02 Quality of scientific research institutions .....  | 3.9   | 64        |
| 12.03 Company spending on R&D .....                      | 3.6   | <b>42</b> |
| 12.04 University-industry collaboration in R&D .....     | 3.2   | 99        |
| 12.05 Gov't procurement of advanced tech products .....  | 3.4   | 61        |
| 12.06 Availability of scientists and engineers .....     | 3.8   | 88        |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

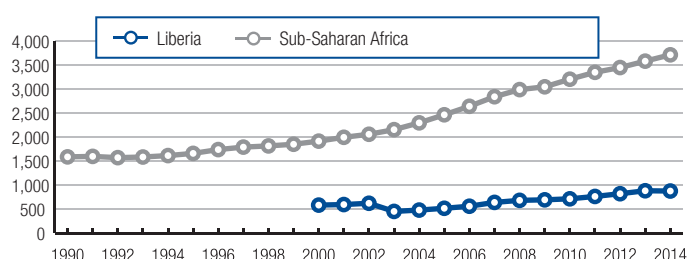


# Liberia

## Key indicators, 2014

|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 4.2  |
| GDP (US\$ billions).....                   | 2.0  |
| GDP per capita (US\$).....                 | 484  |
| GDP (PPP) as share (%) of world total..... | 0.00 |

GDP (PPP) per capita (int'l \$), 1990–2014



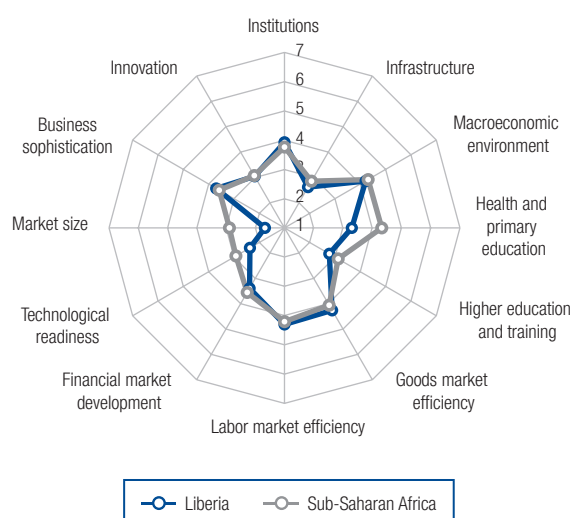
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>129</b> .....     | <b>3.4</b>     |
| GCI 2014–2015 (out of 144)..... | n/a.....             | n/a            |
| GCI 2013–2014 (out of 148)..... | 128.....             | 3.5            |
| GCI 2012–2013 (out of 144)..... | 111.....             | 3.7            |

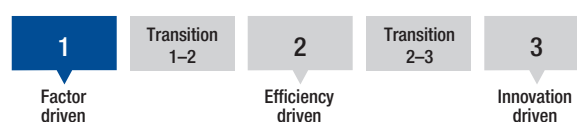
|                                               |                  |            |
|-----------------------------------------------|------------------|------------|
| <b>Basic requirements (60.0%)</b> .....       | <b>125</b> ..... | <b>3.5</b> |
| 1st pillar: Institutions.....                 | 68.....          | 3.9        |
| 2nd pillar: Infrastructure.....               | 122.....         | 2.6        |
| 3rd pillar: Macroeconomic environment.....    | 105.....         | 4.2        |
| 4th pillar: Health and primary education..... | 136.....         | 3.3        |

|                                                |                  |            |
|------------------------------------------------|------------------|------------|
| <b>Efficiency enhancers (35.0%)</b> .....      | <b>133</b> ..... | <b>3.1</b> |
| 5th pillar: Higher education and training..... | 126.....         | 2.8        |
| 6th pillar: Goods market efficiency.....       | 78.....          | 4.3        |
| 7th pillar: Labor market efficiency.....       | 61.....          | 4.3        |
| 8th pillar: Financial market development.....  | 109.....         | 3.4        |
| 9th pillar: Technological readiness.....       | 135.....         | 2.4        |
| 10th pillar: Market size.....                  | 137.....         | 1.7        |

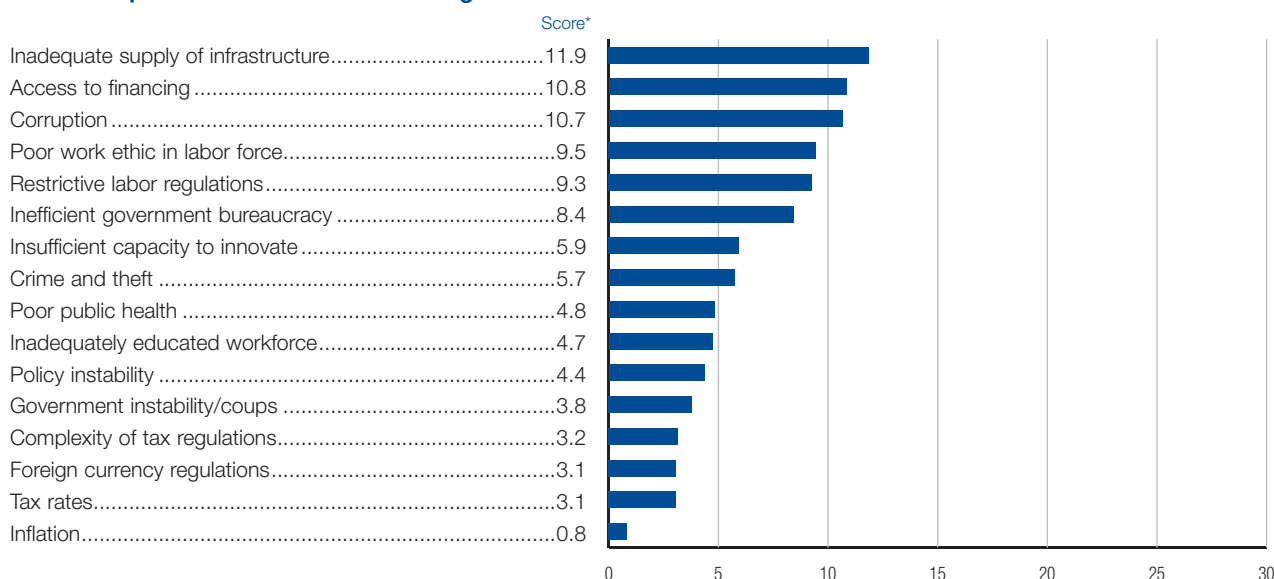
|                                                           |                 |            |
|-----------------------------------------------------------|-----------------|------------|
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>98</b> ..... | <b>3.4</b> |
| 11th pillar: Business sophistication.....                 | 92.....         | 3.7        |
| 12th pillar: Innovation.....                              | 104.....        | 3.0        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Liberia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140  |
|---------------------------------------------------------------|----------|-----------|
| <b>1st pillar: Institutions</b>                               |          |           |
| 1.01 Property rights .....                                    | 4.4      | 55        |
| 1.02 Intellectual property protection .....                   | 3.9      | 73        |
| 1.03 Diversion of public funds .....                          | 3.8      | 51        |
| 1.04 Public trust in politicians .....                        | 3.8      | <b>35</b> |
| 1.05 Irregular payments and bribes .....                      | 3.7      | 80        |
| 1.06 Judicial independence .....                              | 4.2      | 53        |
| 1.07 Favoritism in decisions of government officials .....    | 3.5      | <b>45</b> |
| 1.08 Wastefulness of government spending .....                | 3.9      | <b>29</b> |
| 1.09 Burden of government regulation .....                    | 4.0      | <b>24</b> |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.8      | 59        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.0      | <b>41</b> |
| 1.12 Transparency of government policymaking .....            | 3.8      | 93        |
| 1.13 Business costs of terrorism .....                        | 4.5      | 110       |
| 1.14 Business costs of crime and violence .....               | 4.3      | 84        |
| 1.15 Organized crime .....                                    | 4.4      | 91        |
| 1.16 Reliability of police services .....                     | 3.7      | 98        |
| 1.17 Ethical behavior of firms .....                          | 3.8      | 75        |
| 1.18 Strength of auditing and reporting standards .....       | 3.7      | 121       |
| 1.19 Efficacy of corporate boards .....                       | 4.1      | 115       |
| 1.20 Protection of minority shareholders' interests .....     | 3.6      | 105       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 2.8      | 138       |
| <b>2nd pillar: Infrastructure</b>                             |          |           |
| 2.01 Quality of overall infrastructure .....                  | 3.0      | 119       |
| 2.02 Quality of roads .....                                   | 2.7      | 127       |
| 2.03 Quality of railroad infrastructure .....                 | 2.7      | 66        |
| 2.04 Quality of port infrastructure .....                     | 3.6      | 90        |
| 2.05 Quality of air transport infrastructure .....            | 3.2      | 117       |
| 2.06 Available airline seat km/week, millions* .....          | 4.6      | 135       |
| 2.07 Quality of electricity supply .....                      | 3.1      | 110       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 73.4     | 123       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.2      | 136       |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |           |
| 3.01 Government budget balance, % GDP* .....                  | –4.5     | 102       |
| 3.02 Gross national savings, % GDP* .....                     | n/a      | n/a       |
| 3.03 Inflation, annual % change* .....                        | 9.9      | 132       |
| 3.04 General government debt, % GDP* .....                    | 33.2     | <b>44</b> |
| 3.05 Country credit rating, 0–100 (best)* .....               | 18.1     | 131       |
| <b>4th pillar: Health and primary education</b>               |          |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 28,636.6 | 71        |
| 4.02 Business impact of malaria .....                         | 3.4      | 63        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 308.0    | 127       |
| 4.04 Business impact of tuberculosis .....                    | 3.6      | 136       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.1      | 108       |
| 4.06 Business impact of HIV/AIDS .....                        | 4.5      | 107       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 53.6     | 122       |
| 4.08 Life expectancy, years* .....                            | 60.5     | 121       |
| 4.09 Quality of primary education .....                       | 3.3      | 102       |
| 4.10 Primary education enrollment, net %* .....               | 37.7     | 139       |
| <b>5th pillar: Higher education and training</b>              |          |           |
| 5.01 Secondary education enrollment, gross %* .....           | 37.9     | 131       |
| 5.02 Tertiary education enrollment, gross %* .....            | 11.6     | 111       |
| 5.03 Quality of the education system .....                    | 3.5      | 83        |
| 5.04 Quality of math and science education .....              | 3.5      | 94        |
| 5.05 Quality of management schools .....                      | 3.2      | 126       |
| 5.06 Internet access in schools .....                         | 3.0      | 123       |
| 5.07 Availability of specialized training services .....      | 3.8      | 96        |
| 5.08 Extent of staff training .....                           | 3.9      | 78        |
| <b>6th pillar: Goods market efficiency</b>                    |          |           |
| 6.01 Intensity of local competition .....                     | 4.1      | 132       |
| 6.02 Extent of market dominance .....                         | 3.8      | 55        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.6      | 87        |
| 6.04 Effect of taxation on incentives to invest .....         | 3.9      | <b>42</b> |
| 6.05 Total tax rate, % profits* .....                         | 33.3     | 54        |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 4     | <b>22</b> |
| 6.07 No. days to start a business* .....                 | 4.5   | <b>14</b> |
| 6.08 Agricultural policy costs .....                     | 3.7   | 86        |
| 6.09 Prevalence of non-tariff barriers .....             | 3.8   | 118       |
| 6.10 Trade tariffs, % duty* .....                        | 10.6  | 114       |
| 6.11 Prevalence of foreign ownership .....               | 4.4   | 79        |
| 6.12 Business impact of rules on FDI .....               | 3.8   | 112       |
| 6.13 Burden of customs procedures .....                  | 3.6   | 89        |
| 6.14 Imports as a percentage of GDP* .....               | 85.1  | <b>17</b> |
| 6.15 Degree of customer orientation .....                | 3.8   | 119       |
| 6.16 Buyer sophistication .....                          | 3.7   | <b>46</b> |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 3.8   | 118       |
| 7.02 Flexibility of wage determination .....             | 4.1   | 118       |
| 7.03 Hiring and firing practices .....                   | 4.0   | 55        |
| 7.04 Redundancy costs, weeks of salary* .....            | 25.6  | 110       |
| 7.05 Effect of taxation on incentives to work .....      | 4.0   | <b>48</b> |
| 7.06 Pay and productivity .....                          | 4.0   | 70        |
| 7.07 Reliance on professional management .....           | 4.0   | 83        |
| 7.08 Country capacity to retain talent .....             | 3.7   | <b>46</b> |
| 7.09 Country capacity to attract talent .....            | 4.0   | <b>33</b> |
| 7.10 Women in labor force, ratio to men* .....           | 0.91  | <b>24</b> |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 3.8   | 112       |
| 8.02 Affordability of financial services .....           | 3.7   | 108       |
| 8.03 Financing through local equity market .....         | 3.4   | 74        |
| 8.04 Ease of access to loans .....                       | 2.5   | 92        |
| 8.05 Venture capital availability .....                  | 3.0   | <b>45</b> |
| 8.06 Soundness of banks .....                            | 4.0   | 117       |
| 8.07 Regulation of securities exchanges .....            | 3.5   | 115       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 4     | 80        |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 3.2   | 136       |
| 9.02 Firm-level technology absorption .....              | 3.8   | 130       |
| 9.03 FDI and technology transfer .....                   | 3.6   | 125       |
| 9.04 Individuals using Internet, %* .....                | 5.4   | 131       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.1   | 126       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 6.3   | 110       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 7.6   | 119       |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 1.4   | 137       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 2.6   | 136       |
| 10.03 GDP (PPP\$ billions)* .....                        | 3.7   | 137       |
| 10.04 Exports as a percentage of GDP* .....              | 47.6  | <b>48</b> |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 4.0   | 113       |
| 11.02 Local supplier quality .....                       | 4.0   | 92        |
| 11.03 State of cluster development .....                 | 3.5   | 90        |
| 11.04 Nature of competitive advantage .....              | 3.7   | 52        |
| 11.05 Value chain breadth .....                          | 3.4   | 110       |
| 11.06 Control of international distribution .....        | 3.7   | 83        |
| 11.07 Production process sophistication .....            | 3.5   | 96        |
| 11.08 Extent of marketing .....                          | 4.0   | 94        |
| 11.09 Willingness to delegate authority .....            | 3.5   | 96        |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 3.7   | 96        |
| 12.02 Quality of scientific research institutions .....  | 2.8   | 121       |
| 12.03 Company spending on R&D .....                      | 3.4   | 52        |
| 12.04 University-industry collaboration in R&D .....     | 2.9   | 117       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.8   | <b>36</b> |
| 12.06 Availability of scientists and engineers .....     | 3.2   | 119       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119       |

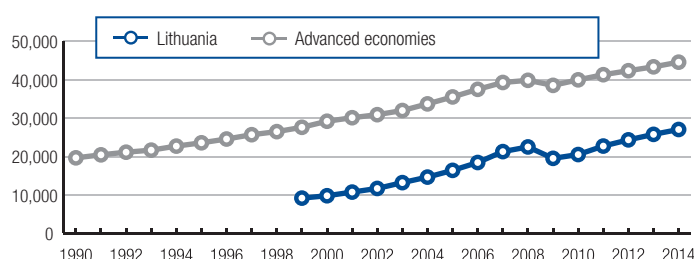
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Lithuania

## Key indicators, 2014

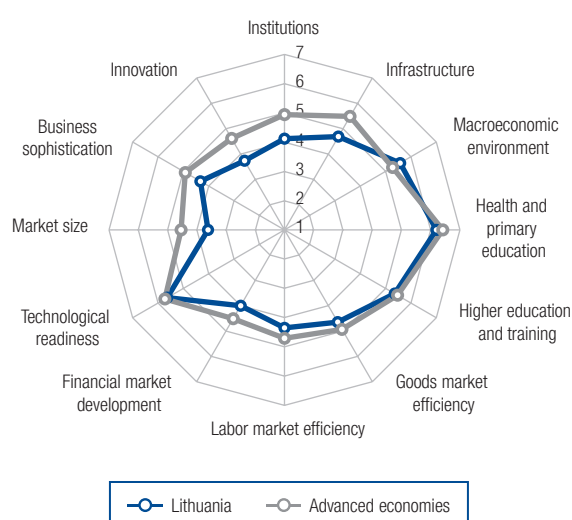
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 2.9    |
| GDP (US\$ billions).....                   | 48.2   |
| GDP per capita (US\$).....                 | 16,386 |
| GDP (PPP) as share (%) of world total..... | 0.07   |

GDP (PPP) per capita (int'l \$), 1990–2014

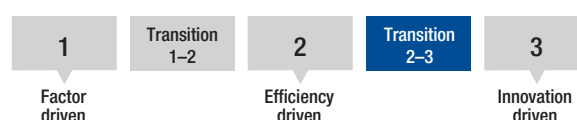


## Global Competitiveness Index

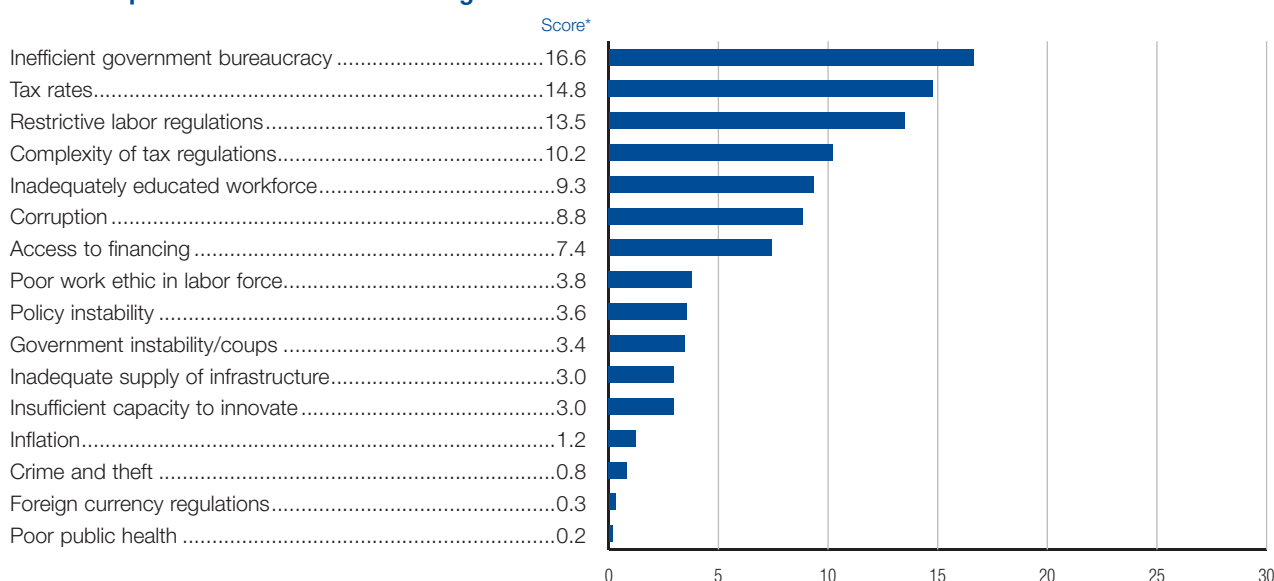
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>36</b>            | <b>4.5</b>     |
| GCI 2014–2015 (out of 144).....                            | 41                   | 4.5            |
| GCI 2013–2014 (out of 148).....                            | 48                   | 4.4            |
| GCI 2012–2013 (out of 144).....                            | 45                   | 4.4            |
| <b>Basic requirements (21.5%)</b> .....                    | <b>35</b>            | <b>5.1</b>     |
| 1st pillar: Institutions.....                              | 53                   | 4.1            |
| 2nd pillar: Infrastructure.....                            | 42                   | 4.7            |
| 3rd pillar: Macroeconomic environment.....                 | 30                   | 5.6            |
| 4th pillar: Health and primary education.....              | 36                   | 6.2            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>36</b>            | <b>4.6</b>     |
| 5th pillar: Higher education and training.....             | 24                   | 5.3            |
| 6th pillar: Goods market efficiency.....                   | 36                   | 4.6            |
| 7th pillar: Labor market efficiency.....                   | 53                   | 4.3            |
| 8th pillar: Financial market development.....              | 57                   | 4.0            |
| 9th pillar: Technological readiness.....                   | 22                   | 5.6            |
| 10th pillar: Market size.....                              | 78                   | 3.6            |
| <b>Innovation and sophistication factors (28.5%)</b> ..... | <b>37</b>            | <b>4.0</b>     |
| 11th pillar: Business sophistication.....                  | 39                   | 4.3            |
| 12th pillar: Innovation.....                               | 36                   | 3.7            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Lithuania

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE       | RANK/140  |
|---------------------------------------------------------------|-------------|-----------|
| <b>1st pillar: Institutions</b>                               |             |           |
| 1.01 Property rights .....                                    | 4.3 .....   | 65        |
| 1.02 Intellectual property protection .....                   | 4.1 .....   | 55        |
| 1.03 Diversion of public funds .....                          | 3.5 .....   | 63        |
| 1.04 Public trust in politicians .....                        | 3.0 .....   | 67        |
| 1.05 Irregular payments and bribes .....                      | 4.7 .....   | 42        |
| 1.06 Judicial independence .....                              | 3.9 .....   | 68        |
| 1.07 Favoritism in decisions of government officials .....    | 3.2 .....   | 64        |
| 1.08 Wastefulness of government spending .....                | 2.8 .....   | 92        |
| 1.09 Burden of government regulation .....                    | 3.1 .....   | 103       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.7 .....   | 67        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.1 .....   | 93        |
| 1.12 Transparency of government policymaking .....            | 4.5 .....   | <b>35</b> |
| 1.13 Business costs of terrorism .....                        | 5.4 .....   | 67        |
| 1.14 Business costs of crime and violence .....               | 5.0 .....   | 53        |
| 1.15 Organized crime .....                                    | 5.2 .....   | 53        |
| 1.16 Reliability of police services .....                     | 4.3 .....   | 69        |
| 1.17 Ethical behavior of firms .....                          | 4.4 .....   | 39        |
| 1.18 Strength of auditing and reporting standards .....       | 5.0 .....   | 47        |
| 1.19 Efficacy of corporate boards .....                       | 5.4 .....   | <b>28</b> |
| 1.20 Protection of minority shareholders' interests .....     | 3.8 .....   | 85        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.5 .....   | 74        |
| <b>2nd pillar: Infrastructure</b>                             |             |           |
| 2.01 Quality of overall infrastructure .....                  | 4.9 .....   | <b>30</b> |
| 2.02 Quality of roads .....                                   | 5.0 .....   | <b>33</b> |
| 2.03 Quality of railroad infrastructure .....                 | 4.4 .....   | 23        |
| 2.04 Quality of port infrastructure .....                     | 4.9 .....   | 38        |
| 2.05 Quality of air transport infrastructure .....            | 4.1 .....   | 81        |
| 2.06 Available airline seat km/week, millions* .....          | 60.8 .....  | 95        |
| 2.07 Quality of electricity supply .....                      | 5.6 .....   | 44        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 147.0 ..... | <b>29</b> |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 19.5 .....  | 55        |
| <b>3rd pillar: Macroeconomic environment</b>                  |             |           |
| 3.01 Government budget balance, % GDP* .....                  | –0.7 .....  | <b>29</b> |
| 3.02 Gross national savings, % GDP* .....                     | 17.5 .....  | 90        |
| 3.03 Inflation, annual % change* .....                        | 0.2 .....   | 58        |
| 3.04 General government debt, % GDP* .....                    | 37.7 .....  | 58        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 67.4 .....  | 39        |
| <b>4th pillar: Health and primary education</b>               |             |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L. ....   | n/a       |
| 4.02 Business impact of malaria .....                         | N/Apl. .... | n/a       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 65.0 .....  | 77        |
| 4.04 Business impact of tuberculosis .....                    | 5.6 .....   | 71        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1 .....   | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 6.2 .....   | <b>34</b> |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 4.0 .....   | <b>31</b> |
| 4.08 Life expectancy, years* .....                            | 74.2 .....  | 72        |
| 4.09 Quality of primary education .....                       | 5.0 .....   | <b>22</b> |
| 4.10 Primary education enrollment, net %* .....               | 95.3 .....  | 57        |
| <b>5th pillar: Higher education and training</b>              |             |           |
| 5.01 Secondary education enrollment, gross %* .....           | 105.9 ..... | <b>21</b> |
| 5.02 Tertiary education enrollment, gross %* .....            | 73.9 .....  | <b>21</b> |
| 5.03 Quality of the education system .....                    | 4.0 .....   | 53        |
| 5.04 Quality of math and science education .....              | 5.1 .....   | <b>20</b> |
| 5.05 Quality of management schools .....                      | 4.4 .....   | 53        |
| 5.06 Internet access in schools .....                         | 6.0 .....   | <b>11</b> |
| 5.07 Availability of specialized training services .....      | 4.9 .....   | <b>29</b> |
| 5.08 Extent of staff training .....                           | 4.4 .....   | <b>35</b> |
| <b>6th pillar: Goods market efficiency</b>                    |             |           |
| 6.01 Intensity of local competition .....                     | 5.6 .....   | <b>18</b> |
| 6.02 Extent of market dominance .....                         | 3.7 .....   | 68        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.0 .....   | 54        |
| 6.04 Effect of taxation on incentives to invest .....         | 3.5 .....   | 83        |
| 6.05 Total tax rate, % profits* .....                         | 42.6 .....  | 91        |

| INDICATOR                                                   | VALUE       | RANK/140  |
|-------------------------------------------------------------|-------------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |             |           |
| 6.06 No. procedures to start a business* .....              | 3 .....     | <b>9</b>  |
| 6.07 No. days to start a business* .....                    | 3.5 .....   | <b>9</b>  |
| 6.08 Agricultural policy costs .....                        | 3.8 .....   | 64        |
| 6.09 Prevalence of non-tariff barriers .....                | 4.1 .....   | 93        |
| 6.10 Trade tariffs, % duty* .....                           | 1.2 .....   | <b>5</b>  |
| 6.11 Prevalence of foreign ownership .....                  | 4.4 .....   | 80        |
| 6.12 Business impact of rules on FDI .....                  | 4.4 .....   | 81        |
| 6.13 Burden of customs procedures .....                     | 4.5 .....   | 42        |
| 6.14 Imports as a percentage of GDP* .....                  | 84.7 .....  | <b>18</b> |
| 6.15 Degree of customer orientation .....                   | 5.1 .....   | <b>32</b> |
| 6.16 Buyer sophistication .....                             | 3.2 .....   | 83        |
| <b>7th pillar: Labor market efficiency</b>                  |             |           |
| 7.01 Cooperation in labor-employer relations .....          | 4.3 .....   | 72        |
| 7.02 Flexibility of wage determination .....                | 5.8 .....   | <b>11</b> |
| 7.03 Hiring and firing practices .....                      | 3.1 .....   | 120       |
| 7.04 Redundancy costs, weeks of salary* .....               | 24.6 .....  | 109       |
| 7.05 Effect of taxation on incentives to work .....         | 3.0 .....   | 123       |
| 7.06 Pay and productivity .....                             | 4.5 .....   | <b>27</b> |
| 7.07 Reliance on professional management .....              | 4.5 .....   | 47        |
| 7.08 Country capacity to retain talent .....                | 2.8 .....   | 108       |
| 7.09 Country capacity to attract talent .....               | 2.6 .....   | 116       |
| 7.10 Women in labor force, ratio to men* .....              | 0.94 .....  | <b>15</b> |
| <b>8th pillar: Financial market development</b>             |             |           |
| 8.01 Availability of financial services .....               | 4.9 .....   | 44        |
| 8.02 Affordability of financial services .....              | 4.9 .....   | 38        |
| 8.03 Financing through local equity market .....            | 3.5 .....   | 71        |
| 8.04 Ease of access to loans .....                          | 2.6 .....   | 91        |
| 8.05 Venture capital availability .....                     | 3.0 .....   | 48        |
| 8.06 Soundness of banks .....                               | 4.6 .....   | 84        |
| 8.07 Regulation of securities exchanges .....               | 4.1 .....   | 76        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 6 .....     | 44        |
| <b>9th pillar: Technological readiness</b>                  |             |           |
| 9.01 Availability of latest technologies .....              | 5.8 .....   | <b>28</b> |
| 9.02 Firm-level technology absorption .....                 | 5.4 .....   | <b>32</b> |
| 9.03 FDI and technology transfer .....                      | 5.3 .....   | <b>9</b>  |
| 9.04 Individuals using Internet, %* .....                   | 72.1 .....  | 37        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 31.5 .....  | <b>17</b> |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 125.5 ..... | <b>23</b> |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 58.6 .....  | 47        |
| <b>10th pillar: Market size</b>                             |             |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 3.3 .....   | 81        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.6 .....   | 65        |
| 10.03 GDP (PPP\$ billions)* .....                           | 79.6 .....  | 78        |
| 10.04 Exports as a percentage of GDP* .....                 | 83.3 .....  | <b>17</b> |
| <b>11th pillar: Business sophistication</b>                 |             |           |
| 11.01 Local supplier quantity .....                         | 5.2 .....   | <b>16</b> |
| 11.02 Local supplier quality .....                          | 5.1 .....   | <b>30</b> |
| 11.03 State of cluster development .....                    | 3.5 .....   | 87        |
| 11.04 Nature of competitive advantage .....                 | 3.5 .....   | 64        |
| 11.05 Value chain breadth .....                             | 4.2 .....   | 37        |
| 11.06 Control of international distribution .....           | 4.3 .....   | <b>30</b> |
| 11.07 Production process sophistication .....               | 4.5 .....   | 37        |
| 11.08 Extent of marketing .....                             | 4.7 .....   | 37        |
| 11.09 Willingness to delegate authority .....               | 3.8 .....   | 65        |
| <b>12th pillar: Innovation</b>                              |             |           |
| 12.01 Capacity for innovation .....                         | 4.6 .....   | <b>31</b> |
| 12.02 Quality of scientific research institutions .....     | 4.7 .....   | <b>32</b> |
| 12.03 Company spending on R&D .....                         | 3.5 .....   | 46        |
| 12.04 University-industry collaboration in R&D .....        | 4.6 .....   | <b>27</b> |
| 12.05 Gov't procurement of advanced tech products .....     | 3.1 .....   | 93        |
| 12.06 Availability of scientists and engineers .....        | 4.1 .....   | 61        |
| 12.07 PCT patents, applications/million pop.* .....         | 10.8 .....  | <b>34</b> |

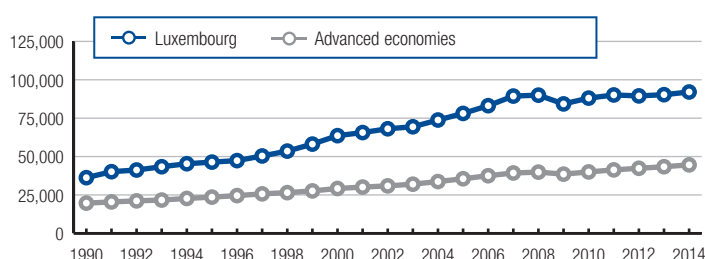
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Luxembourg

## Key indicators, 2014

|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 0.6     |
| GDP (US\$ billions).....                   | 62.4    |
| GDP per capita (US\$).....                 | 111,716 |
| GDP (PPP) as share (%) of world total..... | 0.05    |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>20</b>            | <b>5.2</b>     |
| GCI 2014–2015 (out of 144)..... | 19                   | 5.2            |
| GCI 2013–2014 (out of 148)..... | 22                   | 5.1            |
| GCI 2012–2013 (out of 144)..... | 22                   | 5.1            |

### Basic requirements (20.0%).....9.....6.0

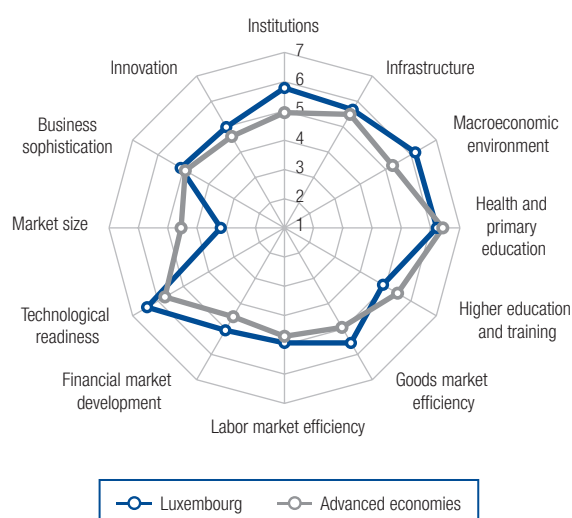
|                                               |    |     |
|-----------------------------------------------|----|-----|
| 1st pillar: Institutions.....                 | 6  | 5.8 |
| 2nd pillar: Infrastructure.....               | 17 | 5.7 |
| 3rd pillar: Macroeconomic environment.....    | 14 | 6.2 |
| 4th pillar: Health and primary education..... | 34 | 6.2 |

### Efficiency enhancers (50.0%).....23.....5.0

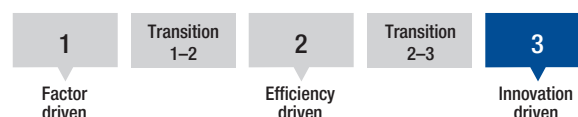
|                                                |    |     |
|------------------------------------------------|----|-----|
| 5th pillar: Higher education and training..... | 40 | 4.9 |
| 6th pillar: Goods market efficiency.....       | 4  | 5.5 |
| 7th pillar: Labor market efficiency.....       | 16 | 4.9 |
| 8th pillar: Financial market development.....  | 11 | 5.0 |
| 9th pillar: Technological readiness.....       | 1  | 6.4 |
| 10th pillar: Market size.....                  | 95 | 3.2 |

### Innovation and sophistication factors (30.0%).....18.....5.0

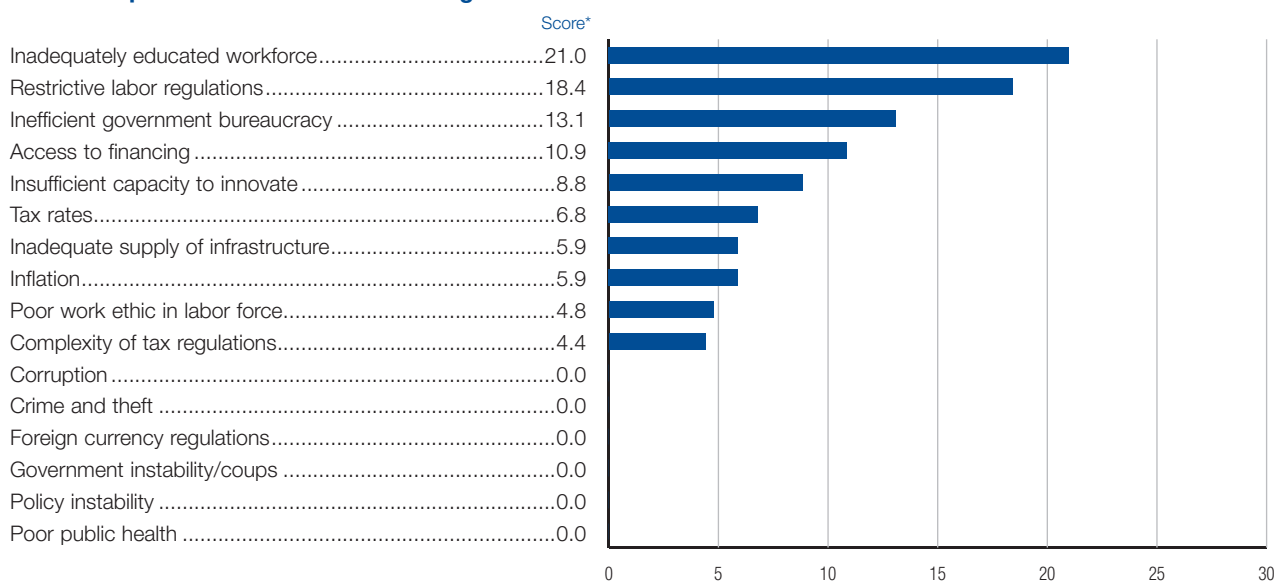
|                                           |    |     |
|-------------------------------------------|----|-----|
| 11th pillar: Business sophistication..... | 19 | 5.1 |
| 12th pillar: Innovation.....              | 15 | 5.0 |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Luxembourg

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 6.2    | 5        |
| 1.02 Intellectual property protection .....                   | 6.3    | 2        |
| 1.03 Diversion of public funds .....                          | 6.1    | 3        |
| 1.04 Public trust in politicians .....                        | 5.6    | 6        |
| 1.05 Irregular payments and bribes .....                      | 6.4    | 8        |
| 1.06 Judicial independence .....                              | 6.2    | 9        |
| 1.07 Favoritism in decisions of government officials .....    | 4.9    | 12       |
| 1.08 Wastefulness of government spending .....                | 4.5    | 16       |
| 1.09 Burden of government regulation .....                    | 4.4    | 12       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.5    | 9        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.4    | 8        |
| 1.12 Transparency of government policymaking .....            | 5.9    | 4        |
| 1.13 Business costs of terrorism .....                        | 6.1    | 25       |
| 1.14 Business costs of crime and violence .....               | 6.0    | 11       |
| 1.15 Organized crime .....                                    | 6.2    | 15       |
| 1.16 Reliability of police services .....                     | 6.1    | 9        |
| 1.17 Ethical behavior of firms .....                          | 6.0    | 7        |
| 1.18 Strength of auditing and reporting standards .....       | 6.1    | 8        |
| 1.19 Efficacy of corporate boards .....                       | 6.1    | 4        |
| 1.20 Protection of minority shareholders' interests .....     | 5.5    | 7        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.7    | 100      |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 5.6    | 17       |
| 2.02 Quality of roads .....                                   | 5.6    | 20       |
| 2.03 Quality of railroad infrastructure .....                 | 5.1    | 14       |
| 2.04 Quality of port infrastructure .....                     | 4.7    | 44       |
| 2.05 Quality of air transport infrastructure .....            | 5.4    | 30       |
| 2.06 Available airline seat km/week, millions* .....          | 31.7   | 109      |
| 2.07 Quality of electricity supply .....                      | 6.6    | 12       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 148.4  | 25       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 49.6   | 11       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | 0.5    | 15       |
| 3.02 Gross national savings, % GDP* .....                     | 21.1   | 65       |
| 3.03 Inflation, annual % change* .....                        | 0.7    | 1        |
| 3.04 General government debt, % GDP* .....                    | 24.6   | 21       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 92.8   | 8        |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 8.7    | 25       |
| 4.04 Business impact of tuberculosis .....                    | 6.7    | 15       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.3    | 63       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.5    | 21       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 1.6    | 1        |
| 4.08 Life expectancy, years* .....                            | 81.8   | 11       |
| 4.09 Quality of primary education .....                       | 5.0    | 23       |
| 4.10 Primary education enrollment, net %* .....               | 92.3   | 79       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 100.0  | 34       |
| 5.02 Tertiary education enrollment, gross %* .....            | 19.7   | 92       |
| 5.03 Quality of the education system .....                    | 4.7    | 23       |
| 5.04 Quality of math and science education .....              | 4.8    | 32       |
| 5.05 Quality of management schools .....                      | 4.9    | 34       |
| 5.06 Internet access in schools .....                         | 5.6    | 24       |
| 5.07 Availability of specialized training services .....      | 5.2    | 22       |
| 5.08 Extent of staff training .....                           | 5.5    | 2        |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.1    | 61       |
| 6.02 Extent of market dominance .....                         | 4.8    | 17       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.3    | 8        |
| 6.04 Effect of taxation on incentives to invest .....         | 5.3    | 7        |
| 6.05 Total tax rate, % profits* .....                         | 20.2   | 12       |

| INDICATOR                                                   | VALUE   | RANK/140 |
|-------------------------------------------------------------|---------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |          |
| 6.06 No. procedures to start a business* .....              | 6       | 57       |
| 6.07 No. days to start a business* .....                    | 18.5    | 92       |
| 6.08 Agricultural policy costs .....                        | 5.1     | 4        |
| 6.09 Prevalence of non-tariff barriers .....                | 5.0     | 11       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2     | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 6.3     | 2        |
| 6.12 Business impact of rules on FDI .....                  | 5.9     | 4        |
| 6.13 Burden of customs procedures .....                     | 5.6     | 7        |
| 6.14 Imports as a percentage of GDP* .....                  | 149.9   | 4        |
| 6.15 Degree of customer orientation .....                   | 5.7     | 10       |
| 6.16 Buyer sophistication .....                             | 4.8     | 6        |
| <b>7th pillar: Labor market efficiency</b>                  |         |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.6     | 10       |
| 7.02 Flexibility of wage determination .....                | 4.7     | 94       |
| 7.03 Hiring and firing practices .....                      | 3.8     | 67       |
| 7.04 Redundancy costs, weeks of salary* .....               | 21.7    | 98       |
| 7.05 Effect of taxation on incentives to work .....         | 5.1     | 10       |
| 7.06 Pay and productivity .....                             | 4.5     | 26       |
| 7.07 Reliance on professional management .....              | 5.6     | 17       |
| 7.08 Country capacity to retain talent .....                | 5.0     | 12       |
| 7.09 Country capacity to attract talent .....               | 5.5     | 7        |
| 7.10 Women in labor force, ratio to men* .....              | 0.83    | 64       |
| <b>8th pillar: Financial market development</b>             |         |          |
| 8.01 Availability of financial services .....               | 6.3     | 2        |
| 8.02 Affordability of financial services .....              | 6.1     | 2        |
| 8.03 Financing through local equity market .....            | 4.9     | 16       |
| 8.04 Ease of access to loans .....                          | 4.4     | 6        |
| 8.05 Venture capital availability .....                     | 4.3     | 8        |
| 8.06 Soundness of banks .....                               | 6.1     | 12       |
| 8.07 Regulation of securities exchanges .....               | 6.0     | 5        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 3       | 93       |
| <b>9th pillar: Technological readiness</b>                  |         |          |
| 9.01 Availability of latest technologies .....              | 6.2     | 14       |
| 9.02 Firm-level technology absorption .....                 | 6.0     | 8        |
| 9.03 FDI and technology transfer .....                      | 5.5     | 7        |
| 9.04 Individuals using Internet, %* .....                   | 94.7    | 4        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 33.3    | 14       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 6,887.7 | 1        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 111.3   | 11       |
| <b>10th pillar: Market size</b>                             |         |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 2.6     | 111      |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.9     | 56       |
| 10.03 GDP (PPP\$ billions)* .....                           | 51.4    | 92       |
| 10.04 Exports as a percentage of GDP* .....                 | 188.6   | 2        |
| <b>11th pillar: Business sophistication</b>                 |         |          |
| 11.01 Local supplier quantity .....                         | 4.0     | 109      |
| 11.02 Local supplier quality .....                          | 5.4     | 17       |
| 11.03 State of cluster development .....                    | 5.1     | 14       |
| 11.04 Nature of competitive advantage .....                 | 5.8     | 13       |
| 11.05 Value chain breadth .....                             | 4.9     | 23       |
| 11.06 Control of international distribution .....           | 4.4     | 25       |
| 11.07 Production process sophistication .....               | 5.7     | 15       |
| 11.08 Extent of marketing .....                             | 5.3     | 16       |
| 11.09 Willingness to delegate authority .....               | 5.0     | 14       |
| <b>12th pillar: Innovation</b>                              |         |          |
| 12.01 Capacity for innovation .....                         | 5.4     | 9        |
| 12.02 Quality of scientific research institutions .....     | 5.1     | 24       |
| 12.03 Company spending on R&D .....                         | 5.0     | 12       |
| 12.04 University-industry collaboration in R&D .....        | 4.9     | 18       |
| 12.05 Gov't procurement of advanced tech products .....     | 4.7     | 5        |
| 12.06 Availability of scientists and engineers .....        | 4.2     | 52       |
| 12.07 PCT patents, applications/million pop.* .....         | 131.3   | 13       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

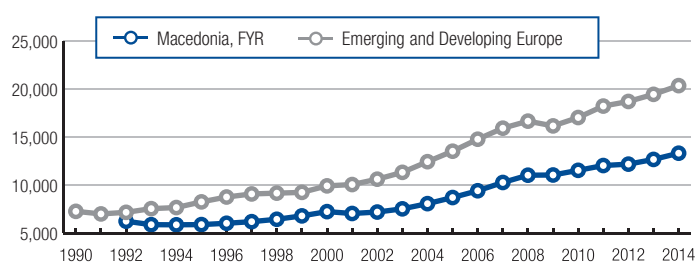


# Macedonia, FYR

## Key indicators, 2014

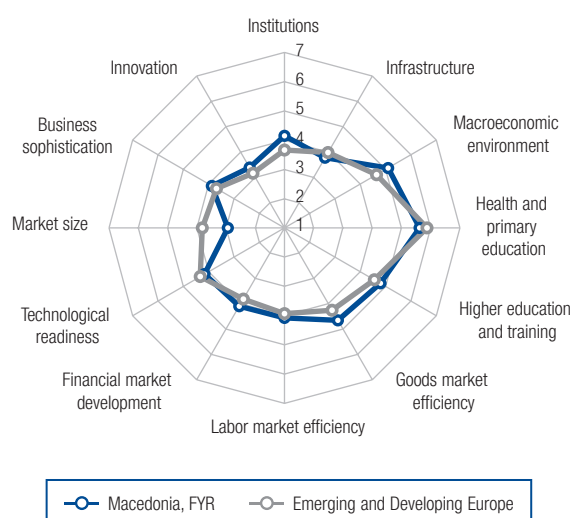
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 2.1   |
| GDP (US\$ billions).....                   | 11.3  |
| GDP per capita (US\$).....                 | 5,481 |
| GDP (PPP) as share (%) of world total..... | 0.03  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

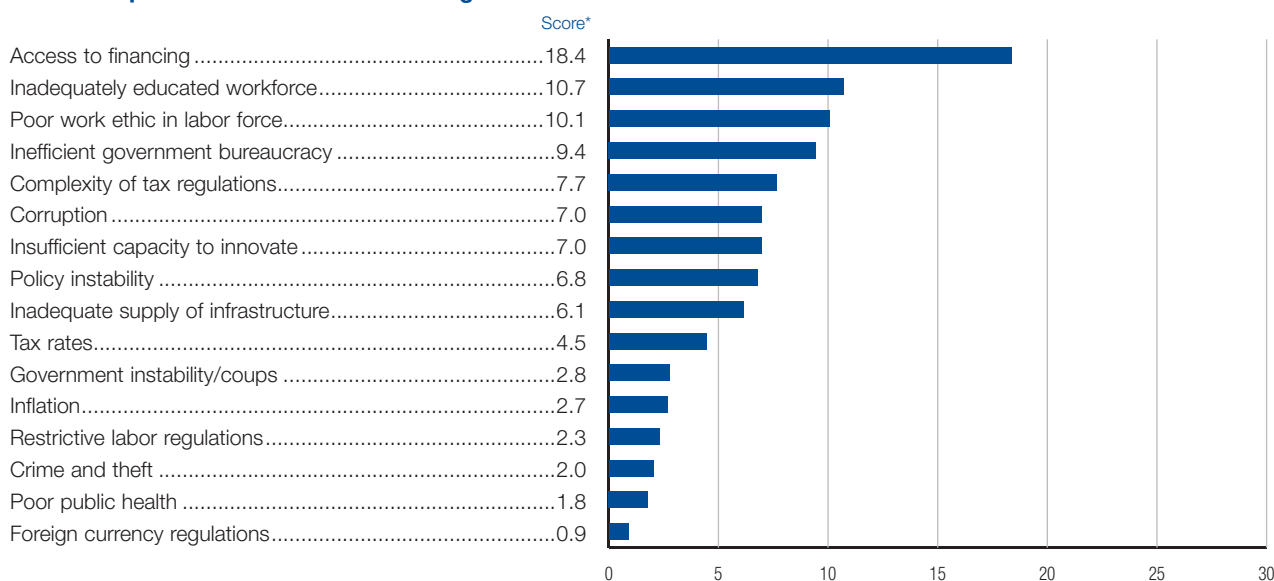
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>60</b>            | <b>4.3</b>     |
| GCI 2014–2015 (out of 144).....                            | 63                   | 4.3            |
| GCI 2013–2014 (out of 148).....                            | 73                   | 4.1            |
| GCI 2012–2013 (out of 144).....                            | 80                   | 4.0            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>60</b>            | <b>4.7</b>     |
| 1st pillar: Institutions.....                              | 52                   | 4.1            |
| 2nd pillar: Infrastructure.....                            | 78                   | 3.8            |
| 3rd pillar: Macroeconomic environment.....                 | 47                   | 5.1            |
| 4th pillar: Health and primary education.....              | 76                   | 5.6            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>64</b>            | <b>4.1</b>     |
| 5th pillar: Higher education and training.....             | 46                   | 4.8            |
| 6th pillar: Goods market efficiency.....                   | 33                   | 4.6            |
| 7th pillar: Labor market efficiency.....                   | 84                   | 4.1            |
| 8th pillar: Financial market development.....              | 52                   | 4.1            |
| 9th pillar: Technological readiness.....                   | 63                   | 4.2            |
| 10th pillar: Market size.....                              | 108                  | 2.9            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>62</b>            | <b>3.6</b>     |
| 11th pillar: Business sophistication.....                  | 72                   | 3.9            |
| 12th pillar: Innovation.....                               | 58                   | 3.4            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Macedonia, FYR

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.4    | 56       |
| 1.02 Intellectual property protection .....                   | 4.0    | 64       |
| 1.03 Diversion of public funds .....                          | 3.9    | 47       |
| 1.04 Public trust in politicians .....                        | 3.1    | 58       |
| 1.05 Irregular payments and bribes .....                      | 5.1    | 33       |
| 1.06 Judicial independence .....                              | 3.3    | 98       |
| 1.07 Favoritism in decisions of government officials .....    | 3.3    | 60       |
| 1.08 Wastefulness of government spending .....                | 3.8    | 31       |
| 1.09 Burden of government regulation .....                    | 3.9    | 35       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.9    | 58       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.2    | 88       |
| 1.12 Transparency of government policymaking .....            | 4.6    | 32       |
| 1.13 Business costs of terrorism .....                        | 5.4    | 68       |
| 1.14 Business costs of crime and violence .....               | 4.9    | 59       |
| 1.15 Organized crime .....                                    | 4.7    | 79       |
| 1.16 Reliability of police services .....                     | 4.5    | 52       |
| 1.17 Ethical behavior of firms .....                          | 4.2    | 47       |
| 1.18 Strength of auditing and reporting standards .....       | 4.6    | 64       |
| 1.19 Efficacy of corporate boards .....                       | 4.8    | 62       |
| 1.20 Protection of minority shareholders' interests .....     | 4.1    | 73       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.7    | 21       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 3.9    | 77       |
| 2.02 Quality of roads .....                                   | 3.5    | 88       |
| 2.03 Quality of railroad infrastructure .....                 | 2.2    | 85       |
| 2.04 Quality of port infrastructure .....                     | 3.6    | 91       |
| 2.05 Quality of air transport infrastructure .....            | 4.8    | 50       |
| 2.06 Available airline seat km/week, millions* .....          | 20.2   | 121      |
| 2.07 Quality of electricity supply .....                      | 4.8    | 66       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 109.1  | 79       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 18.6   | 61       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | −4.2   | 97       |
| 3.02 Gross national savings, % GDP* .....                     | 29.2   | 27       |
| 3.03 Inflation, annual % change* .....                        | −0.1   | 69       |
| 3.04 General government debt, % GDP* .....                    | 38.0   | 60       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 40.4   | 75       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 17.0   | 38       |
| 4.04 Business impact of tuberculosis .....                    | 5.9    | 60       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | 51       |
| 4.06 Business impact of HIV/AIDS .....                        | 5.9    | 54       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 5.8    | 40       |
| 4.08 Life expectancy, years* .....                            | 75.2   | 55       |
| 4.09 Quality of primary education .....                       | 4.2    | 58       |
| 4.10 Primary education enrollment, net %* .....               | 86.5   | 113      |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 82.8   | 87       |
| 5.02 Tertiary education enrollment, gross %* .....            | n/a    | n/a      |
| 5.03 Quality of the education system .....                    | 3.8    | 61       |
| 5.04 Quality of math and science education .....              | 4.3    | 60       |
| 5.05 Quality of management schools .....                      | 4.0    | 81       |
| 5.06 Internet access in schools .....                         | 5.2    | 35       |
| 5.07 Availability of specialized training services .....      | 4.0    | 83       |
| 5.08 Extent of staff training .....                           | 3.7    | 96       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.5    | 31       |
| 6.02 Extent of market dominance .....                         | 3.7    | 67       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.0    | 57       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.6    | 21       |
| 6.05 Total tax rate, % profits* .....                         | 7.4    | 1        |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 2     | 3        |
| 6.07 No. days to start a business* .....                    | 2.0   | 2        |
| 6.08 Agricultural policy costs .....                        | 4.3   | 28       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.3   | 66       |
| 6.10 Trade tariffs, % duty* .....                           | 5.2   | 71       |
| 6.11 Prevalence of foreign ownership .....                  | 4.1   | 100      |
| 6.12 Business impact of rules on FDI .....                  | 5.3   | 15       |
| 6.13 Burden of customs procedures .....                     | 4.6   | 36       |
| 6.14 Imports as a percentage of GDP* .....                  | 74.7  | 28       |
| 6.15 Degree of customer orientation .....                   | 4.9   | 44       |
| 6.16 Buyer sophistication .....                             | 2.6   | 125      |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.4   | 58       |
| 7.02 Flexibility of wage determination .....                | 4.7   | 91       |
| 7.03 Hiring and firing practices .....                      | 4.6   | 16       |
| 7.04 Redundancy costs, weeks of salary* .....               | 13.0  | 51       |
| 7.05 Effect of taxation on incentives to work .....         | 4.3   | 28       |
| 7.06 Pay and productivity .....                             | 4.4   | 34       |
| 7.07 Reliance on professional management .....              | 3.7   | 102      |
| 7.08 Country capacity to retain talent .....                | 2.4   | 129      |
| 7.09 Country capacity to attract talent .....               | 2.1   | 133      |
| 7.10 Women in labor force, ratio to men* .....              | 0.66  | 103      |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.3   | 74       |
| 8.02 Affordability of financial services .....              | 4.3   | 52       |
| 8.03 Financing through local equity market .....            | 3.3   | 84       |
| 8.04 Ease of access to loans .....                          | 3.0   | 56       |
| 8.05 Venture capital availability .....                     | 2.9   | 49       |
| 8.06 Soundness of banks .....                               | 5.5   | 45       |
| 8.07 Regulation of securities exchanges .....               | 4.4   | 60       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 6     | 44       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 5.0   | 52       |
| 9.02 Firm-level technology absorption .....                 | 4.2   | 105      |
| 9.03 FDI and technology transfer .....                      | 4.4   | 76       |
| 9.04 Individuals using Internet, %* .....                   | 68.1  | 44       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 16.2  | 49       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 41.8  | 63       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 47.7  | 60       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 2.6   | 110      |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 3.9   | 100      |
| 10.03 GDP (PPP\$ billions)* .....                           | 27.6  | 111      |
| 10.04 Exports as a percentage of GDP* .....                 | 58.4  | 30       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.9   | 33       |
| 11.02 Local supplier quality .....                          | 4.5   | 47       |
| 11.03 State of cluster development .....                    | 3.7   | 73       |
| 11.04 Nature of competitive advantage .....                 | 2.7   | 123      |
| 11.05 Value chain breadth .....                             | 3.8   | 62       |
| 11.06 Control of international distribution .....           | 3.8   | 63       |
| 11.07 Production process sophistication .....               | 3.9   | 63       |
| 11.08 Extent of marketing .....                             | 4.2   | 77       |
| 11.09 Willingness to delegate authority .....               | 3.3   | 113      |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 3.7   | 91       |
| 12.02 Quality of scientific research institutions .....     | 3.9   | 59       |
| 12.03 Company spending on R&D .....                         | 3.3   | 62       |
| 12.04 University-industry collaboration in R&D .....        | 3.7   | 60       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.9   | 22       |
| 12.06 Availability of scientists and engineers .....        | 3.8   | 86       |
| 12.07 PCT patents, applications/million pop.* .....         | 0.6   | 79       |

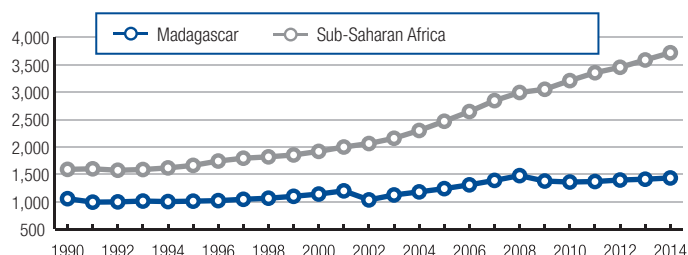
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Madagascar

## Key indicators, 2014

|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 23.6 |
| GDP (US\$ billions).....                   | 10.6 |
| GDP per capita (US\$).....                 | 449  |
| GDP (PPP) as share (%) of world total..... | 0.03 |

GDP (PPP) per capita (int'l \$), 1990–2014



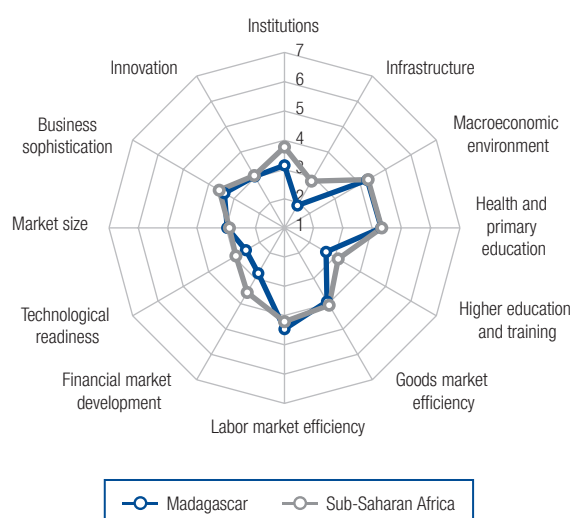
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>130</b>           | <b>3.3</b>     |
| GCI 2014–2015 (out of 144)..... | 130                  | 3.4            |
| GCI 2013–2014 (out of 148)..... | 132                  | 3.4            |
| GCI 2012–2013 (out of 144)..... | 130                  | 3.4            |

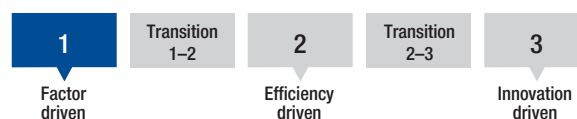
|                                               |            |            |
|-----------------------------------------------|------------|------------|
| <b>Basic requirements (60.0%)</b> .....       | <b>130</b> | <b>3.4</b> |
| 1st pillar: Institutions.....                 | 129        | 3.1        |
| 2nd pillar: Infrastructure.....               | 138        | 1.9        |
| 3rd pillar: Macroeconomic environment.....    | 101        | 4.3        |
| 4th pillar: Health and primary education..... | 123        | 4.3        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (35.0%)</b> .....      | <b>129</b> | <b>3.2</b> |
| 5th pillar: Higher education and training..... | 131        | 2.6        |
| 6th pillar: Goods market efficiency.....       | 119        | 3.9        |
| 7th pillar: Labor market efficiency.....       | 42         | 4.5        |
| 8th pillar: Financial market development.....  | 133        | 2.8        |
| 9th pillar: Technological readiness.....       | 129        | 2.5        |
| 10th pillar: Market size.....                  | 106        | 3.0        |

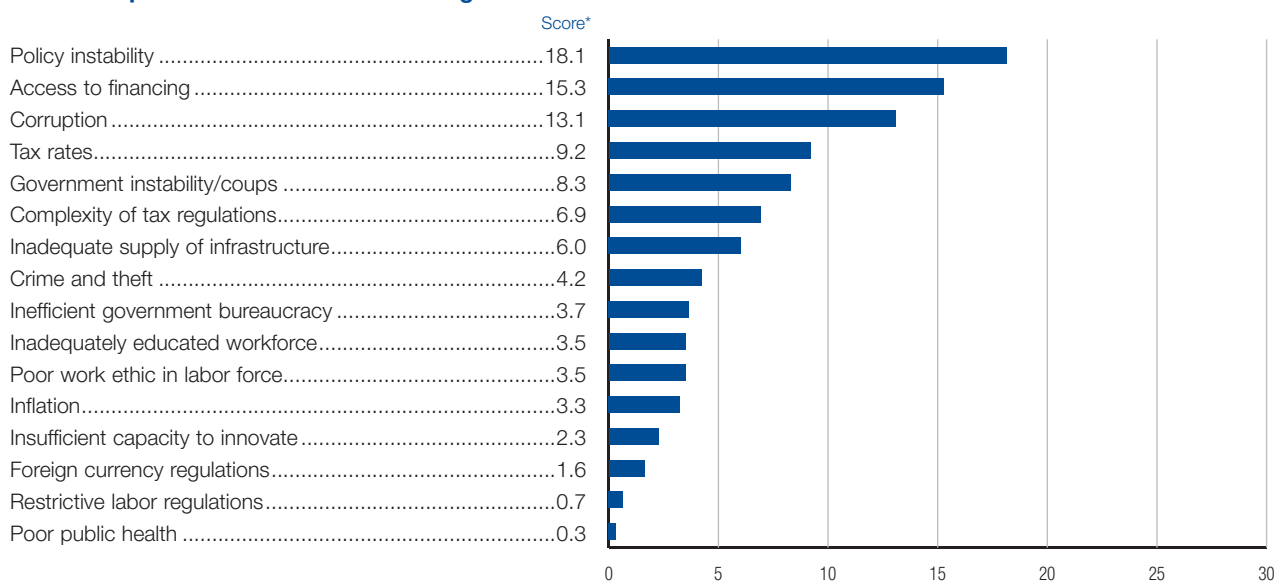
|                                                           |            |            |
|-----------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>116</b> | <b>3.2</b> |
| 11th pillar: Business sophistication.....                 | 119        | 3.4        |
| 12th pillar: Innovation.....                              | 106        | 3.0        |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Madagascar

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE         | RANK/140 |
|---------------------------------------------------------------|---------------|----------|
| <b>1st pillar: Institutions</b>                               |               |          |
| 1.01 Property rights .....                                    | 3.1 .....     | 129      |
| 1.02 Intellectual property protection .....                   | 3.0 .....     | 127      |
| 1.03 Diversion of public funds .....                          | 2.5 .....     | 117      |
| 1.04 Public trust in politicians .....                        | 2.2 .....     | 114      |
| 1.05 Irregular payments and bribes .....                      | 2.9 .....     | 123      |
| 1.06 Judicial independence .....                              | 2.5 .....     | 127      |
| 1.07 Favoritism in decisions of government officials .....    | 2.7 .....     | 95       |
| 1.08 Wastefulness of government spending .....                | 2.4 .....     | 115      |
| 1.09 Burden of government regulation .....                    | 3.2 .....     | 89       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.8 .....     | 123      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.4 .....     | 129      |
| 1.12 Transparency of government policymaking .....            | 2.9 .....     | 135      |
| 1.13 Business costs of terrorism .....                        | 4.8 .....     | 95       |
| 1.14 Business costs of crime and violence .....               | 3.8 .....     | 107      |
| 1.15 Organized crime .....                                    | 4.0 .....     | 111      |
| 1.16 Reliability of police services .....                     | 2.8 .....     | 128      |
| 1.17 Ethical behavior of firms .....                          | 3.5 .....     | 107      |
| 1.18 Strength of auditing and reporting standards .....       | 3.8 .....     | 118      |
| 1.19 Efficacy of corporate boards .....                       | 4.4 .....     | 89       |
| 1.20 Protection of minority shareholders' interests .....     | 3.0 .....     | 132      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.3 .....     | 81       |
| <b>2nd pillar: Infrastructure</b>                             |               |          |
| 2.01 Quality of overall infrastructure .....                  | 2.6 .....     | 129      |
| 2.02 Quality of roads .....                                   | 2.2 .....     | 139      |
| 2.03 Quality of railroad infrastructure .....                 | 1.7 .....     | 99       |
| 2.04 Quality of port infrastructure .....                     | 3.2 .....     | 104      |
| 2.05 Quality of air transport infrastructure .....            | 3.2 .....     | 119      |
| 2.06 Available airline seat km/week, millions* .....          | 40.3 .....    | 103      |
| 2.07 Quality of electricity supply .....                      | 1.9 .....     | 134      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 38.2 .....    | 137      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 1.1 .....     | 120      |
| <b>3rd pillar: Macroeconomic environment</b>                  |               |          |
| 3.01 Government budget balance, % GDP* .....                  | –2.4 .....    | 59       |
| 3.02 Gross national savings, % GDP* .....                     | 12.9 .....    | 114      |
| 3.03 Inflation, annual % change* .....                        | 6.1 .....     | 109      |
| 3.04 General government debt, % GDP* .....                    | 34.9 .....    | 49       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 15.8 .....    | 137      |
| <b>4th pillar: Health and primary education</b>               |               |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 5,831.2 ..... | 51       |
| 4.02 Business impact of malaria .....                         | 3.4 .....     | 64       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 233.0 .....   | 122      |
| 4.04 Business impact of tuberculosis .....                    | 4.4 .....     | 108      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.4 .....     | 74       |
| 4.06 Business impact of HIV/AIDS .....                        | 5.0 .....     | 85       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 39.6 .....    | 111      |
| 4.08 Life expectancy, years* .....                            | 64.7 .....    | 110      |
| 4.09 Quality of primary education .....                       | 2.9 .....     | 117      |
| 4.10 Primary education enrollment, net %* .....               | 77.1 .....    | 129      |
| <b>5th pillar: Higher education and training</b>              |               |          |
| 5.01 Secondary education enrollment, gross %* .....           | 38.4 .....    | 128      |
| 5.02 Tertiary education enrollment, gross %* .....            | 4.1 .....     | 129      |
| 5.03 Quality of the education system .....                    | 2.9 .....     | 115      |
| 5.04 Quality of math and science education .....              | 3.6 .....     | 91       |
| 5.05 Quality of management schools .....                      | 3.8 .....     | 96       |
| 5.06 Internet access in schools .....                         | 2.8 .....     | 126      |
| 5.07 Availability of specialized training services .....      | 3.3 .....     | 122      |
| 5.08 Extent of staff training .....                           | 3.6 .....     | 105      |
| <b>6th pillar: Goods market efficiency</b>                    |               |          |
| 6.01 Intensity of local competition .....                     | 4.6 .....     | 109      |
| 6.02 Extent of market dominance .....                         | 3.1 .....     | 118      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.1 .....     | 127      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.1 .....     | 110      |
| 6.05 Total tax rate, % profits* .....                         | 35.1 .....    | 62       |

| INDICATOR                                                | VALUE      | RANK/140 |
|----------------------------------------------------------|------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |            |          |
| 6.06 No. procedures to start a business* .....           | 4 .....    | 22       |
| 6.07 No. days to start a business* .....                 | 8.0 .....  | 42       |
| 6.08 Agricultural policy costs .....                     | 3.3 .....  | 114      |
| 6.09 Prevalence of non-tariff barriers .....             | 3.5 .....  | 130      |
| 6.10 Trade tariffs, % duty* .....                        | 7.5 .....  | 90       |
| 6.11 Prevalence of foreign ownership .....               | 4.1 .....  | 98       |
| 6.12 Business impact of rules on FDI .....               | 4.0 .....  | 104      |
| 6.13 Burden of customs procedures .....                  | 3.0 .....  | 130      |
| 6.14 Imports as a percentage of GDP* .....               | 42.0 ..... | 81       |
| 6.15 Degree of customer orientation .....                | 4.4 .....  | 80       |
| 6.16 Buyer sophistication .....                          | 2.3 .....  | 135      |
| <b>7th pillar: Labor market efficiency</b>               |            |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.2 .....  | 88       |
| 7.02 Flexibility of wage determination .....             | 4.9 .....  | 75       |
| 7.03 Hiring and firing practices .....                   | 3.8 .....  | 70       |
| 7.04 Redundancy costs, weeks of salary* .....            | 12.2 ..... | 49       |
| 7.05 Effect of taxation on incentives to work .....      | 3.5 .....  | 100      |
| 7.06 Pay and productivity .....                          | 3.7 .....  | 93       |
| 7.07 Reliance on professional management .....           | 3.8 .....  | 94       |
| 7.08 Country capacity to retain talent .....             | 3.0 .....  | 96       |
| 7.09 Country capacity to attract talent .....            | 3.2 .....  | 81       |
| 7.10 Women in labor force, ratio to men* .....           | 0.97 ..... | 8        |
| <b>8th pillar: Financial market development</b>          |            |          |
| 8.01 Availability of financial services .....            | 3.5 .....  | 127      |
| 8.02 Affordability of financial services .....           | 3.1 .....  | 132      |
| 8.03 Financing through local equity market .....         | 2.3 .....  | 129      |
| 8.04 Ease of access to loans .....                       | 2.7 .....  | 78       |
| 8.05 Venture capital availability .....                  | 2.6 .....  | 85       |
| 8.06 Soundness of banks .....                            | 4.0 .....  | 118      |
| 8.07 Regulation of securities exchanges .....            | 2.7 .....  | 132      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 1 .....    | 129      |
| <b>9th pillar: Technological readiness</b>               |            |          |
| 9.01 Availability of latest technologies .....           | 4.0 .....  | 114      |
| 9.02 Firm-level technology absorption .....              | 4.4 .....  | 87       |
| 9.03 FDI and technology transfer .....                   | 3.8 .....  | 111      |
| 9.04 Individuals using Internet, %* .....                | 3.7 .....  | 134      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.1 .....  | 129      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 0.3 .....  | 139      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 6.1 .....  | 123      |
| <b>10th pillar: Market size</b>                          |            |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.7 .....  | 100      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.6 .....  | 110      |
| 10.03 GDP (PPP\$ billions)* .....                        | 33.9 ..... | 104      |
| 10.04 Exports as a percentage of GDP* .....              | 29.9 ..... | 99       |
| <b>11th pillar: Business sophistication</b>              |            |          |
| 11.01 Local supplier quantity .....                      | 4.2 .....  | 91       |
| 11.02 Local supplier quality .....                       | 3.7 .....  | 112      |
| 11.03 State of cluster development .....                 | 3.0 .....  | 123      |
| 11.04 Nature of competitive advantage .....              | 2.5 .....  | 132      |
| 11.05 Value chain breadth .....                          | 3.3 .....  | 111      |
| 11.06 Control of international distribution .....        | 3.1 .....  | 128      |
| 11.07 Production process sophistication .....            | 2.9 .....  | 127      |
| 11.08 Extent of marketing .....                          | 3.8 .....  | 114      |
| 11.09 Willingness to delegate authority .....            | 3.6 .....  | 81       |
| <b>12th pillar: Innovation</b>                           |            |          |
| 12.01 Capacity for innovation .....                      | 3.8 .....  | 78       |
| 12.02 Quality of scientific research institutions .....  | 3.3 .....  | 101      |
| 12.03 Company spending on R&D .....                      | 2.9 .....  | 98       |
| 12.04 University-industry collaboration in R&D .....     | 3.3 .....  | 93       |
| 12.05 Gov't procurement of advanced tech products .....  | 2.8 .....  | 111      |
| 12.06 Availability of scientists and engineers .....     | 4.1 .....  | 58       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0 .....  | 106      |

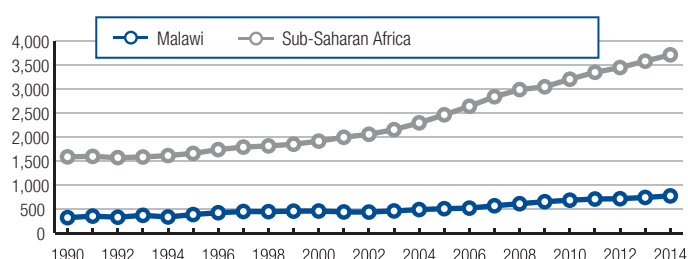
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Malawi

## Key indicators, 2014

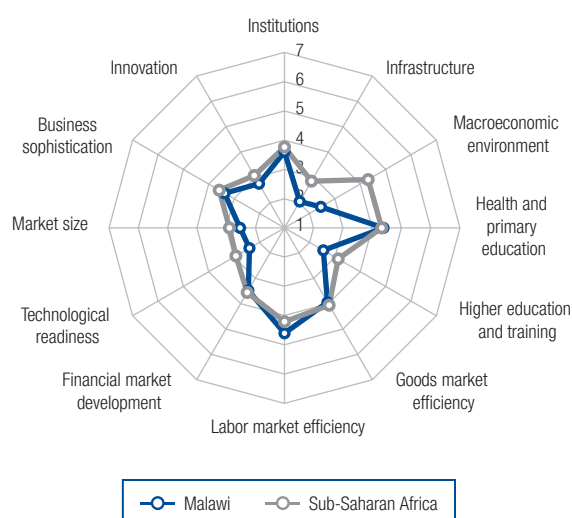
|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 17.6 |
| GDP (US\$ billions).....                   | 4.3  |
| GDP per capita (US\$).....                 | 242  |
| GDP (PPP) as share (%) of world total..... | 0.01 |

GDP (PPP) per capita (int'l \$), 1990–2014

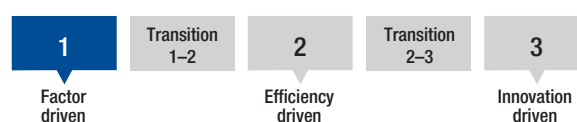


## Global Competitiveness Index

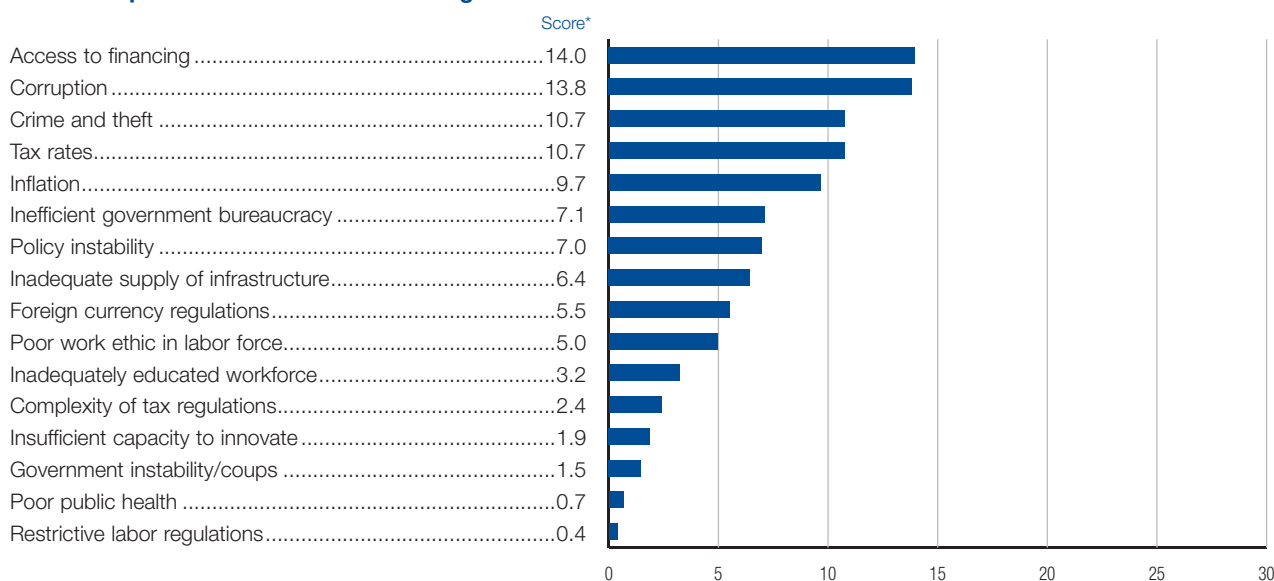
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>135</b>           | <b>3.2</b>     |
| GCI 2014–2015 (out of 144).....                           | 132                  | 3.2            |
| GCI 2013–2014 (out of 148).....                           | 136                  | 3.3            |
| GCI 2012–2013 (out of 144).....                           | 129                  | 3.4            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>138</b>           | <b>3.1</b>     |
| 1st pillar: Institutions.....                             | 92                   | 3.6            |
| 2nd pillar: Infrastructure.....                           | 135                  | 2.0            |
| 3rd pillar: Macroeconomic environment.....                | 140                  | 2.4            |
| 4th pillar: Health and primary education.....             | 121                  | 4.4            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>127</b>           | <b>3.2</b>     |
| 5th pillar: Higher education and training.....            | 133                  | 2.5            |
| 6th pillar: Goods market efficiency.....                  | 117                  | 3.9            |
| 7th pillar: Labor market efficiency.....                  | 29                   | 4.6            |
| 8th pillar: Financial market development.....             | 100                  | 3.5            |
| 9th pillar: Technological readiness.....                  | 133                  | 2.4            |
| 10th pillar: Market size.....                             | 127                  | 2.5            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>119</b>           | <b>3.1</b>     |
| 11th pillar: Business sophistication.....                 | 121                  | 3.4            |
| 12th pillar: Innovation.....                              | 121                  | 2.7            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Malawi

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE          | RANK/140  |
|---------------------------------------------------------------|----------------|-----------|
| <b>1st pillar: Institutions</b>                               |                |           |
| 1.01 Property rights .....                                    | 4.2 .....      | 73        |
| 1.02 Intellectual property protection .....                   | 3.1 .....      | 118       |
| 1.03 Diversion of public funds .....                          | 2.2 .....      | 129       |
| 1.04 Public trust in politicians .....                        | 2.2 .....      | 111       |
| 1.05 Irregular payments and bribes .....                      | 3.4 .....      | 99        |
| 1.06 Judicial independence .....                              | 4.1 .....      | 60        |
| 1.07 Favoritism in decisions of government officials .....    | 2.2 .....      | 123       |
| 1.08 Wastefulness of government spending .....                | 2.6 .....      | 105       |
| 1.09 Burden of government regulation .....                    | 3.4 .....      | 72        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.2 .....      | 98        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.4 .....      | 77        |
| 1.12 Transparency of government policymaking .....            | 3.7 .....      | 103       |
| 1.13 Business costs of terrorism .....                        | 6.0 .....      | <b>30</b> |
| 1.14 Business costs of crime and violence .....               | 3.2 .....      | 124       |
| 1.15 Organized crime .....                                    | 4.8 .....      | 74        |
| 1.16 Reliability of police services .....                     | 4.0 .....      | 80        |
| 1.17 Ethical behavior of firms .....                          | 3.7 .....      | 85        |
| 1.18 Strength of auditing and reporting standards .....       | 4.7 .....      | 61        |
| 1.19 Efficacy of corporate boards .....                       | 4.9 .....      | 52        |
| 1.20 Protection of minority shareholders' interests .....     | 4.0 .....      | 77        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.5 .....      | 110       |
| <b>2nd pillar: Infrastructure</b>                             |                |           |
| 2.01 Quality of overall infrastructure .....                  | 2.8 .....      | 125       |
| 2.02 Quality of roads .....                                   | 3.2 .....      | 102       |
| 2.03 Quality of railroad infrastructure .....                 | 1.8 .....      | 97        |
| 2.04 Quality of port infrastructure .....                     | 2.2 .....      | 128       |
| 2.05 Quality of air transport infrastructure .....            | 2.5 .....      | 135       |
| 2.06 Available airline seat km/week, millions* .....          | 9.0 .....      | 131       |
| 2.07 Quality of electricity supply .....                      | 2.7 .....      | 121       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 30.5 .....     | 139       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.4 .....      | 132       |
| <b>3rd pillar: Macroeconomic environment</b>                  |                |           |
| 3.01 Government budget balance, % GDP* .....                  | –5.8 .....     | 120       |
| 3.02 Gross national savings, % GDP* .....                     | 10.3 .....     | 126       |
| 3.03 Inflation, annual % change* .....                        | 23.8 .....     | 138       |
| 3.04 General government debt, % GDP* .....                    | 62.0 .....     | 97        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 22.9 .....     | 121       |
| <b>4th pillar: Health and primary education</b>               |                |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 27,661.7 ..... | 67        |
| 4.02 Business impact of malaria .....                         | 3.1 .....      | 71        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 156.0 .....    | 106       |
| 4.04 Business impact of tuberculosis .....                    | 3.7 .....      | 134       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 10.3 .....     | 132       |
| 4.06 Business impact of HIV/AIDS .....                        | 3.1 .....      | 139       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 44.2 .....     | 117       |
| 4.08 Life expectancy, years* .....                            | 55.2 .....     | 129       |
| 4.09 Quality of primary education .....                       | 2.4 .....      | 131       |
| 4.10 Primary education enrollment, net %* .....               | 96.9 .....     | <b>43</b> |
| <b>5th pillar: Higher education and training</b>              |                |           |
| 5.01 Secondary education enrollment, gross %* .....           | 36.6 .....     | 132       |
| 5.02 Tertiary education enrollment, gross %* .....            | 0.8 .....      | 137       |
| 5.03 Quality of the education system .....                    | 3.1 .....      | 104       |
| 5.04 Quality of math and science education .....              | 2.7 .....      | 128       |
| 5.05 Quality of management schools .....                      | 3.1 .....      | 130       |
| 5.06 Internet access in schools .....                         | 2.5 .....      | 133       |
| 5.07 Availability of specialized training services .....      | 3.3 .....      | 121       |
| 5.08 Extent of staff training .....                           | 4.0 .....      | 66        |
| <b>6th pillar: Goods market efficiency</b>                    |                |           |
| 6.01 Intensity of local competition .....                     | 5.1 .....      | 66        |
| 6.02 Extent of market dominance .....                         | 3.0 .....      | 125       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.5 .....      | 96        |
| 6.04 Effect of taxation on incentives to invest .....         | 2.8 .....      | 128       |
| 6.05 Total tax rate, % profits* .....                         | 35.5 .....     | 63        |

| INDICATOR                                                | VALUE      | RANK/140  |
|----------------------------------------------------------|------------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |            |           |
| 6.06 No. procedures to start a business* .....           | 8 .....    | 93        |
| 6.07 No. days to start a business* .....                 | 38.0 ..... | 124       |
| 6.08 Agricultural policy costs .....                     | 3.3 .....  | 112       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.9 .....  | <b>15</b> |
| 6.10 Trade tariffs, % duty* .....                        | 9.7 .....  | 103       |
| 6.11 Prevalence of foreign ownership .....               | 4.7 .....  | 57        |
| 6.12 Business impact of rules on FDI .....               | 4.3 .....  | 88        |
| 6.13 Burden of customs procedures .....                  | 3.8 .....  | 83        |
| 6.14 Imports as a percentage of GDP* .....               | 79.9 ..... | <b>20</b> |
| 6.15 Degree of customer orientation .....                | 4.0 .....  | 110       |
| 6.16 Buyer sophistication .....                          | 2.4 .....  | 131       |
| <b>7th pillar: Labor market efficiency</b>               |            |           |
| 7.01 Cooperation in labor-employer relations .....       | 4.2 .....  | 85        |
| 7.02 Flexibility of wage determination .....             | 5.6 .....  | <b>25</b> |
| 7.03 Hiring and firing practices .....                   | 3.7 .....  | 83        |
| 7.04 Redundancy costs, weeks of salary* .....            | 16.6 ..... | 73        |
| 7.05 Effect of taxation on incentives to work .....      | 3.4 .....  | 106       |
| 7.06 Pay and productivity .....                          | 3.8 .....  | 85        |
| 7.07 Reliance on professional management .....           | 4.7 .....  | <b>34</b> |
| 7.08 Country capacity to retain talent .....             | 3.2 .....  | 85        |
| 7.09 Country capacity to attract talent .....            | 3.2 .....  | 82        |
| 7.10 Women in labor force, ratio to men* .....           | 1.05 ..... | <b>1</b>  |
| <b>8th pillar: Financial market development</b>          |            |           |
| 8.01 Availability of financial services .....            | 3.8 .....  | 113       |
| 8.02 Affordability of financial services .....           | 3.1 .....  | 133       |
| 8.03 Financing through local equity market .....         | 3.2 .....  | 85        |
| 8.04 Ease of access to loans .....                       | 2.3 .....  | 112       |
| 8.05 Venture capital availability .....                  | 1.8 .....  | 138       |
| 8.06 Soundness of banks .....                            | 4.7 .....  | 76        |
| 8.07 Regulation of securities exchanges .....            | 4.1 .....  | 75        |
| 8.08 Legal rights index, 0–12 (best)* .....              | 5 .....    | 63        |
| <b>9th pillar: Technological readiness</b>               |            |           |
| 9.01 Availability of latest technologies .....           | 3.6 .....  | 131       |
| 9.02 Firm-level technology absorption .....              | 3.8 .....  | 125       |
| 9.03 FDI and technology transfer .....                   | 3.8 .....  | 112       |
| 9.04 Individuals using Internet, %* .....                | 5.8 .....  | 130       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.1 .....  | 133       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 4.2 .....  | 120       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 4.1 .....  | 128       |
| <b>10th pillar: Market size</b>                          |            |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.3 .....  | 125       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.2 .....  | 127       |
| 10.03 GDP (PPP\$ billions)* .....                        | 13.7 ..... | 129       |
| 10.04 Exports as a percentage of GDP* .....              | 34.5 ..... | 81        |
| <b>11th pillar: Business sophistication</b>              |            |           |
| 11.01 Local supplier quantity .....                      | 4.1 .....  | 100       |
| 11.02 Local supplier quality .....                       | 3.4 .....  | 130       |
| 11.03 State of cluster development .....                 | 3.2 .....  | 107       |
| 11.04 Nature of competitive advantage .....              | 2.7 .....  | 124       |
| 11.05 Value chain breadth .....                          | 3.1 .....  | 126       |
| 11.06 Control of international distribution .....        | 3.1 .....  | 129       |
| 11.07 Production process sophistication .....            | 2.7 .....  | 131       |
| 11.08 Extent of marketing .....                          | 3.8 .....  | 111       |
| 11.09 Willingness to delegate authority .....            | 3.6 .....  | 85        |
| <b>12th pillar: Innovation</b>                           |            |           |
| 12.01 Capacity for innovation .....                      | 3.4 .....  | 114       |
| 12.02 Quality of scientific research institutions .....  | 3.0 .....  | 110       |
| 12.03 Company spending on R&D .....                      | 2.7 .....  | 116       |
| 12.04 University-industry collaboration in R&D .....     | 2.8 .....  | 119       |
| 12.05 Gov't procurement of advanced tech products .....  | 2.7 .....  | 121       |
| 12.06 Availability of scientists and engineers .....     | 3.3 .....  | 112       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0 .....  | 116       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

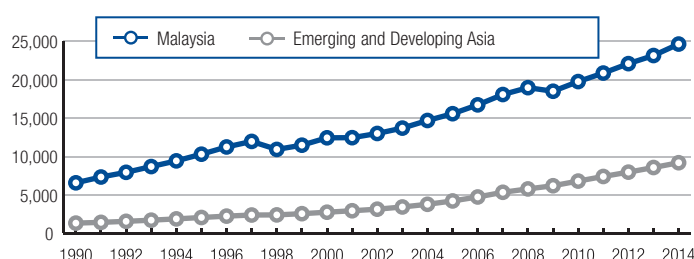


# Malaysia

## Key indicators, 2014

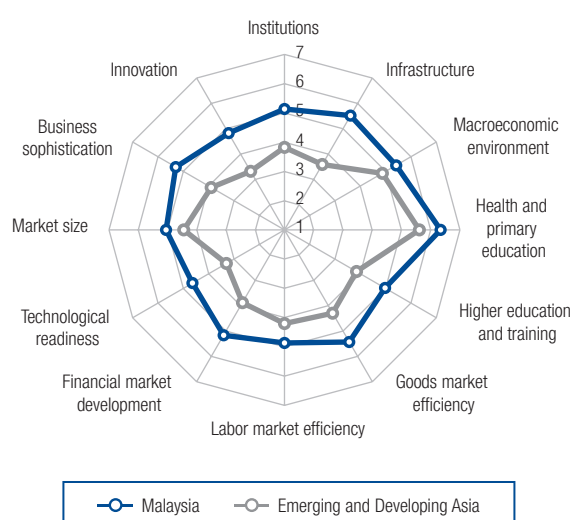
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 30.3   |
| GDP (US\$ billions).....                   | 326.9  |
| GDP per capita (US\$).....                 | 10,804 |
| GDP (PPP) as share (%) of world total..... | 0.69   |

GDP (PPP) per capita (int'l \$), 1990–2014

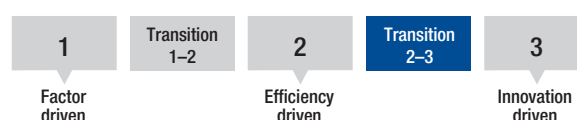


## Global Competitiveness Index

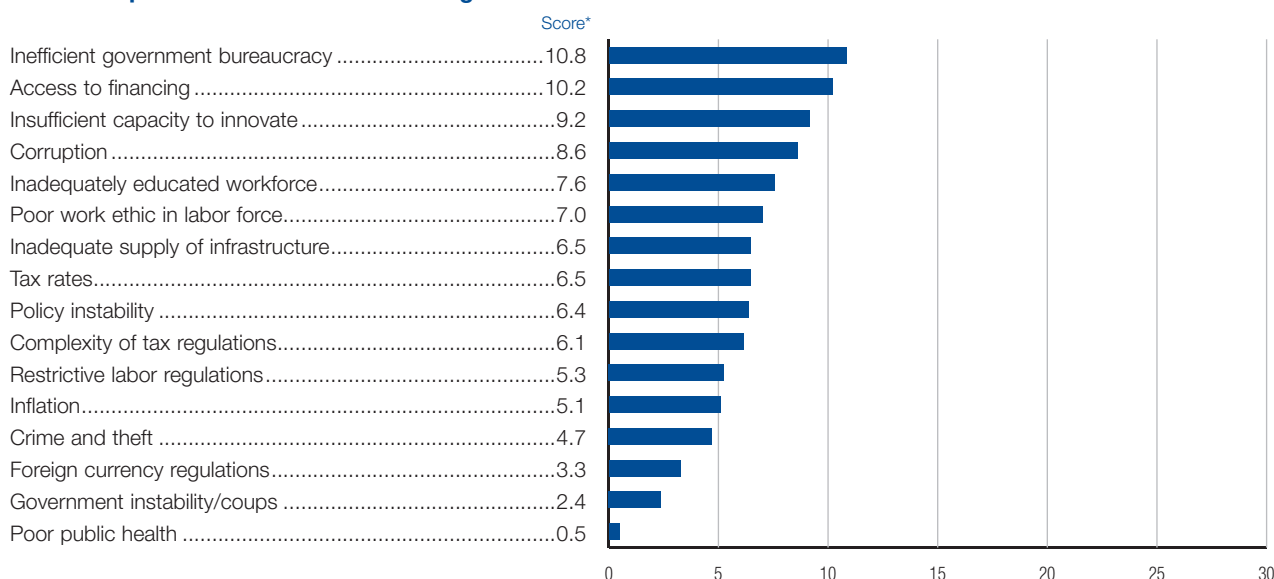
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>18</b>            | <b>5.2</b>     |
| GCI 2014–2015 (out of 144).....                            | 20                   | 5.2            |
| GCI 2013–2014 (out of 148).....                            | 24                   | 5.0            |
| GCI 2012–2013 (out of 144).....                            | 25                   | 5.1            |
| <b>Basic requirements (35.5%)</b> .....                    | <b>22</b>            | <b>5.6</b>     |
| 1st pillar: Institutions.....                              | 23                   | 5.1            |
| 2nd pillar: Infrastructure.....                            | 24                   | 5.5            |
| 3rd pillar: Macroeconomic environment.....                 | 35                   | 5.4            |
| 4th pillar: Health and primary education.....              | 24                   | 6.3            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>22</b>            | <b>5.0</b>     |
| 5th pillar: Higher education and training.....             | 36                   | 5.0            |
| 6th pillar: Goods market efficiency.....                   | 6                    | 5.4            |
| 7th pillar: Labor market efficiency.....                   | 19                   | 4.9            |
| 8th pillar: Financial market development.....              | 9                    | 5.2            |
| 9th pillar: Technological readiness.....                   | 47                   | 4.6            |
| 10th pillar: Market size.....                              | 26                   | 5.0            |
| <b>Innovation and sophistication factors (14.5%)</b> ..... | <b>17</b>            | <b>5.1</b>     |
| 11th pillar: Business sophistication.....                  | 13                   | 5.3            |
| 12th pillar: Innovation.....                               | 20                   | 4.8            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Malaysia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 5.4     | 28       |
| 1.02 Intellectual property protection .....                   | 5.4     | 23       |
| 1.03 Diversion of public funds .....                          | 4.8     | 25       |
| 1.04 Public trust in politicians .....                        | 4.8     | 14       |
| 1.05 Irregular payments and bribes .....                      | 4.9     | 37       |
| 1.06 Judicial independence .....                              | 5.0     | 33       |
| 1.07 Favoritism in decisions of government officials .....    | 4.6     | 15       |
| 1.08 Wastefulness of government spending .....                | 4.9     | 8        |
| 1.09 Burden of government regulation .....                    | 5.0     | 6        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.3     | 15       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.0     | 15       |
| 1.12 Transparency of government policymaking .....            | 5.3     | 17       |
| 1.13 Business costs of terrorism .....                        | 5.3     | 72       |
| 1.14 Business costs of crime and violence .....               | 5.0     | 49       |
| 1.15 Organized crime .....                                    | 5.2     | 54       |
| 1.16 Reliability of police services .....                     | 5.1     | 35       |
| 1.17 Ethical behavior of firms .....                          | 5.2     | 23       |
| 1.18 Strength of auditing and reporting standards .....       | 5.5     | 27       |
| 1.19 Efficacy of corporate boards .....                       | 5.6     | 20       |
| 1.20 Protection of minority shareholders' interests .....     | 5.3     | 12       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 7.4     | 5        |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 5.6     | 16       |
| 2.02 Quality of roads .....                                   | 5.7     | 15       |
| 2.03 Quality of railroad infrastructure .....                 | 5.1     | 13       |
| 2.04 Quality of port infrastructure .....                     | 5.6     | 16       |
| 2.05 Quality of air transport infrastructure .....            | 5.7     | 21       |
| 2.06 Available airline seat km/week, millions* .....          | 1,974.2 | 22       |
| 2.07 Quality of electricity supply .....                      | 5.8     | 36       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 148.8   | 24       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 14.6    | 73       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.7    | 85       |
| 3.02 Gross national savings, % GDP* .....                     | 29.8    | 24       |
| 3.03 Inflation, annual % change* .....                        | 3.1     | 57       |
| 3.04 General government debt, % GDP* .....                    | 57.0    | 92       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 72.0    | 32       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 33.5    | 29       |
| 4.02 Business impact of malaria .....                         | 5.5     | 21       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 99.0    | 90       |
| 4.04 Business impact of tuberculosis .....                    | 5.3     | 82       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.4     | 74       |
| 4.06 Business impact of HIV/AIDS .....                        | 5.1     | 81       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 7.2     | 47       |
| 4.08 Life expectancy, years* .....                            | 75.0    | 58       |
| 4.09 Quality of primary education .....                       | 5.3     | 15       |
| 4.10 Primary education enrollment, net %* .....               | 97.0    | 41       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 70.8    | 100      |
| 5.02 Tertiary education enrollment, gross %* .....            | 37.2    | 69       |
| 5.03 Quality of the education system .....                    | 5.4     | 6        |
| 5.04 Quality of math and science education .....              | 5.3     | 12       |
| 5.05 Quality of management schools .....                      | 5.2     | 22       |
| 5.06 Internet access in schools .....                         | 5.5     | 26       |
| 5.07 Availability of specialized training services .....      | 5.6     | 12       |
| 5.08 Extent of staff training .....                           | 5.5     | 3        |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.4     | 37       |
| 6.02 Extent of market dominance .....                         | 5.1     | 12       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.9     | 18       |
| 6.04 Effect of taxation on incentives to invest .....         | 5.2     | 10       |
| 6.05 Total tax rate, % profits* .....                         | 39.2    | 76       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 3     | 9        |
| 6.07 No. days to start a business* .....                    | 5.5   | 24       |
| 6.08 Agricultural policy costs .....                        | 5.1   | 3        |
| 6.09 Prevalence of non-tariff barriers .....                | 5.1   | 9        |
| 6.10 Trade tariffs, % duty* .....                           | 4.6   | 63       |
| 6.11 Prevalence of foreign ownership .....                  | 5.2   | 30       |
| 6.12 Business impact of rules on FDI .....                  | 5.3   | 18       |
| 6.13 Burden of customs procedures .....                     | 5.2   | 18       |
| 6.14 Imports as a percentage of GDP* .....                  | 77.6  | 24       |
| 6.15 Degree of customer orientation .....                   | 5.6   | 14       |
| 6.16 Buyer sophistication .....                             | 5.0   | 4        |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.5   | 11       |
| 7.02 Flexibility of wage determination .....                | 5.5   | 31       |
| 7.03 Hiring and firing practices .....                      | 5.3   | 6        |
| 7.04 Redundancy costs, weeks of salary* .....               | 23.9  | 107      |
| 7.05 Effect of taxation on incentives to work .....         | 5.2   | 8        |
| 7.06 Pay and productivity .....                             | 5.4   | 5        |
| 7.07 Reliance on professional management .....              | 5.7   | 16       |
| 7.08 Country capacity to retain talent .....                | 5.3   | 8        |
| 7.09 Country capacity to attract talent .....               | 5.3   | 11       |
| 7.10 Women in labor force, ratio to men* .....              | 0.59  | 118      |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 5.6   | 17       |
| 8.02 Affordability of financial services .....              | 5.6   | 12       |
| 8.03 Financing through local equity market .....            | 5.0   | 13       |
| 8.04 Ease of access to loans .....                          | 4.8   | 2        |
| 8.05 Venture capital availability .....                     | 4.8   | 2        |
| 8.06 Soundness of banks .....                               | 5.5   | 43       |
| 8.07 Regulation of securities exchanges .....               | 5.4   | 20       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 7     | 24       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 5.7   | 30       |
| 9.02 Firm-level technology absorption .....                 | 5.6   | 23       |
| 9.03 FDI and technology transfer .....                      | 5.5   | 5        |
| 9.04 Individuals using Internet, %* .....                   | 67.5  | 45       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 10.1  | 68       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 27.2  | 77       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 58.3  | 48       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.8   | 28       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.9   | 18       |
| 10.03 GDP (PPP\$ billions)* .....                           | 746.1 | 28       |
| 10.04 Exports as a percentage of GDP* .....                 | 83.7  | 16       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 5.4   | 6        |
| 11.02 Local supplier quality .....                          | 5.3   | 19       |
| 11.03 State of cluster development .....                    | 5.3   | 6        |
| 11.04 Nature of competitive advantage .....                 | 4.8   | 23       |
| 11.05 Value chain breadth .....                             | 5.2   | 11       |
| 11.06 Control of international distribution .....           | 5.2   | 7        |
| 11.07 Production process sophistication .....               | 5.3   | 22       |
| 11.08 Extent of marketing .....                             | 5.5   | 6        |
| 11.09 Willingness to delegate authority .....               | 5.2   | 10       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 5.5   | 7        |
| 12.02 Quality of scientific research institutions .....     | 5.3   | 20       |
| 12.03 Company spending on R&D .....                         | 5.3   | 8        |
| 12.04 University-industry collaboration in R&D .....        | 5.3   | 12       |
| 12.05 Gov't procurement of advanced tech products .....     | 5.3   | 3        |
| 12.06 Availability of scientists and engineers .....        | 5.4   | 5        |
| 12.07 PCT patents, applications/million pop.* .....         | 11.6  | 33       |

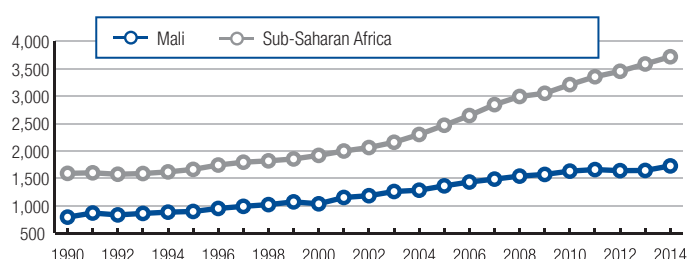
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

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## Key indicators, 2014

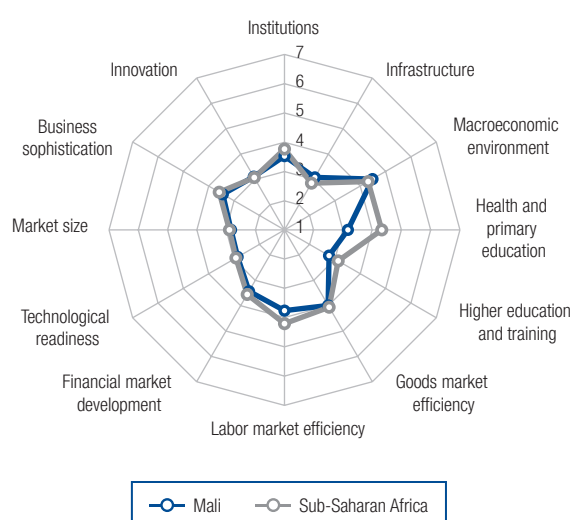
|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 15.8 |
| GDP (US\$ billions).....                   | 11.9 |
| GDP per capita (US\$).....                 | 755  |
| GDP (PPP) as share (%) of world total..... | 0.03 |

GDP (PPP) per capita (int'l \$), 1990–2014

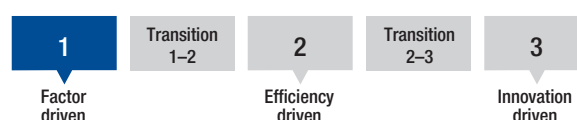


## Global Competitiveness Index

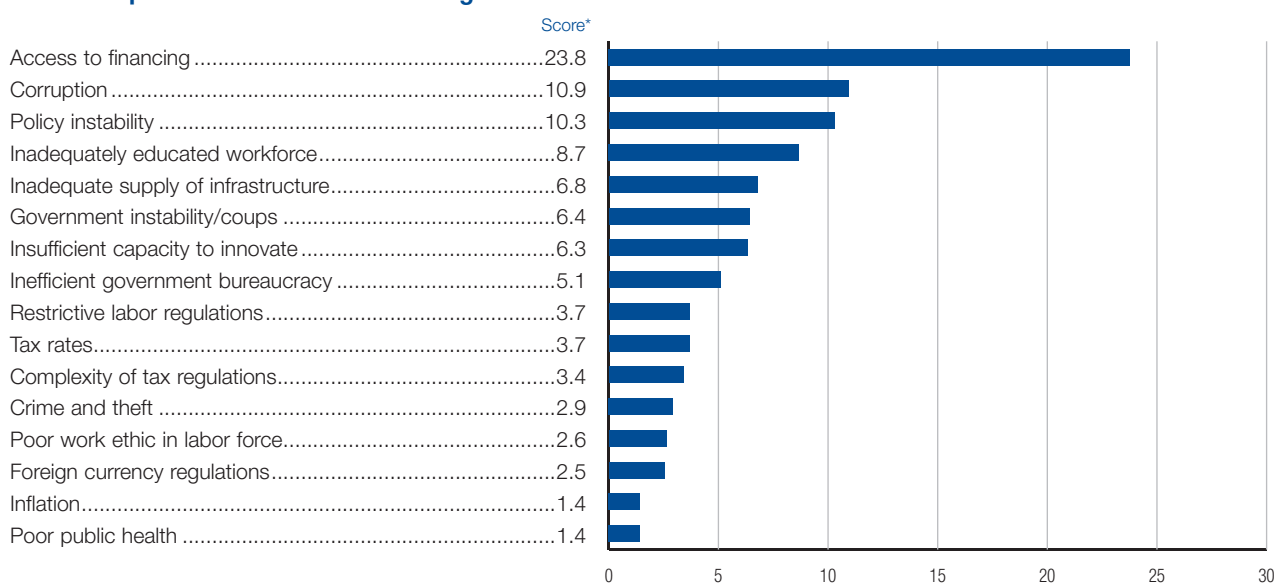
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>127</b>           | <b>3.4</b>     |
| GCI 2014–2015 (out of 144).....                           | 128                  | 3.4            |
| GCI 2013–2014 (out of 148).....                           | 135                  | 3.3            |
| GCI 2012–2013 (out of 144).....                           | 128                  | 3.4            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>124</b>           | <b>3.6</b>     |
| 1st pillar: Institutions.....                             | 98                   | 3.5            |
| 2nd pillar: Infrastructure.....                           | 106                  | 3.1            |
| 3rd pillar: Macroeconomic environment.....                | 86                   | 4.5            |
| 4th pillar: Health and primary education.....             | 139                  | 3.2            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>126</b>           | <b>3.3</b>     |
| 5th pillar: Higher education and training.....            | 127                  | 2.8            |
| 6th pillar: Goods market efficiency.....                  | 110                  | 4.0            |
| 7th pillar: Labor market efficiency.....                  | 113                  | 3.8            |
| 8th pillar: Financial market development.....             | 105                  | 3.4            |
| 9th pillar: Technological readiness.....                  | 114                  | 2.8            |
| 10th pillar: Market size.....                             | 113                  | 2.8            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>109</b>           | <b>3.3</b>     |
| 11th pillar: Business sophistication.....                 | 115                  | 3.4            |
| 12th pillar: Innovation.....                              | 96                   | 3.1            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 3.7      | 105      |
| 1.02 Intellectual property protection .....                   | 3.6      | 89       |
| 1.03 Diversion of public funds .....                          | 3.2      | 79       |
| 1.04 Public trust in politicians .....                        | 3.3      | 52       |
| 1.05 Irregular payments and bribes .....                      | 2.8      | 126      |
| 1.06 Judicial independence .....                              | 3.8      | 73       |
| 1.07 Favoritism in decisions of government officials .....    | 3.3      | 56       |
| 1.08 Wastefulness of government spending .....                | 3.2      | 71       |
| 1.09 Burden of government regulation .....                    | 3.4      | 76       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.8      | 61       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.7      | 58       |
| 1.12 Transparency of government policymaking .....            | 3.8      | 94       |
| 1.13 Business costs of terrorism .....                        | 3.1      | 132      |
| 1.14 Business costs of crime and violence .....               | 3.4      | 117      |
| 1.15 Organized crime .....                                    | 3.6      | 123      |
| 1.16 Reliability of police services .....                     | 3.8      | 88       |
| 1.17 Ethical behavior of firms .....                          | 3.7      | 83       |
| 1.18 Strength of auditing and reporting standards .....       | 3.4      | 133      |
| 1.19 Efficacy of corporate boards .....                       | 4.0      | 129      |
| 1.20 Protection of minority shareholders' interests .....     | 3.4      | 117      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.3      | 116      |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 3.2      | 109      |
| 2.02 Quality of roads .....                                   | 3.2      | 106      |
| 2.03 Quality of railroad infrastructure .....                 | 2.1      | 88       |
| 2.04 Quality of port infrastructure .....                     | 2.5      | 127      |
| 2.05 Quality of air transport infrastructure .....            | 3.3      | 114      |
| 2.06 Available airline seat km/week, millions* .....          | 32.1     | 108      |
| 2.07 Quality of electricity supply .....                      | 3.2      | 104      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 149.0    | 23       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 1.0      | 122      |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | −4.0     | 93       |
| 3.02 Gross national savings, % GDP* .....                     | 18.2     | 85       |
| 3.03 Inflation, annual % change* .....                        | 0.9      | 1        |
| 3.04 General government debt, % GDP* .....                    | 31.5     | 39       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 18.4     | 130      |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 20,197.2 | 60       |
| 4.02 Business impact of malaria .....                         | 3.2      | 69       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 60.0     | 74       |
| 4.04 Business impact of tuberculosis .....                    | 4.0      | 125      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.9      | 106      |
| 4.06 Business impact of HIV/AIDS .....                        | 3.9      | 125      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 77.6     | 138      |
| 4.08 Life expectancy, years* .....                            | 55.0     | 131      |
| 4.09 Quality of primary education .....                       | 2.8      | 120      |
| 4.10 Primary education enrollment, net %* .....               | 64.4     | 137      |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 44.9     | 123      |
| 5.02 Tertiary education enrollment, gross %* .....            | 7.5      | 121      |
| 5.03 Quality of the education system .....                    | 3.1      | 109      |
| 5.04 Quality of math and science education .....              | 3.2      | 110      |
| 5.05 Quality of management schools .....                      | 3.6      | 109      |
| 5.06 Internet access in schools .....                         | 3.5      | 104      |
| 5.07 Availability of specialized training services .....      | 3.6      | 108      |
| 5.08 Extent of staff training .....                           | 3.2      | 131      |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 4.5      | 113      |
| 6.02 Extent of market dominance .....                         | 4.2      | 30       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.8      | 69       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.5      | 81       |
| 6.05 Total tax rate, % profits* .....                         | 48.3     | 104      |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 5     | 38       |
| 6.07 No. days to start a business* .....                 | 11.0  | 59       |
| 6.08 Agricultural policy costs .....                     | 3.7   | 77       |
| 6.09 Prevalence of non-tariff barriers .....             | 3.3   | 137      |
| 6.10 Trade tariffs, % duty* .....                        | 10.4  | 110      |
| 6.11 Prevalence of foreign ownership .....               | 3.7   | 114      |
| 6.12 Business impact of rules on FDI .....               | 3.7   | 118      |
| 6.13 Burden of customs procedures .....                  | 3.2   | 124      |
| 6.14 Imports as a percentage of GDP* .....               | 45.3  | 73       |
| 6.15 Degree of customer orientation .....                | 4.0   | 109      |
| 6.16 Buyer sophistication .....                          | 2.7   | 124      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.3   | 77       |
| 7.02 Flexibility of wage determination .....             | 4.0   | 122      |
| 7.03 Hiring and firing practices .....                   | 4.0   | 56       |
| 7.04 Redundancy costs, weeks of salary* .....            | 13.6  | 58       |
| 7.05 Effect of taxation on incentives to work .....      | 3.8   | 69       |
| 7.06 Pay and productivity .....                          | 3.2   | 128      |
| 7.07 Reliance on professional management .....           | 3.2   | 128      |
| 7.08 Country capacity to retain talent .....             | 3.4   | 81       |
| 7.09 Country capacity to attract talent .....            | 3.3   | 79       |
| 7.10 Women in labor force, ratio to men* .....           | 0.63  | 108      |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.5   | 126      |
| 8.02 Affordability of financial services .....           | 3.6   | 113      |
| 8.03 Financing through local equity market .....         | 2.7   | 111      |
| 8.04 Ease of access to loans .....                       | 2.7   | 84       |
| 8.05 Venture capital availability .....                  | 2.6   | 77       |
| 8.06 Soundness of banks .....                            | 4.1   | 114      |
| 8.07 Regulation of securities exchanges .....            | 3.3   | 119      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 6     | 44       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.0   | 113      |
| 9.02 Firm-level technology absorption .....              | 4.1   | 107      |
| 9.03 FDI and technology transfer .....                   | 4.0   | 101      |
| 9.04 Individuals using Internet, %* .....                | 7.0   | 128      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.0   | 135      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 1.9   | 134      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 11.3  | 111      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.6   | 108      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.4   | 121      |
| 10.03 GDP (PPP\$ billions)* .....                        | 27.3  | 113      |
| 10.04 Exports as a percentage of GDP* .....              | 24.5  | 111      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.2   | 98       |
| 11.02 Local supplier quality .....                       | 3.8   | 104      |
| 11.03 State of cluster development .....                 | 3.7   | 67       |
| 11.04 Nature of competitive advantage .....              | 3.3   | 83       |
| 11.05 Value chain breadth .....                          | 3.1   | 124      |
| 11.06 Control of international distribution .....        | 3.2   | 116      |
| 11.07 Production process sophistication .....            | 2.7   | 130      |
| 11.08 Extent of marketing .....                          | 3.7   | 120      |
| 11.09 Willingness to delegate authority .....            | 3.3   | 114      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.3   | 123      |
| 12.02 Quality of scientific research institutions .....  | 3.7   | 76       |
| 12.03 Company spending on R&D .....                      | 3.0   | 90       |
| 12.04 University-industry collaboration in R&D .....     | 3.2   | 100      |
| 12.05 Gov't procurement of advanced tech products .....  | 3.5   | 67       |
| 12.06 Availability of scientists and engineers .....     | 3.8   | 79       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119      |

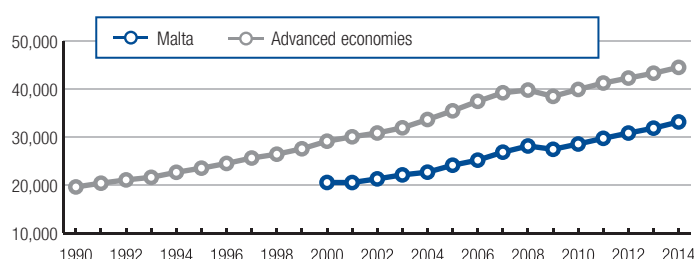
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Malta

## Key indicators, 2014

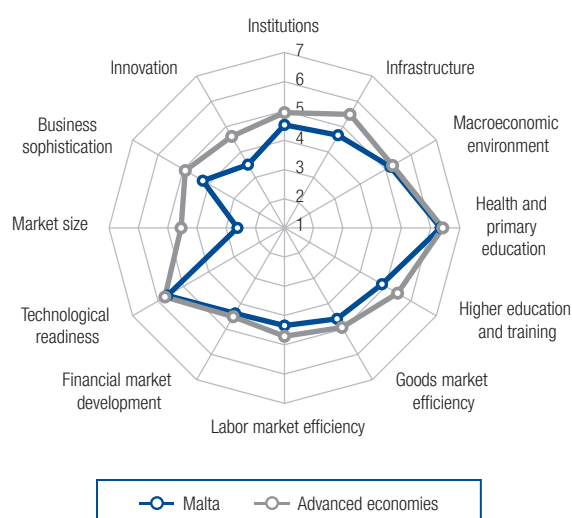
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 0.4    |
| GDP (US\$ billions).....                   | 10.6   |
| GDP per capita (US\$).....                 | 24,876 |
| GDP (PPP) as share (%) of world total..... | 0.01   |

GDP (PPP) per capita (int'l \$), 1990–2014

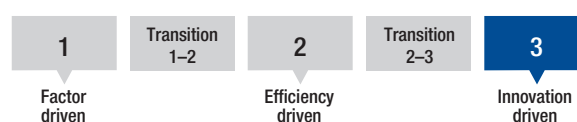


## Global Competitiveness Index

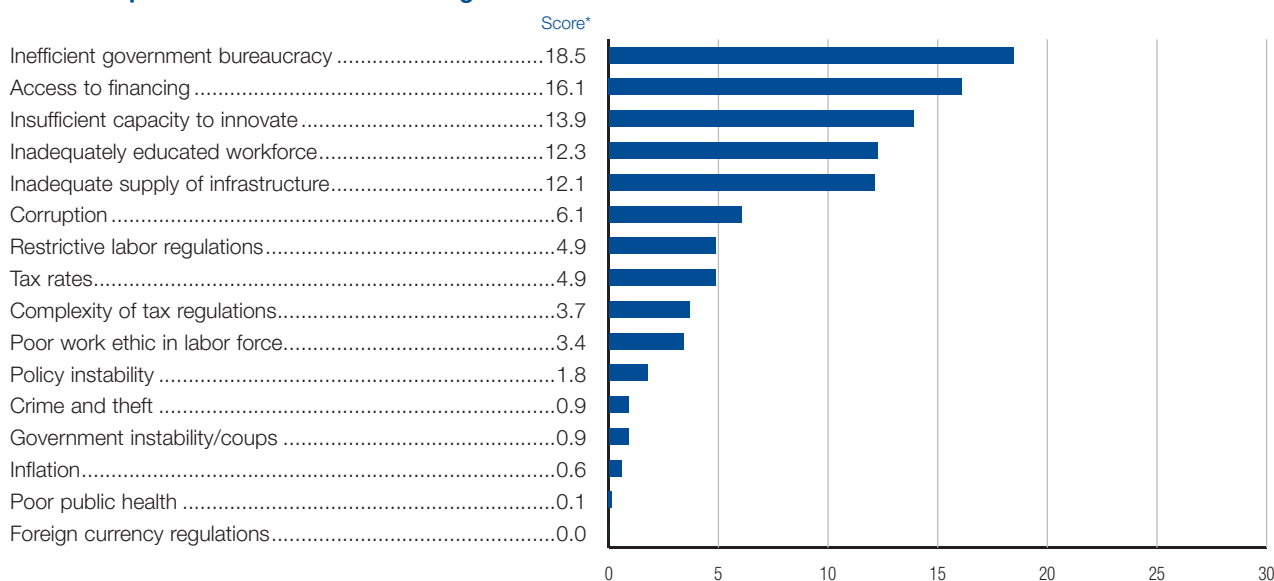
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>48</b>            | <b>4.4</b>     |
| GCI 2014–2015 (out of 144).....                            | 47                   | 4.4            |
| GCI 2013–2014 (out of 148).....                            | 41                   | 4.5            |
| GCI 2012–2013 (out of 144).....                            | 47                   | 4.4            |
| <b>Basic requirements (20.0%)</b> .....                    | <b>34</b>            | <b>5.2</b>     |
| 1st pillar: Institutions.....                              | 35                   | 4.5            |
| 2nd pillar: Infrastructure.....                            | 43                   | 4.7            |
| 3rd pillar: Macroeconomic environment.....                 | 43                   | 5.2            |
| 4th pillar: Health and primary education.....              | 25                   | 6.3            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>42</b>            | <b>4.4</b>     |
| 5th pillar: Higher education and training.....             | 42                   | 4.8            |
| 6th pillar: Goods market efficiency.....                   | 42                   | 4.6            |
| 7th pillar: Labor market efficiency.....                   | 55                   | 4.3            |
| 8th pillar: Financial market development.....              | 40                   | 4.4            |
| 9th pillar: Technological readiness.....                   | 23                   | 5.6            |
| 10th pillar: Market size.....                              | 123                  | 2.6            |
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>49</b>            | <b>3.9</b>     |
| 11th pillar: Business sophistication.....                  | 46                   | 4.2            |
| 12th pillar: Innovation.....                               | 49                   | 3.5            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.9    | 37       |
| 1.02 Intellectual property protection .....                   | 4.6    | 33       |
| 1.03 Diversion of public funds .....                          | 4.2    | 39       |
| 1.04 Public trust in politicians .....                        | 3.6    | 43       |
| 1.05 Irregular payments and bribes .....                      | 4.4    | 49       |
| 1.06 Judicial independence .....                              | 4.8    | 37       |
| 1.07 Favoritism in decisions of government officials .....    | 3.1    | 68       |
| 1.08 Wastefulness of government spending .....                | 3.8    | 35       |
| 1.09 Burden of government regulation .....                    | 3.5    | 63       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.8    | 60       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.8    | 49       |
| 1.12 Transparency of government policymaking .....            | 4.5    | 34       |
| 1.13 Business costs of terrorism .....                        | 5.7    | 44       |
| 1.14 Business costs of crime and violence .....               | 5.7    | 20       |
| 1.15 Organized crime .....                                    | 6.0    | 22       |
| 1.16 Reliability of police services .....                     | 5.3    | 33       |
| 1.17 Ethical behavior of firms .....                          | 4.3    | 40       |
| 1.18 Strength of auditing and reporting standards .....       | 5.7    | 20       |
| 1.19 Efficacy of corporate boards .....                       | 4.6    | 82       |
| 1.20 Protection of minority shareholders' interests .....     | 4.9    | 29       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.9    | 50       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.4    | 54       |
| 2.02 Quality of roads .....                                   | 3.4    | 91       |
| 2.03 Quality of railroad infrastructure .....                 | N/Apl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 5.2    | 29       |
| 2.05 Quality of air transport infrastructure .....            | 5.2    | 35       |
| 2.06 Available airline seat km/week, millions* .....          | 82.1   | 88       |
| 2.07 Quality of electricity supply .....                      | 4.5    | 81       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 127.0  | 48       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 53.6   | 7        |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –2.2   | 54       |
| 3.02 Gross national savings, % GDP* .....                     | 21.3   | 63       |
| 3.03 Inflation, annual % change* .....                        | 0.8    | 1        |
| 3.04 General government debt, % GDP* .....                    | 68.1   | 107      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 70.8   | 35       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 11.0   | 28       |
| 4.04 Business impact of tuberculosis .....                    | 6.2    | 38       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.1    | 37       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 5.3    | 38       |
| 4.08 Life expectancy, years* .....                            | 80.7   | 23       |
| 4.09 Quality of primary education .....                       | 5.1    | 20       |
| 4.10 Primary education enrollment, net %* .....               | 95.1   | 60       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 86.3   | 81       |
| 5.02 Tertiary education enrollment, gross %* .....            | 41.2   | 64       |
| 5.03 Quality of the education system .....                    | 4.7    | 22       |
| 5.04 Quality of math and science education .....              | 5.0    | 23       |
| 5.05 Quality of management schools .....                      | 4.7    | 39       |
| 5.06 Internet access in schools .....                         | 5.6    | 23       |
| 5.07 Availability of specialized training services .....      | 4.8    | 33       |
| 5.08 Extent of staff training .....                           | 4.2    | 44       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.8    | 12       |
| 6.02 Extent of market dominance .....                         | 3.8    | 54       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.3    | 35       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.6    | 19       |
| 6.05 Total tax rate, % profits* .....                         | 41.6   | 87       |

| INDICATOR                                                   | VALUE   | RANK/140 |
|-------------------------------------------------------------|---------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |          |
| 6.06 No. procedures to start a business* .....              | 11      | 123      |
| 6.07 No. days to start a business* .....                    | 34.5    | 121      |
| 6.08 Agricultural policy costs .....                        | 4.5     | 21       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.6     | 35       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2     | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 4.8     | 53       |
| 6.12 Business impact of rules on FDI .....                  | 5.2     | 20       |
| 6.13 Burden of customs procedures .....                     | 4.5     | 41       |
| 6.14 Imports as a percentage of GDP* .....                  | 153.3   | 3        |
| 6.15 Degree of customer orientation .....                   | 4.1     | 105      |
| 6.16 Buyer sophistication .....                             | 3.4     | 64       |
| <b>7th pillar: Labor market efficiency</b>                  |         |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.8     | 37       |
| 7.02 Flexibility of wage determination .....                | 5.1     | 64       |
| 7.03 Hiring and firing practices .....                      | 3.8     | 76       |
| 7.04 Redundancy costs, weeks of salary* .....               | 7.3     | 16       |
| 7.05 Effect of taxation on incentives to work .....         | 4.6     | 18       |
| 7.06 Pay and productivity .....                             | 4.2     | 56       |
| 7.07 Reliance on professional management .....              | 4.1     | 75       |
| 7.08 Country capacity to retain talent .....                | 4.1     | 32       |
| 7.09 Country capacity to attract talent .....               | 4.3     | 21       |
| 7.10 Women in labor force, ratio to men* .....              | 0.61    | 116      |
| <b>8th pillar: Financial market development</b>             |         |          |
| 8.01 Availability of financial services .....               | 5.4     | 25       |
| 8.02 Affordability of financial services .....              | 5.2     | 23       |
| 8.03 Financing through local equity market .....            | 4.3     | 33       |
| 8.04 Ease of access to loans .....                          | 3.8     | 16       |
| 8.05 Venture capital availability .....                     | 2.9     | 55       |
| 8.06 Soundness of banks .....                               | 6.0     | 15       |
| 8.07 Regulation of securities exchanges .....               | 5.2     | 25       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 2       | 106      |
| <b>9th pillar: Technological readiness</b>                  |         |          |
| 9.01 Availability of latest technologies .....              | 5.4     | 40       |
| 9.02 Firm-level technology absorption .....                 | 5.2     | 37       |
| 9.03 FDI and technology transfer .....                      | 5.1     | 19       |
| 9.04 Individuals using Internet, %* .....                   | 73.2    | 35       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 35.2    | 11       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 1,178.8 | 3        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 49.7    | 57       |
| <b>10th pillar: Market size</b>                             |         |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 2.2     | 128      |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.0     | 95       |
| 10.03 GDP (PPP\$ billions)* .....                           | 14.1    | 128      |
| 10.04 Exports as a percentage of GDP* .....                 | 139.0   | 4        |
| <b>11th pillar: Business sophistication</b>                 |         |          |
| 11.01 Local supplier quantity .....                         | 5.0     | 26       |
| 11.02 Local supplier quality .....                          | 4.3     | 71       |
| 11.03 State of cluster development .....                    | 4.0     | 49       |
| 11.04 Nature of competitive advantage .....                 | 4.2     | 32       |
| 11.05 Value chain breadth .....                             | 4.2     | 33       |
| 11.06 Control of international distribution .....           | 3.8     | 64       |
| 11.07 Production process sophistication .....               | 4.5     | 36       |
| 11.08 Extent of marketing .....                             | 4.2     | 79       |
| 11.09 Willingness to delegate authority .....               | 3.9     | 55       |
| <b>12th pillar: Innovation</b>                              |         |          |
| 12.01 Capacity for innovation .....                         | 3.9     | 73       |
| 12.02 Quality of scientific research institutions .....     | 3.9     | 60       |
| 12.03 Company spending on R&D .....                         | 3.3     | 64       |
| 12.04 University-industry collaboration in R&D .....        | 3.9     | 51       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.6     | 50       |
| 12.06 Availability of scientists and engineers .....        | 4.0     | 68       |
| 12.07 PCT patents, applications/million pop.* .....         | 10.5    | 36       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

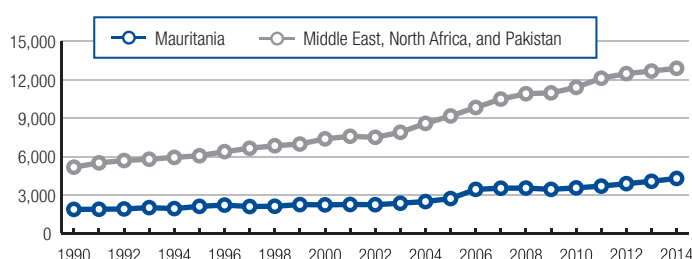


# Mauritania

## Key indicators, 2014

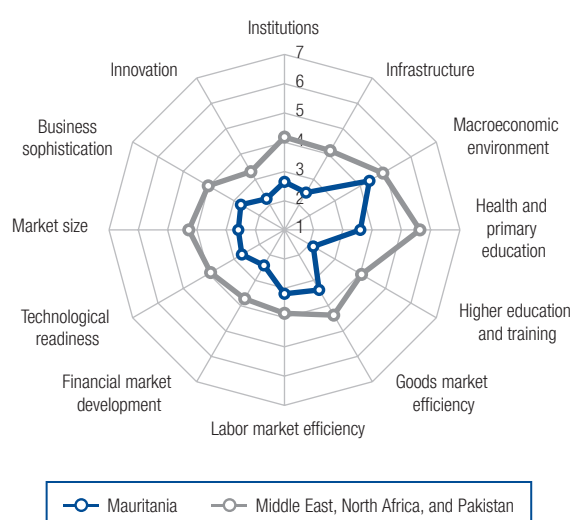
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 3.6   |
| GDP (US\$ billions).....                   | 5.1   |
| GDP per capita (US\$).....                 | 1,403 |
| GDP (PPP) as share (%) of world total..... | 0.01  |

GDP (PPP) per capita (int'l \$), 1990–2014

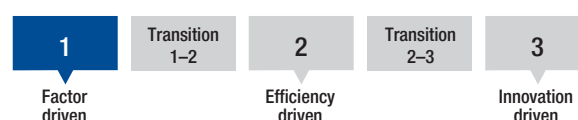


## Global Competitiveness Index

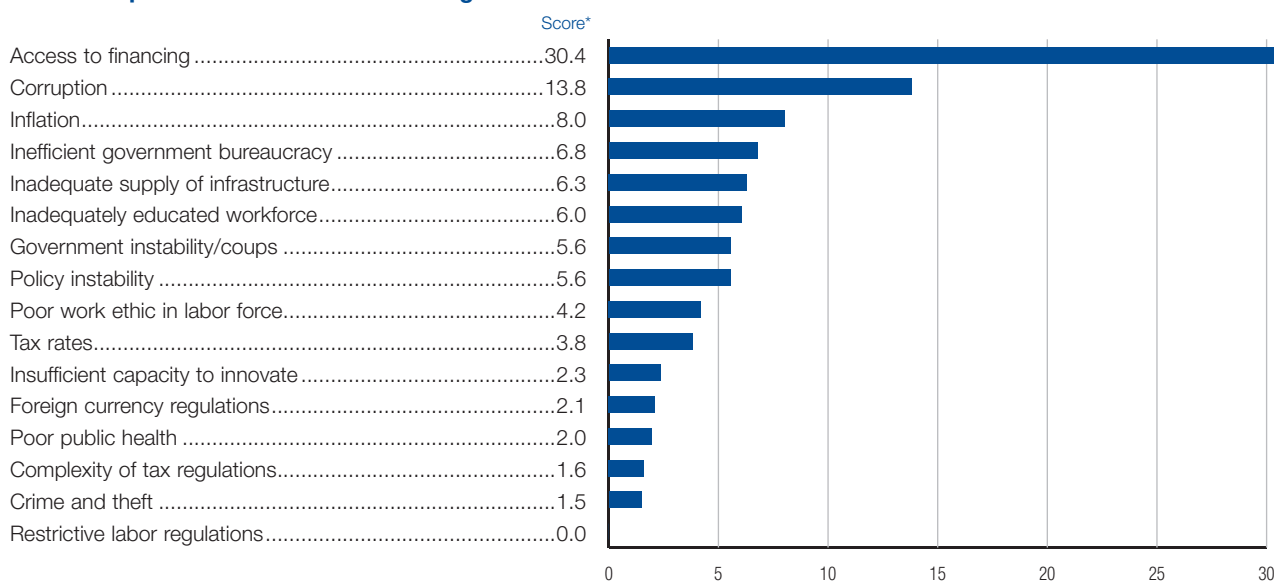
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>138</b>           | <b>3.0</b>     |
| GCI 2014–2015 (out of 144).....                           | 141                  | 3.0            |
| GCI 2013–2014 (out of 148).....                           | 141                  | 3.2            |
| GCI 2012–2013 (out of 144).....                           | 134                  | 3.3            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>134</b>           | <b>3.3</b>     |
| 1st pillar: Institutions.....                             | 139                  | 2.6            |
| 2nd pillar: Infrastructure.....                           | 124                  | 2.5            |
| 3rd pillar: Macroeconomic environment.....                | 95                   | 4.4            |
| 4th pillar: Health and primary education.....             | 134                  | 3.6            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>139</b>           | <b>2.7</b>     |
| 5th pillar: Higher education and training.....            | 140                  | 2.1            |
| 6th pillar: Goods market efficiency.....                  | 136                  | 3.4            |
| 7th pillar: Labor market efficiency.....                  | 136                  | 3.2            |
| 8th pillar: Financial market development.....             | 139                  | 2.4            |
| 9th pillar: Technological readiness.....                  | 121                  | 2.7            |
| 10th pillar: Market size.....                             | 124                  | 2.6            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>140</b>           | <b>2.5</b>     |
| 11th pillar: Business sophistication.....                 | 140                  | 2.7            |
| 12th pillar: Innovation.....                              | 140                  | 2.2            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Mauritania

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 2.5      | 138      |
| 1.02 Intellectual property protection .....                   | 2.1      | 139      |
| 1.03 Diversion of public funds .....                          | 2.1      | 133      |
| 1.04 Public trust in politicians .....                        | 2.3      | 102      |
| 1.05 Irregular payments and bribes .....                      | 2.1      | 140      |
| 1.06 Judicial independence .....                              | 2.0      | 135      |
| 1.07 Favoritism in decisions of government officials .....    | 2.5      | 110      |
| 1.08 Wastefulness of government spending .....                | 2.6      | 99       |
| 1.09 Burden of government regulation .....                    | 3.2      | 93       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.5      | 133      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.3      | 135      |
| 1.12 Transparency of government policymaking .....            | 2.7      | 139      |
| 1.13 Business costs of terrorism .....                        | 3.9      | 125      |
| 1.14 Business costs of crime and violence .....               | 4.4      | 82       |
| 1.15 Organized crime .....                                    | 4.4      | 96       |
| 1.16 Reliability of police services .....                     | 3.0      | 120      |
| 1.17 Ethical behavior of firms .....                          | 2.4      | 140      |
| 1.18 Strength of auditing and reporting standards .....       | 2.8      | 139      |
| 1.19 Efficacy of corporate boards .....                       | 2.4      | 140      |
| 1.20 Protection of minority shareholders' interests .....     | 2.5      | 140      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 3.8      | 129      |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 2.4      | 136      |
| 2.02 Quality of roads .....                                   | 2.3      | 134      |
| 2.03 Quality of railroad infrastructure .....                 | 2.1      | 91       |
| 2.04 Quality of port infrastructure .....                     | 2.7      | 121      |
| 2.05 Quality of air transport infrastructure .....            | 2.5      | 137      |
| 2.06 Available airline seat km/week, millions* .....          | 11.6     | 129      |
| 2.07 Quality of electricity supply .....                      | 3.1      | 112      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 94.2     | 104      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 1.3      | 118      |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.6     | 84       |
| 3.02 Gross national savings, % GDP* .....                     | 20.0     | 72       |
| 3.03 Inflation, annual % change* .....                        | 3.5      | 68       |
| 3.04 General government debt, % GDP* .....                    | 59.1     | 95       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 19.6     | 129      |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 17,649.5 | 58       |
| 4.02 Business impact of malaria .....                         | 4.0      | 53       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 115.0    | 94       |
| 4.04 Business impact of tuberculosis .....                    | 3.4      | 139      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.4      | 74       |
| 4.06 Business impact of HIV/AIDS .....                        | 3.7      | 131      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 67.1     | 133      |
| 4.08 Life expectancy, years* .....                            | 61.5     | 118      |
| 4.09 Quality of primary education .....                       | 2.1      | 137      |
| 4.10 Primary education enrollment, net %* .....               | 73.1     | 133      |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 29.5     | 136      |
| 5.02 Tertiary education enrollment, gross %* .....            | 5.4      | 124      |
| 5.03 Quality of the education system .....                    | 2.5      | 131      |
| 5.04 Quality of math and science education .....              | 2.9      | 123      |
| 5.05 Quality of management schools .....                      | 3.2      | 125      |
| 5.06 Internet access in schools .....                         | 2.1      | 137      |
| 5.07 Availability of specialized training services .....      | 2.9      | 136      |
| 5.08 Extent of staff training .....                           | 2.6      | 140      |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 4.0      | 135      |
| 6.02 Extent of market dominance .....                         | 2.5      | 136      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 2.5      | 138      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.0      | 119      |
| 6.05 Total tax rate, % profits* .....                         | 71.3     | 135      |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 7     | 76       |
| 6.07 No. days to start a business* .....                 | 9.0   | 50       |
| 6.08 Agricultural policy costs .....                     | 3.1   | 121      |
| 6.09 Prevalence of non-tariff barriers .....             | 3.2   | 138      |
| 6.10 Trade tariffs, % duty* .....                        | 10.4  | 108      |
| 6.11 Prevalence of foreign ownership .....               | 2.7   | 137      |
| 6.12 Business impact of rules on FDI .....               | 3.0   | 136      |
| 6.13 Burden of customs procedures .....                  | 3.1   | 125      |
| 6.14 Imports as a percentage of GDP* .....               | 78.3  | 23       |
| 6.15 Degree of customer orientation .....                | 3.6   | 134      |
| 6.16 Buyer sophistication .....                          | 2.1   | 138      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 3.8   | 117      |
| 7.02 Flexibility of wage determination .....             | 4.5   | 104      |
| 7.03 Hiring and firing practices .....                   | 3.3   | 112      |
| 7.04 Redundancy costs, weeks of salary* .....            | 10.4  | 38       |
| 7.05 Effect of taxation on incentives to work .....      | 3.9   | 57       |
| 7.06 Pay and productivity .....                          | 2.2   | 140      |
| 7.07 Reliance on professional management .....           | 2.1   | 140      |
| 7.08 Country capacity to retain talent .....             | 2.3   | 130      |
| 7.09 Country capacity to attract talent .....            | 2.6   | 112      |
| 7.10 Women in labor force, ratio to men* .....           | 0.37  | 129      |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 2.9   | 137      |
| 8.02 Affordability of financial services .....           | 3.2   | 129      |
| 8.03 Financing through local equity market .....         | 2.1   | 137      |
| 8.04 Ease of access to loans .....                       | 2.0   | 123      |
| 8.05 Venture capital availability .....                  | 1.9   | 134      |
| 8.06 Soundness of banks .....                            | 3.0   | 133      |
| 8.07 Regulation of securities exchanges .....            | 2.2   | 138      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 2     | 106      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.4   | 91       |
| 9.02 Firm-level technology absorption .....              | 4.2   | 104      |
| 9.03 FDI and technology transfer .....                   | 3.2   | 136      |
| 9.04 Individuals using Internet, %* .....                | 10.7  | 123      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.2   | 119      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 1.5   | 137      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 14.4  | 104      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.3   | 126      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.5   | 116      |
| 10.03 GDP (PPP\$ billions)* .....                        | 15.5  | 125      |
| 10.04 Exports as a percentage of GDP* .....              | 55.4  | 34       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 3.5   | 136      |
| 11.02 Local supplier quality .....                       | 2.8   | 140      |
| 11.03 State of cluster development .....                 | 2.4   | 138      |
| 11.04 Nature of competitive advantage .....              | 2.3   | 135      |
| 11.05 Value chain breadth .....                          | 2.9   | 136      |
| 11.06 Control of international distribution .....        | 3.2   | 113      |
| 11.07 Production process sophistication .....            | 2.8   | 128      |
| 11.08 Extent of marketing .....                          | 2.4   | 140      |
| 11.09 Willingness to delegate authority .....            | 2.4   | 139      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 2.6   | 140      |
| 12.02 Quality of scientific research institutions .....  | 2.4   | 132      |
| 12.03 Company spending on R&D .....                      | 2.1   | 139      |
| 12.04 University-industry collaboration in R&D .....     | 2.0   | 140      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.7   | 124      |
| 12.06 Availability of scientists and engineers .....     | 2.8   | 135      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119      |

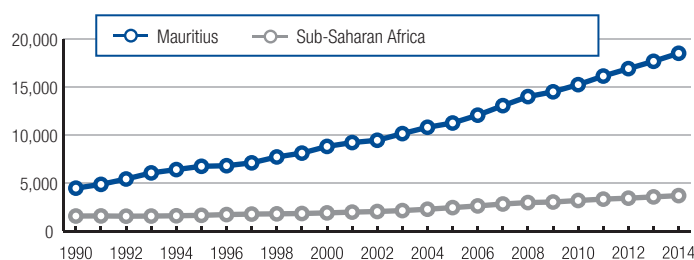
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Mauritius

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 1.3    |
| GDP (US\$ billions).....                   | 13.2   |
| GDP per capita (US\$).....                 | 10,517 |
| GDP (PPP) as share (%) of world total..... | 0.02   |

GDP (PPP) per capita (int'l \$), 1990–2014



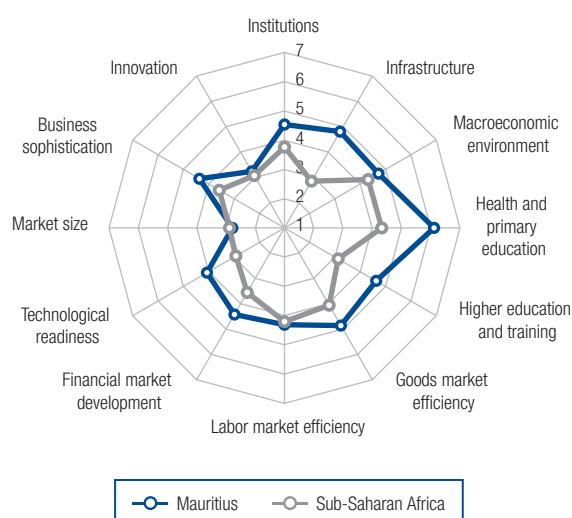
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>46</b>            | <b>4.4</b>     |
| GCI 2014–2015 (out of 144)..... | 39                   | 4.5            |
| GCI 2013–2014 (out of 148)..... | 45                   | 4.4            |
| GCI 2012–2013 (out of 144)..... | 54                   | 4.4            |

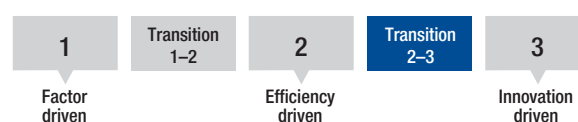
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (36.2%)</b> .....       | <b>39</b> | <b>5.0</b> |
| 1st pillar: Institutions.....                 | 34        | 4.5        |
| 2nd pillar: Infrastructure.....               | 37        | 4.8        |
| 3rd pillar: Macroeconomic environment.....    | 73        | 4.7        |
| 4th pillar: Health and primary education..... | 42        | 6.1        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>61</b> | <b>4.2</b> |
| 5th pillar: Higher education and training..... | 52        | 4.6        |
| 6th pillar: Goods market efficiency.....       | 25        | 4.9        |
| 7th pillar: Labor market efficiency.....       | 57        | 4.3        |
| 8th pillar: Financial market development.....  | 34        | 4.4        |
| 9th pillar: Technological readiness.....       | 65        | 4.1        |
| 10th pillar: Market size.....                  | 119       | 2.8        |

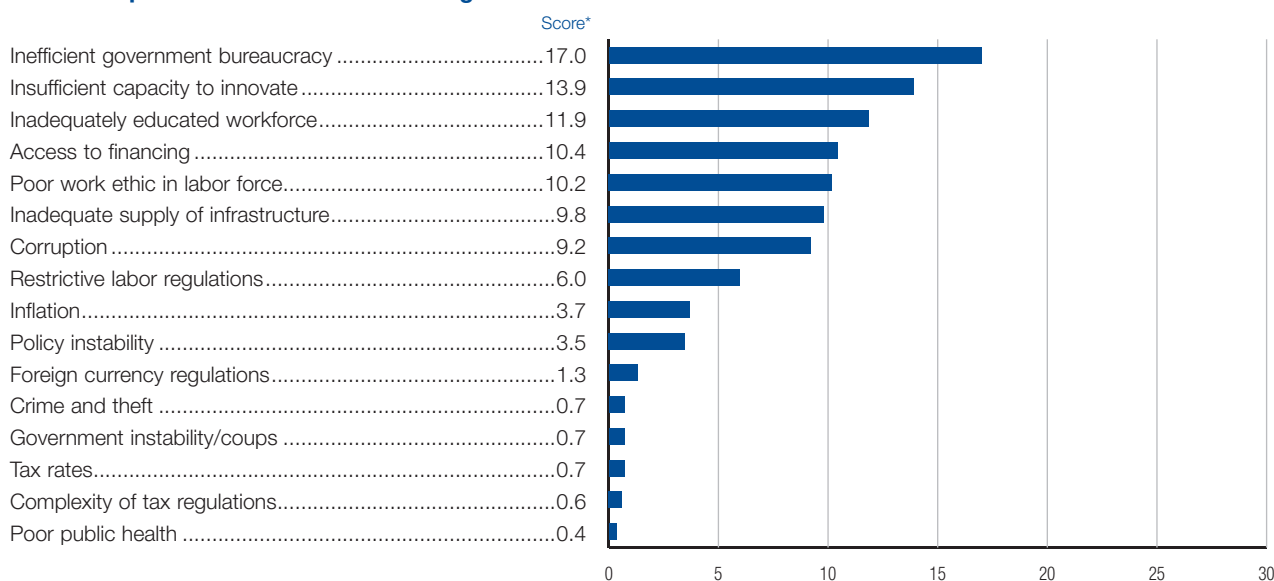
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (13.8%)</b> ..... | <b>51</b> | <b>3.8</b> |
| 11th pillar: Business sophistication.....                  | 34        | 4.4        |
| 12th pillar: Innovation.....                               | 78        | 3.2        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Mauritius

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 5.1    | 32       |
| 1.02 Intellectual property protection .....                   | 4.4    | 41       |
| 1.03 Diversion of public funds .....                          | 3.8    | 49       |
| 1.04 Public trust in politicians .....                        | 2.9    | 73       |
| 1.05 Irregular payments and bribes .....                      | 4.7    | 43       |
| 1.06 Judicial independence .....                              | 5.0    | 32       |
| 1.07 Favoritism in decisions of government officials .....    | 2.9    | 85       |
| 1.08 Wastefulness of government spending .....                | 3.6    | 46       |
| 1.09 Burden of government regulation .....                    | 3.9    | 29       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.9    | 23       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.3    | 31       |
| 1.12 Transparency of government policymaking .....            | 4.8    | 28       |
| 1.13 Business costs of terrorism .....                        | 6.1    | 26       |
| 1.14 Business costs of crime and violence .....               | 5.2    | 43       |
| 1.15 Organized crime .....                                    | 6.0    | 23       |
| 1.16 Reliability of police services .....                     | 4.5    | 60       |
| 1.17 Ethical behavior of firms .....                          | 4.4    | 36       |
| 1.18 Strength of auditing and reporting standards .....       | 5.1    | 42       |
| 1.19 Efficacy of corporate boards .....                       | 5.1    | 41       |
| 1.20 Protection of minority shareholders' interests .....     | 4.7    | 32       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.5    | 28       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.6    | 47       |
| 2.02 Quality of roads .....                                   | 4.8    | 39       |
| 2.03 Quality of railroad infrastructure .....                 | N/Apl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 4.7    | 42       |
| 2.05 Quality of air transport infrastructure .....            | 5.1    | 40       |
| 2.06 Available airline seat km/week, millions* .....          | 171.7  | 69       |
| 2.07 Quality of electricity supply .....                      | 5.5    | 45       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 132.2  | 41       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 29.8   | 36       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.4   | 76       |
| 3.02 Gross national savings, % GDP* .....                     | 14.8   | 102      |
| 3.03 Inflation, annual % change* .....                        | 3.0    | 49       |
| 3.04 General government debt, % GDP* .....                    | 52.8   | 86       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 55.6   | 60       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 21.0   | 45       |
| 4.04 Business impact of tuberculosis .....                    | 6.0    | 52       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.1    | 108      |
| 4.06 Business impact of HIV/AIDS .....                        | 5.6    | 70       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 12.5   | 65       |
| 4.08 Life expectancy, years* .....                            | 74.5   | 68       |
| 4.09 Quality of primary education .....                       | 4.4    | 48       |
| 4.10 Primary education enrollment, net %* .....               | 98.1   | 24       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 95.9   | 52       |
| 5.02 Tertiary education enrollment, gross %* .....            | 41.2   | 65       |
| 5.03 Quality of the education system .....                    | 4.1    | 49       |
| 5.04 Quality of math and science education .....              | 4.4    | 50       |
| 5.05 Quality of management schools .....                      | 4.3    | 66       |
| 5.06 Internet access in schools .....                         | 4.2    | 71       |
| 5.07 Availability of specialized training services .....      | 4.3    | 60       |
| 5.08 Extent of staff training .....                           | 4.5    | 30       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.5    | 32       |
| 6.02 Extent of market dominance .....                         | 3.3    | 106      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.1    | 45       |
| 6.04 Effect of taxation on incentives to invest .....         | 5.3    | 9        |
| 6.05 Total tax rate, % profits* .....                         | 24.5   | 23       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 5     | 38       |
| 6.07 No. days to start a business* .....                    | 6.0   | 28       |
| 6.08 Agricultural policy costs .....                        | 4.2   | 37       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.4   | 58       |
| 6.10 Trade tariffs, % duty* .....                           | 0.7   | 3        |
| 6.11 Prevalence of foreign ownership .....                  | 4.6   | 64       |
| 6.12 Business impact of rules on FDI .....                  | 5.3   | 17       |
| 6.13 Burden of customs procedures .....                     | 4.7   | 32       |
| 6.14 Imports as a percentage of GDP* .....                  | 60.8  | 41       |
| 6.15 Degree of customer orientation .....                   | 4.9   | 45       |
| 6.16 Buyer sophistication .....                             | 3.7   | 39       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.8   | 32       |
| 7.02 Flexibility of wage determination .....                | 4.6   | 100      |
| 7.03 Hiring and firing practices .....                      | 4.2   | 43       |
| 7.04 Redundancy costs, weeks of salary* .....               | 10.6  | 39       |
| 7.05 Effect of taxation on incentives to work .....         | 5.2   | 9        |
| 7.06 Pay and productivity .....                             | 4.2   | 50       |
| 7.07 Reliance on professional management .....              | 4.3   | 66       |
| 7.08 Country capacity to retain talent .....                | 3.4   | 73       |
| 7.09 Country capacity to attract talent .....               | 4.0   | 34       |
| 7.10 Women in labor force, ratio to men* .....              | 0.61  | 114      |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 5.2   | 33       |
| 8.02 Affordability of financial services .....              | 4.9   | 39       |
| 8.03 Financing through local equity market .....            | 4.0   | 42       |
| 8.04 Ease of access to loans .....                          | 3.5   | 31       |
| 8.05 Venture capital availability .....                     | 2.8   | 63       |
| 8.06 Soundness of banks .....                               | 5.5   | 41       |
| 8.07 Regulation of securities exchanges .....               | 4.7   | 43       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 6     | 44       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 5.0   | 53       |
| 9.02 Firm-level technology absorption .....                 | 5.0   | 43       |
| 9.03 FDI and technology transfer .....                      | 4.4   | 68       |
| 9.04 Individuals using Internet, %* .....                   | 41.4  | 85       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 14.6  | 54       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 33.0  | 69       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 31.8  | 82       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 2.5   | 120      |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 3.7   | 108      |
| 10.03 GDP (PPP\$ billions)* .....                           | 23.4  | 118      |
| 10.04 Exports as a percentage of GDP* .....                 | 48.6  | 43       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.9   | 29       |
| 11.02 Local supplier quality .....                          | 4.5   | 51       |
| 11.03 State of cluster development .....                    | 4.0   | 44       |
| 11.04 Nature of competitive advantage .....                 | 4.0   | 40       |
| 11.05 Value chain breadth .....                             | 4.4   | 26       |
| 11.06 Control of international distribution .....           | 4.4   | 28       |
| 11.07 Production process sophistication .....               | 4.4   | 41       |
| 11.08 Extent of marketing .....                             | 4.6   | 45       |
| 11.09 Willingness to delegate authority .....               | 4.1   | 42       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 4.1   | 58       |
| 12.02 Quality of scientific research institutions .....     | 3.4   | 92       |
| 12.03 Company spending on R&D .....                         | 3.2   | 69       |
| 12.04 University-industry collaboration in R&D .....        | 3.2   | 101      |
| 12.05 Gov't procurement of advanced tech products .....     | 3.4   | 60       |
| 12.06 Availability of scientists and engineers .....        | 3.7   | 93       |
| 12.07 PCT patents, applications/million pop.* .....         | 1.5   | 62       |

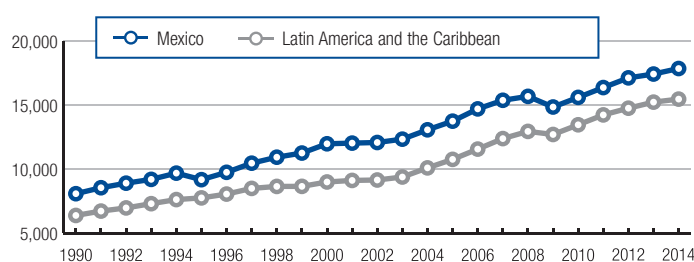
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Mexico

## Key indicators, 2014

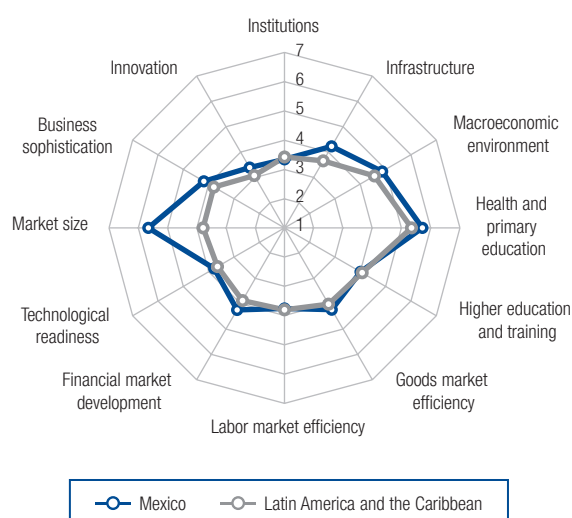
|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 119.7   |
| GDP (US\$ billions).....                   | 1,282.7 |
| GDP per capita (US\$).....                 | 10,715  |
| GDP (PPP) as share (%) of world total..... | 1.98    |

GDP (PPP) per capita (int'l \$), 1990–2014

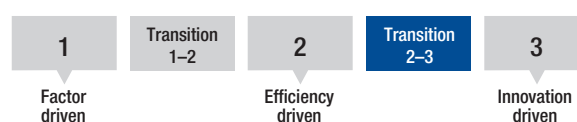


## Global Competitiveness Index

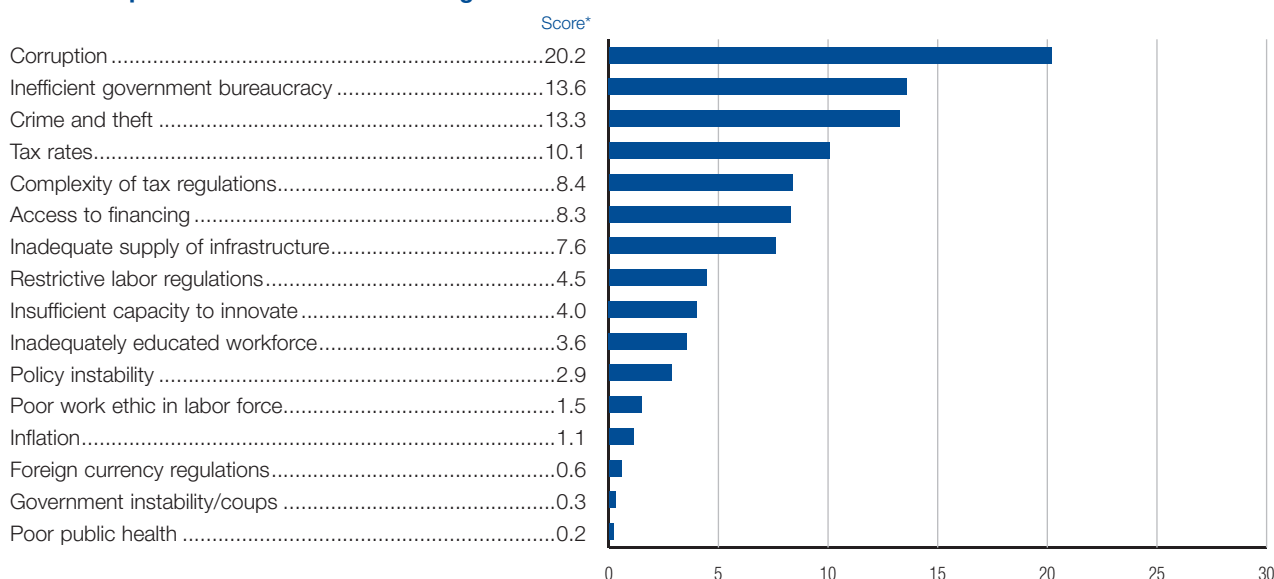
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>57</b>            | <b>4.3</b>     |
| GCI 2014–2015 (out of 144).....                            | 61                   | 4.3            |
| GCI 2013–2014 (out of 148).....                            | 55                   | 4.3            |
| GCI 2012–2013 (out of 144).....                            | 53                   | 4.4            |
| <b>Basic requirements (35.7%)</b> .....                    | <b>73</b>            | <b>4.5</b>     |
| 1st pillar: Institutions.....                              | 109                  | 3.3            |
| 2nd pillar: Infrastructure.....                            | 59                   | 4.2            |
| 3rd pillar: Macroeconomic environment.....                 | 56                   | 4.9            |
| 4th pillar: Health and primary education.....              | 71                   | 5.7            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>53</b>            | <b>4.3</b>     |
| 5th pillar: Higher education and training.....             | 86                   | 4.0            |
| 6th pillar: Goods market efficiency.....                   | 82                   | 4.2            |
| 7th pillar: Labor market efficiency.....                   | 114                  | 3.8            |
| 8th pillar: Financial market development.....              | 46                   | 4.2            |
| 9th pillar: Technological readiness.....                   | 73                   | 3.8            |
| 10th pillar: Market size.....                              | 11                   | 5.7            |
| <b>Innovation and sophistication factors (14.3%)</b> ..... | <b>52</b>            | <b>3.8</b>     |
| 11th pillar: Business sophistication.....                  | 50                   | 4.2            |
| 12th pillar: Innovation.....                               | 59                   | 3.4            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Mexico

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE         | RANK/140 |
|---------------------------------------------------------------|---------------|----------|
| <b>1st pillar: Institutions</b>                               |               |          |
| 1.01 Property rights .....                                    | 4.0 .....     | 88       |
| 1.02 Intellectual property protection .....                   | 3.8 .....     | 76       |
| 1.03 Diversion of public funds .....                          | 2.3 .....     | 125      |
| 1.04 Public trust in politicians .....                        | 2.0 .....     | 124      |
| 1.05 Irregular payments and bribes .....                      | 3.3 .....     | 103      |
| 1.06 Judicial independence .....                              | 3.2 .....     | 100      |
| 1.07 Favoritism in decisions of government officials .....    | 2.4 .....     | 117      |
| 1.08 Wastefulness of government spending .....                | 2.6 .....     | 98       |
| 1.09 Burden of government regulation .....                    | 2.8 .....     | 123      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.1 .....     | 105      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.0 .....     | 102      |
| 1.12 Transparency of government policymaking .....            | 4.1 .....     | 72       |
| 1.13 Business costs of terrorism .....                        | 4.8 .....     | 92       |
| 1.14 Business costs of crime and violence .....               | 2.7 .....     | 135      |
| 1.15 Organized crime .....                                    | 2.6 .....     | 136      |
| 1.16 Reliability of police services .....                     | 2.8 .....     | 127      |
| 1.17 Ethical behavior of firms .....                          | 3.5 .....     | 111      |
| 1.18 Strength of auditing and reporting standards .....       | 5.0 .....     | 51       |
| 1.19 Efficacy of corporate boards .....                       | 4.8 .....     | 69       |
| 1.20 Protection of minority shareholders' interests .....     | 4.2 .....     | 56       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8 .....     | 55       |
| <b>2nd pillar: Infrastructure</b>                             |               |          |
| 2.01 Quality of overall infrastructure .....                  | 4.1 .....     | 65       |
| 2.02 Quality of roads .....                                   | 4.3 .....     | 54       |
| 2.03 Quality of railroad infrastructure .....                 | 2.8 .....     | 61       |
| 2.04 Quality of port infrastructure .....                     | 4.3 .....     | 57       |
| 2.05 Quality of air transport infrastructure .....            | 4.7 .....     | 55       |
| 2.06 Available airline seat km/week, millions* .....          | 2,115.4 ..... | 21       |
| 2.07 Quality of electricity supply .....                      | 4.7 .....     | 73       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 82.5 .....    | 112      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 17.0 .....    | 66       |
| <b>3rd pillar: Macroeconomic environment</b>                  |               |          |
| 3.01 Government budget balance, % GDP* .....                  | –4.6 .....    | 105      |
| 3.02 Gross national savings, % GDP* .....                     | 19.9 .....    | 73       |
| 3.03 Inflation, annual % change* .....                        | 4.0 .....     | 84       |
| 3.04 General government debt, % GDP* .....                    | 50.1 .....    | 84       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 70.8 .....    | 34       |
| <b>4th pillar: Health and primary education</b>               |               |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.8 .....     | 16       |
| 4.02 Business impact of malaria .....                         | 6.5 .....     | 3        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 21.0 .....    | 45       |
| 4.04 Business impact of tuberculosis .....                    | 6.2 .....     | 42       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2 .....     | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.7 .....     | 64       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 12.5 .....    | 65       |
| 4.08 Life expectancy, years* .....                            | 77.4 .....    | 39       |
| 4.09 Quality of primary education .....                       | 2.9 .....     | 116      |
| 4.10 Primary education enrollment, net %* .....               | 96.1 .....    | 50       |
| <b>5th pillar: Higher education and training</b>              |               |          |
| 5.01 Secondary education enrollment, gross %* .....           | 85.7 .....    | 84       |
| 5.02 Tertiary education enrollment, gross %* .....            | 29.0 .....    | 78       |
| 5.03 Quality of the education system .....                    | 2.8 .....     | 117      |
| 5.04 Quality of math and science education .....              | 2.8 .....     | 126      |
| 5.05 Quality of management schools .....                      | 4.2 .....     | 68       |
| 5.06 Internet access in schools .....                         | 3.9 .....     | 90       |
| 5.07 Availability of specialized training services .....      | 4.3 .....     | 59       |
| 5.08 Extent of staff training .....                           | 3.9 .....     | 79       |
| <b>6th pillar: Goods market efficiency</b>                    |               |          |
| 6.01 Intensity of local competition .....                     | 5.2 .....     | 59       |
| 6.02 Extent of market dominance .....                         | 3.3 .....     | 103      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.8 .....     | 67       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.1 .....     | 114      |
| 6.05 Total tax rate, % profits* .....                         | 51.8 .....    | 115      |

| INDICATOR                                                   | VALUE         | RANK/140 |
|-------------------------------------------------------------|---------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |               |          |
| 6.06 No. procedures to start a business* .....              | 6 .....       | 57       |
| 6.07 No. days to start a business* .....                    | 6.3 .....     | 35       |
| 6.08 Agricultural policy costs .....                        | 3.0 .....     | 124      |
| 6.09 Prevalence of non-tariff barriers .....                | 4.3 .....     | 70       |
| 6.10 Trade tariffs, % duty* .....                           | 8.5 .....     | 94       |
| 6.11 Prevalence of foreign ownership .....                  | 5.3 .....     | 27       |
| 6.12 Business impact of rules on FDI .....                  | 4.9 .....     | 41       |
| 6.13 Burden of customs procedures .....                     | 4.0 .....     | 70       |
| 6.14 Imports as a percentage of GDP* .....                  | 34.6 .....    | 96       |
| 6.15 Degree of customer orientation .....                   | 4.8 .....     | 53       |
| 6.16 Buyer sophistication .....                             | 3.4 .....     | 65       |
| <b>7th pillar: Labor market efficiency</b>                  |               |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.6 .....     | 46       |
| 7.02 Flexibility of wage determination .....                | 5.1 .....     | 63       |
| 7.03 Hiring and firing practices .....                      | 3.5 .....     | 94       |
| 7.04 Redundancy costs, weeks of salary* .....               | 22.0 .....    | 101      |
| 7.05 Effect of taxation on incentives to work .....         | 3.2 .....     | 114      |
| 7.06 Pay and productivity .....                             | 3.8 .....     | 84       |
| 7.07 Reliance on professional management .....              | 4.2 .....     | 69       |
| 7.08 Country capacity to retain talent .....                | 3.5 .....     | 69       |
| 7.09 Country capacity to attract talent .....               | 3.4 .....     | 68       |
| 7.10 Women in labor force, ratio to men* .....              | 0.58 .....    | 119      |
| <b>8th pillar: Financial market development</b>             |               |          |
| 8.01 Availability of financial services .....               | 4.3 .....     | 71       |
| 8.02 Affordability of financial services .....              | 3.7 .....     | 105      |
| 8.03 Financing through local equity market .....            | 3.6 .....     | 63       |
| 8.04 Ease of access to loans .....                          | 2.4 .....     | 106      |
| 8.05 Venture capital availability .....                     | 2.8 .....     | 65       |
| 8.06 Soundness of banks .....                               | 5.5 .....     | 44       |
| 8.07 Regulation of securities exchanges .....               | 4.8 .....     | 41       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 8 .....       | 17       |
| <b>9th pillar: Technological readiness</b>                  |               |          |
| 9.01 Availability of latest technologies .....              | 5.0 .....     | 58       |
| 9.02 Firm-level technology absorption .....                 | 4.6 .....     | 68       |
| 9.03 FDI and technology transfer .....                      | 5.1 .....     | 20       |
| 9.04 Individuals using Internet, %* .....                   | 44.4 .....    | 78       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 11.6 .....    | 62       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 20.9 .....    | 85       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 37.5 .....    | 74       |
| <b>10th pillar: Market size</b>                             |               |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.5 .....     | 11       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 6.0 .....     | 16       |
| 10.03 GDP (PPP\$ billions)* .....                           | 2,140.6 ..... | 11       |
| 10.04 Exports as a percentage of GDP* .....                 | 32.6 .....    | 87       |
| <b>11th pillar: Business sophistication</b>                 |               |          |
| 11.01 Local supplier quantity .....                         | 4.6 .....     | 50       |
| 11.02 Local supplier quality .....                          | 4.7 .....     | 42       |
| 11.03 State of cluster development .....                    | 4.2 .....     | 34       |
| 11.04 Nature of competitive advantage .....                 | 3.3 .....     | 79       |
| 11.05 Value chain breadth .....                             | 4.2 .....     | 36       |
| 11.06 Control of international distribution .....           | 4.0 .....     | 52       |
| 11.07 Production process sophistication .....               | 4.3 .....     | 42       |
| 11.08 Extent of marketing .....                             | 4.5 .....     | 57       |
| 11.09 Willingness to delegate authority .....               | 3.8 .....     | 66       |
| <b>12th pillar: Innovation</b>                              |               |          |
| 12.01 Capacity for innovation .....                         | 4.0 .....     | 66       |
| 12.02 Quality of scientific research institutions .....     | 4.1 .....     | 47       |
| 12.03 Company spending on R&D .....                         | 3.2 .....     | 73       |
| 12.04 University-industry collaboration in R&D .....        | 4.0 .....     | 43       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.1 .....     | 88       |
| 12.06 Availability of scientists and engineers .....        | 4.1 .....     | 63       |
| 12.07 PCT patents, applications/million pop.* .....         | 1.9 .....     | 57       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

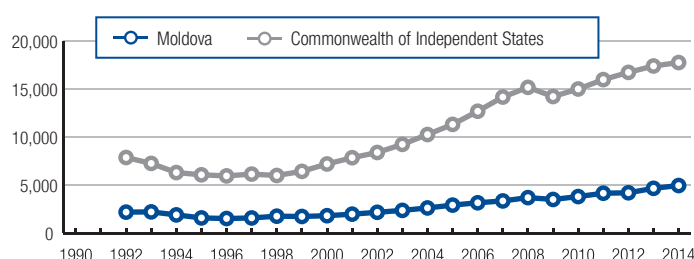


# Moldova

## Key indicators, 2014

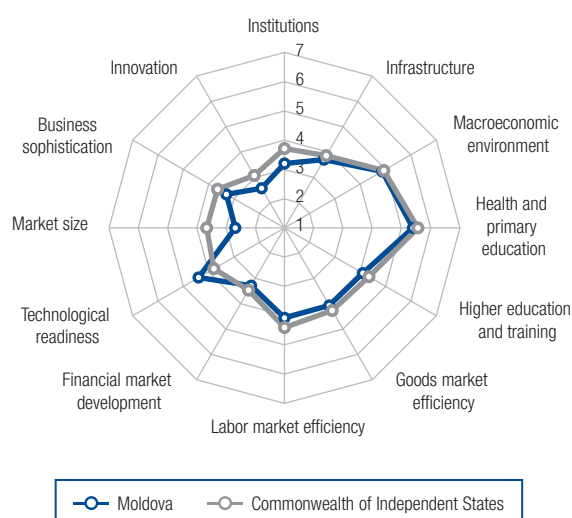
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 3.6   |
| GDP (US\$ billions).....                   | 7.9   |
| GDP per capita (US\$).....                 | 2,233 |
| GDP (PPP) as share (%) of world total..... | 0.02  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

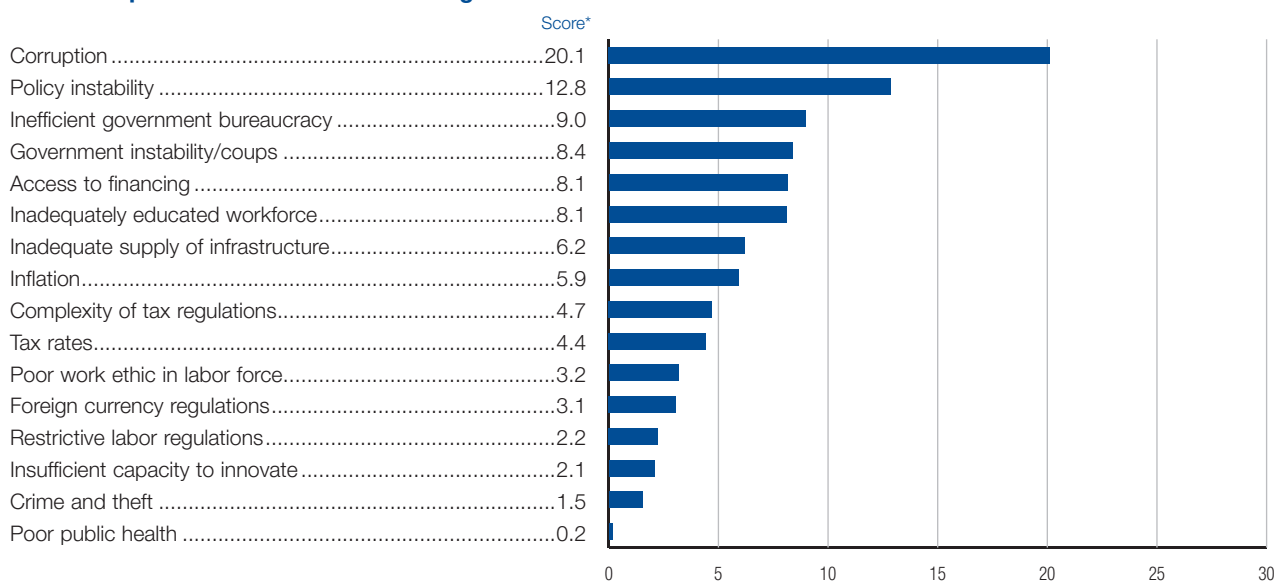
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>84</b>            | <b>4.0</b>     |
| GCI 2014–2015 (out of 144).....                           | 82                   | 4.0            |
| GCI 2013–2014 (out of 148).....                           | 89                   | 3.9            |
| GCI 2012–2013 (out of 144).....                           | 87                   | 3.9            |
| <b>Basic requirements (55.3%)</b> .....                   | <b>89</b>            | <b>4.3</b>     |
| 1st pillar: Institutions.....                             | 123                  | 3.2            |
| 2nd pillar: Infrastructure.....                           | 83                   | 3.7            |
| 3rd pillar: Macroeconomic environment.....                | 55                   | 4.9            |
| 4th pillar: Health and primary education.....             | 91                   | 5.4            |
| <b>Efficiency enhancers (38.5%)</b> .....                 | <b>94</b>            | <b>3.8</b>     |
| 5th pillar: Higher education and training.....            | 79                   | 4.1            |
| 6th pillar: Goods market efficiency.....                  | 103                  | 4.1            |
| 7th pillar: Labor market efficiency.....                  | 85                   | 4.1            |
| 8th pillar: Financial market development.....             | 115                  | 3.3            |
| 9th pillar: Technological readiness.....                  | 53                   | 4.4            |
| 10th pillar: Market size.....                             | 121                  | 2.7            |
| <b>Innovation and sophistication factors (6.2%)</b> ..... | <b>128</b>           | <b>2.9</b>     |
| 11th pillar: Business sophistication.....                 | 127                  | 3.3            |
| 12th pillar: Innovation.....                              | 130                  | 2.6            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Moldova

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 3.2    | 126      |
| 1.02 Intellectual property protection .....                   | 3.1    | 116      |
| 1.03 Diversion of public funds .....                          | 2.3    | 126      |
| 1.04 Public trust in politicians .....                        | 2.1    | 117      |
| 1.05 Irregular payments and bribes .....                      | 3.0    | 113      |
| 1.06 Judicial independence .....                              | 2.1    | 134      |
| 1.07 Favoritism in decisions of government officials .....    | 2.2    | 131      |
| 1.08 Wastefulness of government spending .....                | 2.6    | 101      |
| 1.09 Burden of government regulation .....                    | 3.0    | 108      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.5    | 134      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.3    | 136      |
| 1.12 Transparency of government policymaking .....            | 3.9    | 81       |
| 1.13 Business costs of terrorism .....                        | 5.7    | 45       |
| 1.14 Business costs of crime and violence .....               | 4.9    | 57       |
| 1.15 Organized crime .....                                    | 4.6    | 84       |
| 1.16 Reliability of police services .....                     | 3.1    | 115      |
| 1.17 Ethical behavior of firms .....                          | 3.3    | 120      |
| 1.18 Strength of auditing and reporting standards .....       | 3.9    | 113      |
| 1.19 Efficacy of corporate boards .....                       | 4.3    | 97       |
| 1.20 Protection of minority shareholders' interests .....     | 3.3    | 127      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8    | 55       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 3.5    | 97       |
| 2.02 Quality of roads .....                                   | 2.4    | 133      |
| 2.03 Quality of railroad infrastructure .....                 | 2.7    | 63       |
| 2.04 Quality of port infrastructure .....                     | 2.2    | 129      |
| 2.05 Quality of air transport infrastructure .....            | 3.8    | 91       |
| 2.06 Available airline seat km/week, millions* .....          | 31.6   | 110      |
| 2.07 Quality of electricity supply .....                      | 4.4    | 83       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 108.0  | 80       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 35.2   | 30       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –1.7   | 43       |
| 3.02 Gross national savings, % GDP* .....                     | 19.1   | 77       |
| 3.03 Inflation, annual % change* .....                        | 5.1    | 100      |
| 3.04 General government debt, % GDP* .....                    | 31.5   | 40       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 28.6   | 109      |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 159.0  | 108      |
| 4.04 Business impact of tuberculosis .....                    | 5.1    | 87       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.6    | 92       |
| 4.06 Business impact of HIV/AIDS .....                        | 5.9    | 63       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 13.3   | 70       |
| 4.08 Life expectancy, years* .....                            | 68.8   | 98       |
| 4.09 Quality of primary education .....                       | 3.9    | 77       |
| 4.10 Primary education enrollment, net %* .....               | 87.9   | 108      |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 88.3   | 75       |
| 5.02 Tertiary education enrollment, gross %* .....            | 41.3   | 63       |
| 5.03 Quality of the education system .....                    | 3.2    | 97       |
| 5.04 Quality of math and science education .....              | 3.9    | 80       |
| 5.05 Quality of management schools .....                      | 3.3    | 118      |
| 5.06 Internet access in schools .....                         | 4.5    | 69       |
| 5.07 Availability of specialized training services .....      | 3.5    | 115      |
| 5.08 Extent of staff training .....                           | 3.3    | 121      |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 4.6    | 103      |
| 6.02 Extent of market dominance .....                         | 3.0    | 124      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 2.8    | 135      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.4    | 92       |
| 6.05 Total tax rate, % profits* .....                         | 39.7   | 78       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 5     | 38       |
| 6.07 No. days to start a business* .....                    | 6.0   | 28       |
| 6.08 Agricultural policy costs .....                        | 2.9   | 131      |
| 6.09 Prevalence of non-tariff barriers .....                | 4.3   | 71       |
| 6.10 Trade tariffs, % duty* .....                           | 3.2   | 48       |
| 6.11 Prevalence of foreign ownership .....                  | 3.6   | 117      |
| 6.12 Business impact of rules on FDI .....                  | 4.2   | 95       |
| 6.13 Burden of customs procedures .....                     | 3.7   | 84       |
| 6.14 Imports as a percentage of GDP* .....                  | 79.1  | 21       |
| 6.15 Degree of customer orientation .....                   | 4.1   | 101      |
| 6.16 Buyer sophistication .....                             | 2.9   | 113      |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.1   | 93       |
| 7.02 Flexibility of wage determination .....                | 5.5   | 29       |
| 7.03 Hiring and firing practices .....                      | 3.5   | 100      |
| 7.04 Redundancy costs, weeks of salary* .....               | 22.6  | 103      |
| 7.05 Effect of taxation on incentives to work .....         | 3.2   | 111      |
| 7.06 Pay and productivity .....                             | 4.2   | 58       |
| 7.07 Reliance on professional management .....              | 3.6   | 111      |
| 7.08 Country capacity to retain talent .....                | 1.9   | 137      |
| 7.09 Country capacity to attract talent .....               | 1.7   | 138      |
| 7.10 Women in labor force, ratio to men* .....              | 0.90  | 32       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 3.8   | 109      |
| 8.02 Affordability of financial services .....              | 3.7   | 102      |
| 8.03 Financing through local equity market .....            | 2.5   | 121      |
| 8.04 Ease of access to loans .....                          | 2.4   | 103      |
| 8.05 Venture capital availability .....                     | 2.1   | 123      |
| 8.06 Soundness of banks .....                               | 3.1   | 132      |
| 8.07 Regulation of securities exchanges .....               | 2.8   | 129      |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 8     | 17       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 4.4   | 92       |
| 9.02 Firm-level technology absorption .....                 | 4.1   | 109      |
| 9.03 FDI and technology transfer .....                      | 4.0   | 99       |
| 9.04 Individuals using Internet, %* .....                   | 46.6  | 74       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 14.7  | 52       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 152.4 | 18       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 49.4  | 59       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 2.4   | 122      |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 3.4   | 118      |
| 10.03 GDP (PPP\$ billions)* .....                           | 17.7  | 124      |
| 10.04 Exports as a percentage of GDP* .....                 | 43.2  | 56       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 3.7   | 126      |
| 11.02 Local supplier quality .....                          | 3.7   | 115      |
| 11.03 State of cluster development .....                    | 2.3   | 140      |
| 11.04 Nature of competitive advantage .....                 | 2.6   | 130      |
| 11.05 Value chain breadth .....                             | 3.5   | 97       |
| 11.06 Control of international distribution .....           | 3.3   | 112      |
| 11.07 Production process sophistication .....               | 3.1   | 114      |
| 11.08 Extent of marketing .....                             | 3.9   | 103      |
| 11.09 Willingness to delegate authority .....               | 3.4   | 100      |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 3.4   | 115      |
| 12.02 Quality of scientific research institutions .....     | 2.7   | 124      |
| 12.03 Company spending on R&D .....                         | 2.3   | 135      |
| 12.04 University-industry collaboration in R&D .....        | 2.7   | 123      |
| 12.05 Gov't procurement of advanced tech products .....     | 2.5   | 134      |
| 12.06 Availability of scientists and engineers .....        | 2.9   | 132      |
| 12.07 PCT patents, applications/million pop.* .....         | 1.2   | 67       |

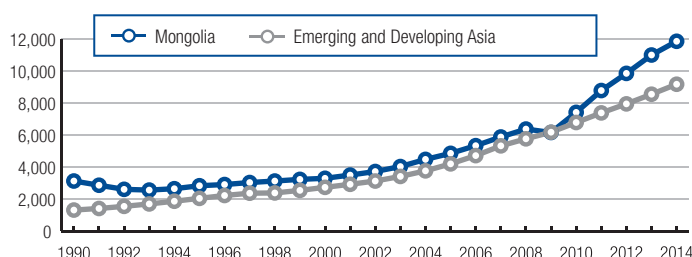
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Mongolia

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 2.9   |
| GDP (US\$ billions).....                   | 12.0  |
| GDP per capita (US\$).....                 | 4,096 |
| GDP (PPP) as share (%) of world total..... | 0.03  |

GDP (PPP) per capita (int'l \$), 1990–2014



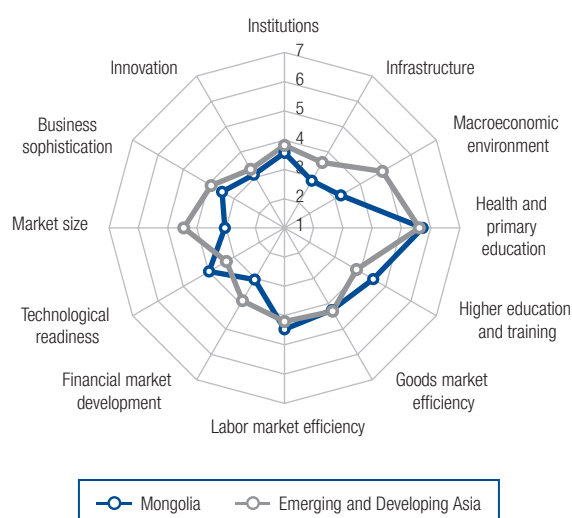
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>104</b>           | <b>3.8</b>     |
| GCI 2014–2015 (out of 144)..... | 98                   | 3.8            |
| GCI 2013–2014 (out of 148)..... | 107                  | 3.7            |
| GCI 2012–2013 (out of 144)..... | 93                   | 3.9            |

|                                               |            |            |
|-----------------------------------------------|------------|------------|
| <b>Basic requirements (49.8%)</b> .....       | <b>112</b> | <b>3.8</b> |
| 1st pillar: Institutions.....                 | 95         | 3.6        |
| 2nd pillar: Infrastructure.....               | 112        | 2.9        |
| 3rd pillar: Macroeconomic environment.....    | 133        | 3.2        |
| 4th pillar: Health and primary education..... | 69         | 5.7        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (42.6%)</b> .....      | <b>80</b> | <b>3.9</b> |
| 5th pillar: Higher education and training..... | 62        | 4.5        |
| 6th pillar: Goods market efficiency.....       | 79        | 4.2        |
| 7th pillar: Labor market efficiency.....       | 41        | 4.5        |
| 8th pillar: Financial market development.....  | 125       | 3.0        |
| 9th pillar: Technological readiness.....       | 67        | 4.0        |
| 10th pillar: Market size.....                  | 100       | 3.0        |

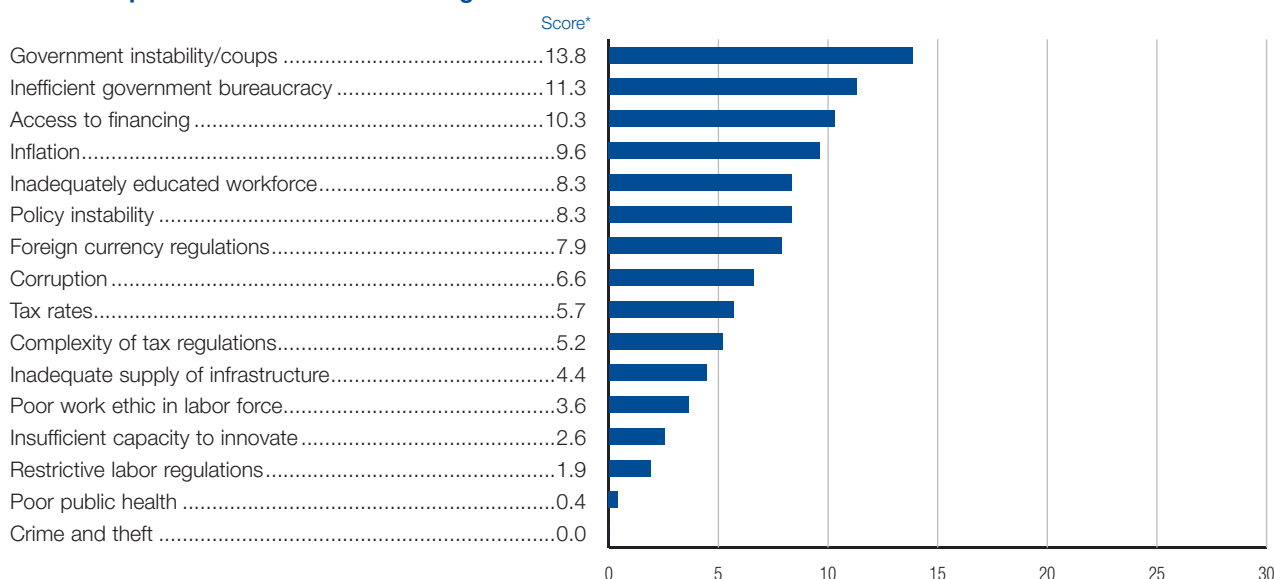
|                                                           |            |            |
|-----------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (7.5%)</b> ..... | <b>107</b> | <b>3.3</b> |
| 11th pillar: Business sophistication.....                 | 113        | 3.5        |
| 12th pillar: Innovation.....                              | 97         | 3.1        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Mongolia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 3.7    | 111      |
| 1.02 Intellectual property protection .....                   | 3.2    | 109      |
| 1.03 Diversion of public funds .....                          | 2.9    | 95       |
| 1.04 Public trust in politicians .....                        | 2.0    | 121      |
| 1.05 Irregular payments and bribes .....                      | 3.8    | 77       |
| 1.06 Judicial independence .....                              | 3.1    | 102      |
| 1.07 Favoritism in decisions of government officials .....    | 2.2    | 129      |
| 1.08 Wastefulness of government spending .....                | 2.3    | 120      |
| 1.09 Burden of government regulation .....                    | 3.2    | 92       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.4    | 86       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.0    | 98       |
| 1.12 Transparency of government policymaking .....            | 4.1    | 69       |
| 1.13 Business costs of terrorism .....                        | 6.4    | 5        |
| 1.14 Business costs of crime and violence .....               | 5.2    | 45       |
| 1.15 Organized crime .....                                    | 5.4    | 46       |
| 1.16 Reliability of police services .....                     | 3.7    | 92       |
| 1.17 Ethical behavior of firms .....                          | 3.6    | 97       |
| 1.18 Strength of auditing and reporting standards .....       | 3.6    | 127      |
| 1.19 Efficacy of corporate boards .....                       | 3.8    | 136      |
| 1.20 Protection of minority shareholders' interests .....     | 3.3    | 125      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.8    | 14       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 3.3    | 107      |
| 2.02 Quality of roads .....                                   | 2.8    | 118      |
| 2.03 Quality of railroad infrastructure .....                 | 2.5    | 73       |
| 2.04 Quality of port infrastructure .....                     | 1.4    | 139      |
| 2.05 Quality of air transport infrastructure .....            | 3.2    | 120      |
| 2.06 Available airline seat km/week, millions* .....          | 24.1   | 116      |
| 2.07 Quality of electricity supply .....                      | 3.7    | 99       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 105.1  | 87       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 7.9    | 92       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –11.0  | 138      |
| 3.02 Gross national savings, % GDP* .....                     | 24.3   | 44       |
| 3.03 Inflation, annual % change* .....                        | 12.9   | 135      |
| 3.04 General government debt, % GDP* .....                    | 76.5   | 115      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 32.5   | 93       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 181.0  | 116      |
| 4.04 Business impact of tuberculosis .....                    | 5.4    | 78       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.8    | 57       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 26.4   | 97       |
| 4.08 Life expectancy, years* .....                            | 67.5   | 103      |
| 4.09 Quality of primary education .....                       | 4.3    | 50       |
| 4.10 Primary education enrollment, net %* .....               | 94.7   | 68       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 91.6   | 68       |
| 5.02 Tertiary education enrollment, gross %* .....            | 62.3   | 36       |
| 5.03 Quality of the education system .....                    | 3.0    | 111      |
| 5.04 Quality of math and science education .....              | 4.7    | 34       |
| 5.05 Quality of management schools .....                      | 3.0    | 133      |
| 5.06 Internet access in schools .....                         | 4.7    | 51       |
| 5.07 Availability of specialized training services .....      | 3.2    | 125      |
| 5.08 Extent of staff training .....                           | 3.9    | 80       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.0    | 78       |
| 6.02 Extent of market dominance .....                         | 2.5    | 137      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.1    | 120      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8    | 55       |
| 6.05 Total tax rate, % profits* .....                         | 24.4   | 22       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 5     | 38       |
| 6.07 No. days to start a business* .....                 | 11.0  | 59       |
| 6.08 Agricultural policy costs .....                     | 3.7   | 84       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.4   | 56       |
| 6.10 Trade tariffs, % duty* .....                        | 4.0   | 55       |
| 6.11 Prevalence of foreign ownership .....               | 4.4   | 81       |
| 6.12 Business impact of rules on FDI .....               | 4.1   | 103      |
| 6.13 Burden of customs procedures .....                  | 3.7   | 86       |
| 6.14 Imports as a percentage of GDP* .....               | 61.6  | 39       |
| 6.15 Degree of customer orientation .....                | 4.3   | 88       |
| 6.16 Buyer sophistication .....                          | 3.1   | 90       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.3   | 67       |
| 7.02 Flexibility of wage determination .....             | 5.9   | 9        |
| 7.03 Hiring and firing practices .....                   | 4.0   | 58       |
| 7.04 Redundancy costs, weeks of salary* .....            | 8.6   | 20       |
| 7.05 Effect of taxation on incentives to work .....      | 3.5   | 97       |
| 7.06 Pay and productivity .....                          | 4.4   | 39       |
| 7.07 Reliance on professional management .....           | 3.7   | 100      |
| 7.08 Country capacity to retain talent .....             | 2.8   | 112      |
| 7.09 Country capacity to attract talent .....            | 2.8   | 104      |
| 7.10 Women in labor force, ratio to men* .....           | 0.83  | 61       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.8   | 111      |
| 8.02 Affordability of financial services .....           | 3.5   | 119      |
| 8.03 Financing through local equity market .....         | 2.8   | 110      |
| 8.04 Ease of access to loans .....                       | 1.5   | 139      |
| 8.05 Venture capital availability .....                  | 1.8   | 137      |
| 8.06 Soundness of banks .....                            | 3.9   | 119      |
| 8.07 Regulation of securities exchanges .....            | 2.9   | 127      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 5     | 63       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.4   | 88       |
| 9.02 Firm-level technology absorption .....              | 4.7   | 64       |
| 9.03 FDI and technology transfer .....                   | 4.3   | 78       |
| 9.04 Individuals using Internet, %* .....                | 27.0  | 99       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 6.8   | 77       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 90.0  | 34       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 57.6  | 50       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.7   | 101      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.9   | 96       |
| 10.03 GDP (PPP\$ billions)* .....                        | 34.8  | 101      |
| 10.04 Exports as a percentage of GDP* .....              | 53.0  | 39       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 3.7   | 128      |
| 11.02 Local supplier quality .....                       | 3.7   | 118      |
| 11.03 State of cluster development .....                 | 2.9   | 130      |
| 11.04 Nature of competitive advantage .....              | 3.4   | 69       |
| 11.05 Value chain breadth .....                          | 3.3   | 115      |
| 11.06 Control of international distribution .....        | 3.1   | 122      |
| 11.07 Production process sophistication .....            | 3.4   | 98       |
| 11.08 Extent of marketing .....                          | 4.3   | 69       |
| 11.09 Willingness to delegate authority .....            | 3.3   | 116      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.0   | 64       |
| 12.02 Quality of scientific research institutions .....  | 3.0   | 108      |
| 12.03 Company spending on R&D .....                      | 3.3   | 61       |
| 12.04 University-industry collaboration in R&D .....     | 3.0   | 113      |
| 12.05 Gov't procurement of advanced tech products .....  | 3.2   | 79       |
| 12.06 Availability of scientists and engineers .....     | 4.1   | 60       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.7   | 74       |

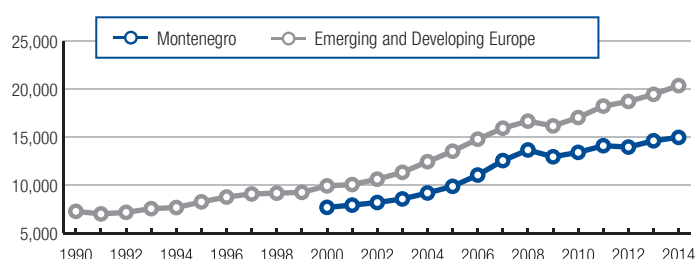
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Montenegro

## Key indicators, 2014

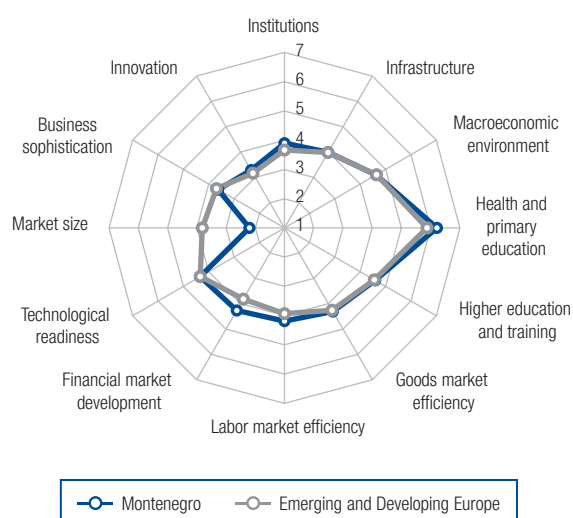
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 0.6   |
| GDP (US\$ billions).....                   | 4.5   |
| GDP per capita (US\$).....                 | 7,149 |
| GDP (PPP) as share (%) of world total..... | 0.01  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

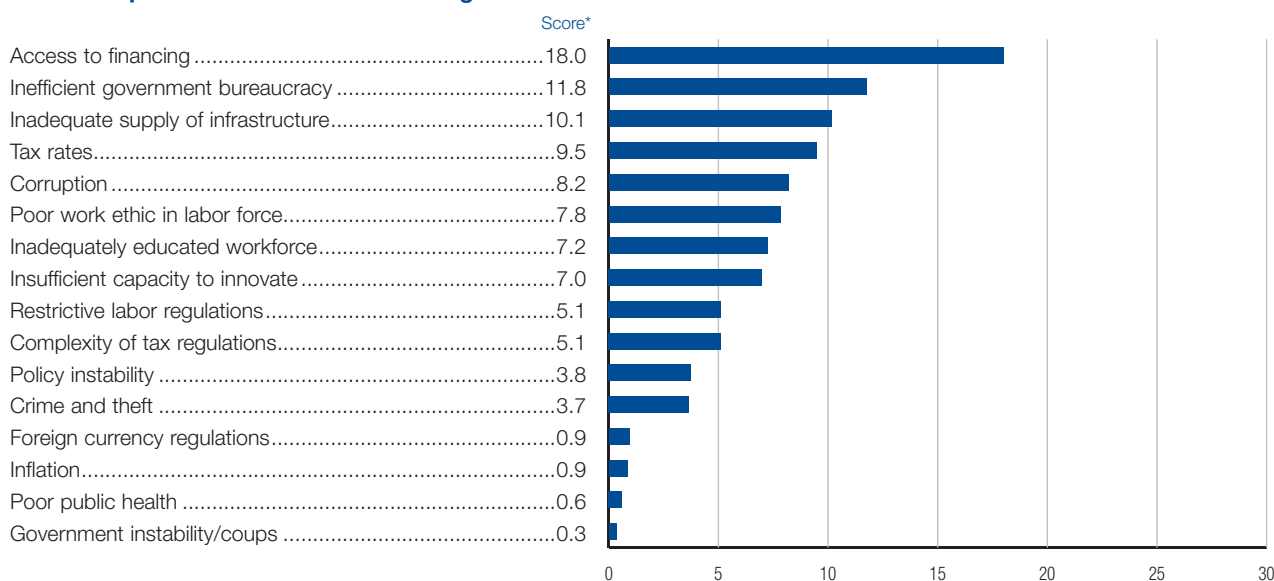
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>70</b>            | <b>4.2</b>     |
| GCI 2014–2015 (out of 144).....                            | 67                   | 4.2            |
| GCI 2013–2014 (out of 148).....                            | 67                   | 4.2            |
| GCI 2012–2013 (out of 144).....                            | 72                   | 4.1            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>58</b>            | <b>4.7</b>     |
| 1st pillar: Institutions.....                              | 70                   | 3.9            |
| 2nd pillar: Infrastructure.....                            | 73                   | 4.0            |
| 3rd pillar: Macroeconomic environment.....                 | 79                   | 4.6            |
| 4th pillar: Health and primary education.....              | 33                   | 6.2            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>75</b>            | <b>4.0</b>     |
| 5th pillar: Higher education and training.....             | 54                   | 4.6            |
| 6th pillar: Goods market efficiency.....                   | 70                   | 4.3            |
| 7th pillar: Labor market efficiency.....                   | 74                   | 4.2            |
| 8th pillar: Financial market development.....              | 44                   | 4.3            |
| 9th pillar: Technological readiness.....                   | 55                   | 4.3            |
| 10th pillar: Market size.....                              | 131                  | 2.2            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>86</b>            | <b>3.4</b>     |
| 11th pillar: Business sophistication.....                  | 102                  | 3.6            |
| 12th pillar: Innovation.....                               | 69                   | 3.3            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Montenegro

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.1    | 81       |
| 1.02 Intellectual property protection .....                   | 3.7    | 85       |
| 1.03 Diversion of public funds .....                          | 3.6    | 57       |
| 1.04 Public trust in politicians .....                        | 3.3    | 56       |
| 1.05 Irregular payments and bribes .....                      | 4.2    | 57       |
| 1.06 Judicial independence .....                              | 3.4    | 88       |
| 1.07 Favoritism in decisions of government officials .....    | 3.3    | 59       |
| 1.08 Wastefulness of government spending .....                | 3.4    | 57       |
| 1.09 Burden of government regulation .....                    | 3.6    | 48       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.5    | 75       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.3    | 84       |
| 1.12 Transparency of government policymaking .....            | 4.2    | 56       |
| 1.13 Business costs of terrorism .....                        | 5.5    | 60       |
| 1.14 Business costs of crime and violence .....               | 4.5    | 74       |
| 1.15 Organized crime .....                                    | 4.5    | 85       |
| 1.16 Reliability of police services .....                     | 4.3    | 58       |
| 1.17 Ethical behavior of firms .....                          | 3.9    | 69       |
| 1.18 Strength of auditing and reporting standards .....       | 4.0    | 110      |
| 1.19 Efficacy of corporate boards .....                       | 4.0    | 126      |
| 1.20 Protection of minority shareholders' interests .....     | 3.7    | 102      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.1    | 42       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 3.5    | 96       |
| 2.02 Quality of roads .....                                   | 3.2    | 103      |
| 2.03 Quality of railroad infrastructure .....                 | 2.8    | 58       |
| 2.04 Quality of port infrastructure .....                     | 4.2    | 61       |
| 2.05 Quality of air transport infrastructure .....            | 4.2    | 73       |
| 2.06 Available airline seat km/week, millions* .....          | 19.1   | 122      |
| 2.07 Quality of electricity supply .....                      | 4.0    | 91       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 163.0  | 9        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 26.5   | 39       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | −0.8   | 30       |
| 3.02 Gross national savings, % GDP* .....                     | 2.3    | 135      |
| 3.03 Inflation, annual % change* .....                        | −0.7   | 87       |
| 3.04 General government debt, % GDP* .....                    | 58.4   | 93       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 37.7   | 83       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 21.0   | 45       |
| 4.04 Business impact of tuberculosis .....                    | 5.9    | 62       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.0    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.9    | 55       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 4.9    | 34       |
| 4.08 Life expectancy, years* .....                            | 74.8   | 62       |
| 4.09 Quality of primary education .....                       | 4.5    | 44       |
| 4.10 Primary education enrollment, net %* .....               | 98.4   | 18       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 90.9   | 69       |
| 5.02 Tertiary education enrollment, gross %* .....            | 55.5   | 47       |
| 5.03 Quality of the education system .....                    | 3.9    | 58       |
| 5.04 Quality of math and science education .....              | 4.6    | 39       |
| 5.05 Quality of management schools .....                      | 4.4    | 54       |
| 5.06 Internet access in schools .....                         | 4.3    | 69       |
| 5.07 Availability of specialized training services .....      | 3.7    | 99       |
| 5.08 Extent of staff training .....                           | 3.6    | 98       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 4.2    | 131      |
| 6.02 Extent of market dominance .....                         | 3.4    | 89       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.6    | 93       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.9    | 43       |
| 6.05 Total tax rate, % profits* .....                         | 22.3   | 17       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 6     | 57       |
| 6.07 No. days to start a business* .....                    | 10.0  | 53       |
| 6.08 Agricultural policy costs .....                        | 4.1   | 40       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.4   | 61       |
| 6.10 Trade tariffs, % duty* .....                           | 3.1   | 47       |
| 6.11 Prevalence of foreign ownership .....                  | 4.3   | 87       |
| 6.12 Business impact of rules on FDI .....                  | 4.2   | 94       |
| 6.13 Burden of customs procedures .....                     | 4.0   | 66       |
| 6.14 Imports as a percentage of GDP* .....                  | 62.7  | 38       |
| 6.15 Degree of customer orientation .....                   | 4.2   | 98       |
| 6.16 Buyer sophistication .....                             | 3.0   | 102      |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 3.9   | 113      |
| 7.02 Flexibility of wage determination .....                | 5.1   | 61       |
| 7.03 Hiring and firing practices .....                      | 3.8   | 72       |
| 7.04 Redundancy costs, weeks of salary* .....               | 11.2  | 42       |
| 7.05 Effect of taxation on incentives to work .....         | 3.8   | 67       |
| 7.06 Pay and productivity .....                             | 3.8   | 79       |
| 7.07 Reliance on professional management .....              | 3.6   | 112      |
| 7.08 Country capacity to retain talent .....                | 3.2   | 92       |
| 7.09 Country capacity to attract talent .....               | 2.8   | 103      |
| 7.10 Women in labor force, ratio to men* .....              | 0.79  | 76       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.1   | 93       |
| 8.02 Affordability of financial services .....              | 4.0   | 76       |
| 8.03 Financing through local equity market .....            | 3.3   | 79       |
| 8.04 Ease of access to loans .....                          | 3.0   | 50       |
| 8.05 Venture capital availability .....                     | 2.8   | 64       |
| 8.06 Soundness of banks .....                               | 4.2   | 108      |
| 8.07 Regulation of securities exchanges .....               | 4.0   | 84       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 12    | 1        |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 4.6   | 74       |
| 9.02 Firm-level technology absorption .....                 | 4.4   | 88       |
| 9.03 FDI and technology transfer .....                      | 4.4   | 72       |
| 9.04 Individuals using Internet, %* .....                   | 61.0  | 54       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 15.2  | 51       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 77.0  | 36       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 31.0  | 84       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 1.9   | 131      |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 3.0   | 128      |
| 10.03 GDP (PPP\$ billions)* .....                           | 9.4   | 131      |
| 10.04 Exports as a percentage of GDP* .....                 | 40.7  | 63       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.0   | 110      |
| 11.02 Local supplier quality .....                          | 3.9   | 94       |
| 11.03 State of cluster development .....                    | 2.9   | 126      |
| 11.04 Nature of competitive advantage .....                 | 3.3   | 78       |
| 11.05 Value chain breadth .....                             | 3.7   | 80       |
| 11.06 Control of international distribution .....           | 3.7   | 79       |
| 11.07 Production process sophistication .....               | 3.4   | 102      |
| 11.08 Extent of marketing .....                             | 3.9   | 101      |
| 11.09 Willingness to delegate authority .....               | 3.7   | 73       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 3.6   | 100      |
| 12.02 Quality of scientific research institutions .....     | 3.8   | 65       |
| 12.03 Company spending on R&D .....                         | 3.1   | 77       |
| 12.04 University-industry collaboration in R&D .....        | 3.9   | 46       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.2   | 77       |
| 12.06 Availability of scientists and engineers .....        | 4.0   | 65       |
| 12.07 PCT patents, applications/million pop.* .....         | 0.8   | 71       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

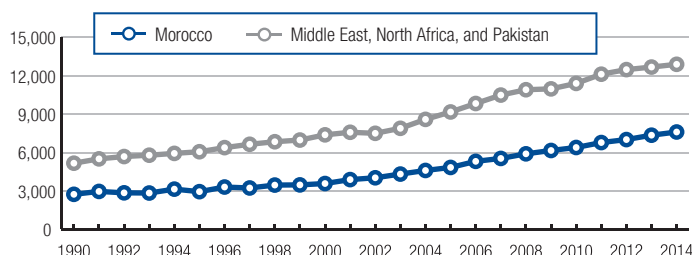


# Morocco

## Key indicators, 2014

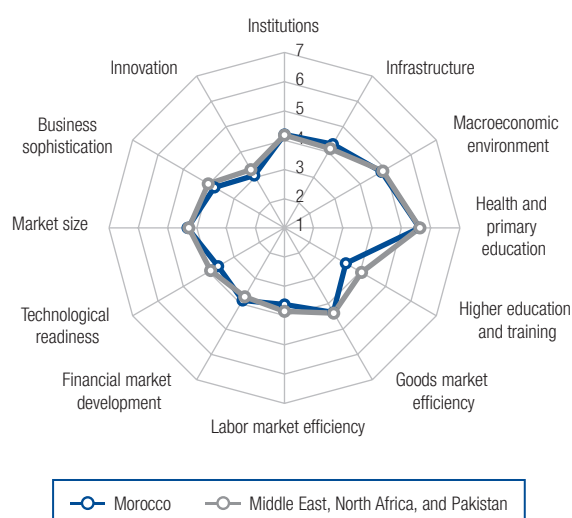
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 33.2  |
| GDP (US\$ billions).....                   | 109.2 |
| GDP per capita (US\$).....                 | 3,291 |
| GDP (PPP) as share (%) of world total..... | 0.23  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

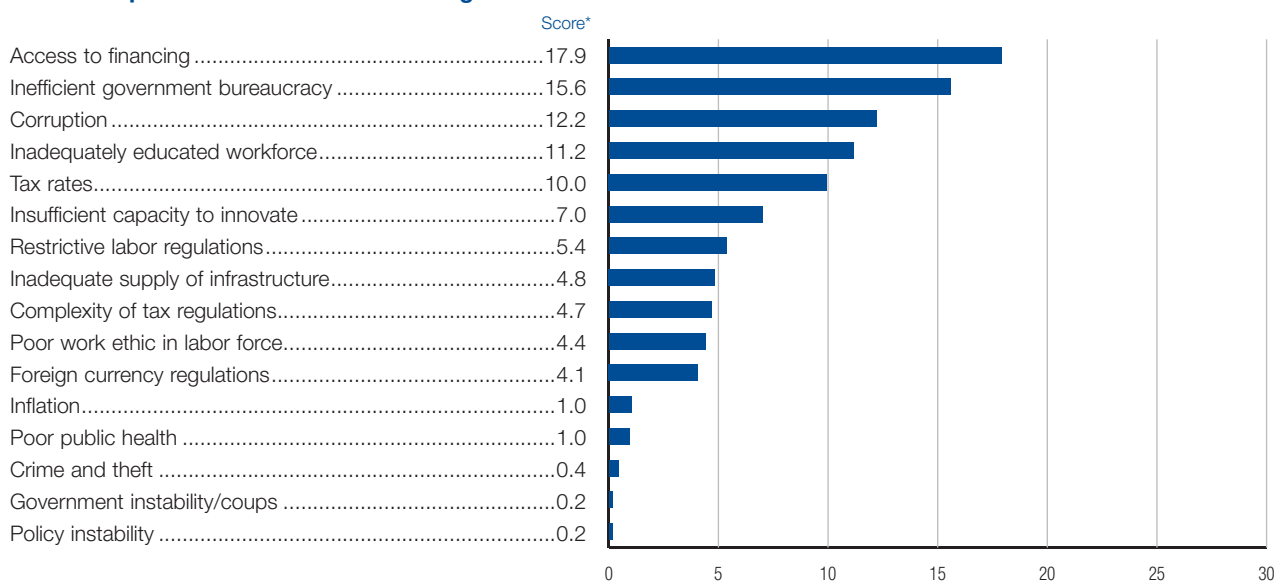
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>72</b>            | <b>4.2</b>     |
| GCI 2014–2015 (out of 144).....                            | 72                   | 4.2            |
| GCI 2013–2014 (out of 148).....                            | 77                   | 4.1            |
| GCI 2012–2013 (out of 144).....                            | 70                   | 4.1            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>55</b>            | <b>4.7</b>     |
| 1st pillar: Institutions.....                              | 47                   | 4.2            |
| 2nd pillar: Infrastructure.....                            | 55                   | 4.3            |
| 3rd pillar: Macroeconomic environment.....                 | 58                   | 4.8            |
| 4th pillar: Health and primary education.....              | 77                   | 5.6            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>82</b>            | <b>3.9</b>     |
| 5th pillar: Higher education and training.....             | 106                  | 3.4            |
| 6th pillar: Goods market efficiency.....                   | 64                   | 4.3            |
| 7th pillar: Labor market efficiency.....                   | 123                  | 3.6            |
| 8th pillar: Financial market development.....              | 70                   | 3.9            |
| 9th pillar: Technological readiness.....                   | 78                   | 3.6            |
| 10th pillar: Market size.....                              | 53                   | 4.3            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>92</b>            | <b>3.4</b>     |
| 11th pillar: Business sophistication.....                  | 82                   | 3.8            |
| 12th pillar: Innovation.....                               | 98                   | 3.1            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Morocco

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.7    | 42       |
| 1.02 Intellectual property protection .....                   | 4.0    | 61       |
| 1.03 Diversion of public funds .....                          | 3.9    | 46       |
| 1.04 Public trust in politicians .....                        | 3.4    | 50       |
| 1.05 Irregular payments and bribes .....                      | 4.1    | 58       |
| 1.06 Judicial independence .....                              | 3.5    | 83       |
| 1.07 Favoritism in decisions of government officials .....    | 3.5    | 46       |
| 1.08 Wastefulness of government spending .....                | 3.6    | 43       |
| 1.09 Burden of government regulation .....                    | 3.5    | 58       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.6    | 72       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.5    | 64       |
| 1.12 Transparency of government policymaking .....            | 4.4    | 43       |
| 1.13 Business costs of terrorism .....                        | 5.8    | 39       |
| 1.14 Business costs of crime and violence .....               | 5.4    | 27       |
| 1.15 Organized crime .....                                    | 5.8    | 30       |
| 1.16 Reliability of police services .....                     | 4.9    | 41       |
| 1.17 Ethical behavior of firms .....                          | 4.0    | 63       |
| 1.18 Strength of auditing and reporting standards .....       | 4.7    | 62       |
| 1.19 Efficacy of corporate boards .....                       | 4.6    | 83       |
| 1.20 Protection of minority shareholders' interests .....     | 4.3    | 51       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.6    | 105      |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 4.4    | 55       |
| 2.02 Quality of roads .....                                   | 4.3    | 55       |
| 2.03 Quality of railroad infrastructure .....                 | 3.9    | 33       |
| 2.04 Quality of port infrastructure .....                     | 4.8    | 41       |
| 2.05 Quality of air transport infrastructure .....            | 4.6    | 58       |
| 2.06 Available airline seat km/week, millions* .....          | 475.1  | 46       |
| 2.07 Quality of electricity supply .....                      | 5.4    | 51       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 131.7  | 42       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 7.4    | 98       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –4.9   | 107      |
| 3.02 Gross national savings, % GDP* .....                     | 28.1   | 30       |
| 3.03 Inflation, annual % change* .....                        | 0.4    | 48       |
| 3.04 General government debt, % GDP* .....                    | 63.9   | 100      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 52.7   | 68       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 104.0  | 92       |
| 4.04 Business impact of tuberculosis .....                    | 5.7    | 68       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.7    | 61       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 26.1   | 96       |
| 4.08 Life expectancy, years* .....                            | 70.9   | 91       |
| 4.09 Quality of primary education .....                       | 3.0    | 110      |
| 4.10 Primary education enrollment, net %* .....               | 98.3   | 21       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 68.9   | 104      |
| 5.02 Tertiary education enrollment, gross %* .....            | 16.2   | 100      |
| 5.03 Quality of the education system .....                    | 2.8    | 122      |
| 5.04 Quality of math and science education .....              | 4.0    | 74       |
| 5.05 Quality of management schools .....                      | 4.1    | 72       |
| 5.06 Internet access in schools .....                         | 3.5    | 110      |
| 5.07 Availability of specialized training services .....      | 4.0    | 84       |
| 5.08 Extent of staff training .....                           | 3.4    | 120      |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.0    | 73       |
| 6.02 Extent of market dominance .....                         | 3.6    | 74       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.7    | 80       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.1    | 34       |
| 6.05 Total tax rate, % profits* .....                         | 49.3   | 110      |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 5     | 38       |
| 6.07 No. days to start a business* .....                 | 11.0  | 59       |
| 6.08 Agricultural policy costs .....                     | 4.6   | 13       |
| 6.09 Prevalence of non-tariff barriers .....             | 3.8   | 120      |
| 6.10 Trade tariffs, % duty* .....                        | 10.1  | 107      |
| 6.11 Prevalence of foreign ownership .....               | 4.8   | 54       |
| 6.12 Business impact of rules on FDI .....               | 5.2   | 22       |
| 6.13 Burden of customs procedures .....                  | 4.2   | 57       |
| 6.14 Imports as a percentage of GDP* .....               | 49.3  | 63       |
| 6.15 Degree of customer orientation .....                | 4.5   | 73       |
| 6.16 Buyer sophistication .....                          | 3.1   | 96       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 3.9   | 114      |
| 7.02 Flexibility of wage determination .....             | 5.4   | 38       |
| 7.03 Hiring and firing practices .....                   | 3.5   | 99       |
| 7.04 Redundancy costs, weeks of salary* .....            | 20.7  | 94       |
| 7.05 Effect of taxation on incentives to work .....      | 4.0   | 49       |
| 7.06 Pay and productivity .....                          | 3.5   | 106      |
| 7.07 Reliance on professional management .....           | 4.1   | 78       |
| 7.08 Country capacity to retain talent .....             | 3.4   | 76       |
| 7.09 Country capacity to attract talent .....            | 3.6   | 59       |
| 7.10 Women in labor force, ratio to men* .....           | 0.34  | 133      |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.6   | 57       |
| 8.02 Affordability of financial services .....           | 4.2   | 61       |
| 8.03 Financing through local equity market .....         | 3.9   | 49       |
| 8.04 Ease of access to loans .....                       | 3.1   | 47       |
| 8.05 Venture capital availability .....                  | 2.7   | 68       |
| 8.06 Soundness of banks .....                            | 5.2   | 54       |
| 8.07 Regulation of securities exchanges .....            | 4.9   | 35       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 2     | 106      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 5.1   | 51       |
| 9.02 Firm-level technology absorption .....              | 4.5   | 73       |
| 9.03 FDI and technology transfer .....                   | 4.6   | 55       |
| 9.04 Individuals using Internet, %* .....                | 56.8  | 60       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 3.0   | 94       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 10.8  | 98       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 26.8  | 94       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 4.1   | 50       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.8   | 59       |
| 10.03 GDP (PPP\$ billions)* .....                        | 252.4 | 55       |
| 10.04 Exports as a percentage of GDP* .....              | 36.3  | 76       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.6   | 55       |
| 11.02 Local supplier quality .....                       | 4.1   | 83       |
| 11.03 State of cluster development .....                 | 3.4   | 95       |
| 11.04 Nature of competitive advantage .....              | 2.9   | 109      |
| 11.05 Value chain breadth .....                          | 3.8   | 68       |
| 11.06 Control of international distribution .....        | 3.7   | 77       |
| 11.07 Production process sophistication .....            | 3.5   | 94       |
| 11.08 Extent of marketing .....                          | 4.1   | 88       |
| 11.09 Willingness to delegate authority .....            | 3.6   | 82       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.5   | 108      |
| 12.02 Quality of scientific research institutions .....  | 3.2   | 102      |
| 12.03 Company spending on R&D .....                      | 2.8   | 110      |
| 12.04 University-industry collaboration in R&D .....     | 3.2   | 96       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.0   | 96       |
| 12.06 Availability of scientists and engineers .....     | 4.1   | 56       |
| 12.07 PCT patents, applications/million pop.* .....      | 1.0   | 69       |

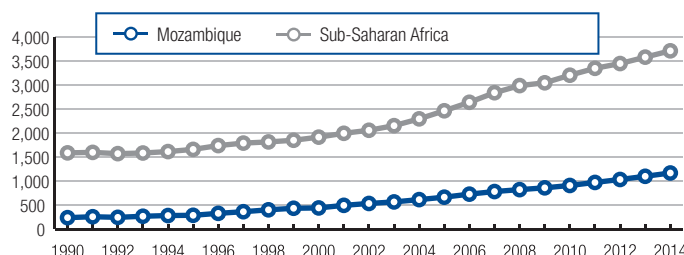
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Mozambique

## Key indicators, 2014

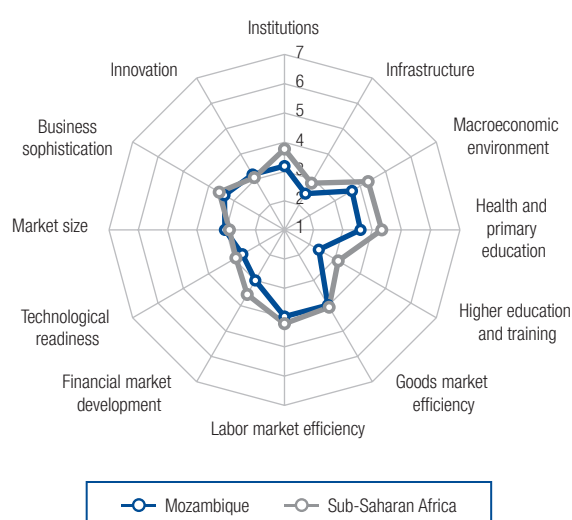
|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 26.5 |
| GDP (US\$ billions).....                   | 16.7 |
| GDP per capita (US\$).....                 | 630  |
| GDP (PPP) as share (%) of world total..... | 0.03 |

GDP (PPP) per capita (int'l \$), 1990–2014

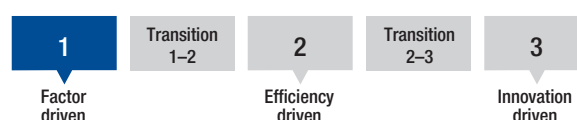


## Global Competitiveness Index

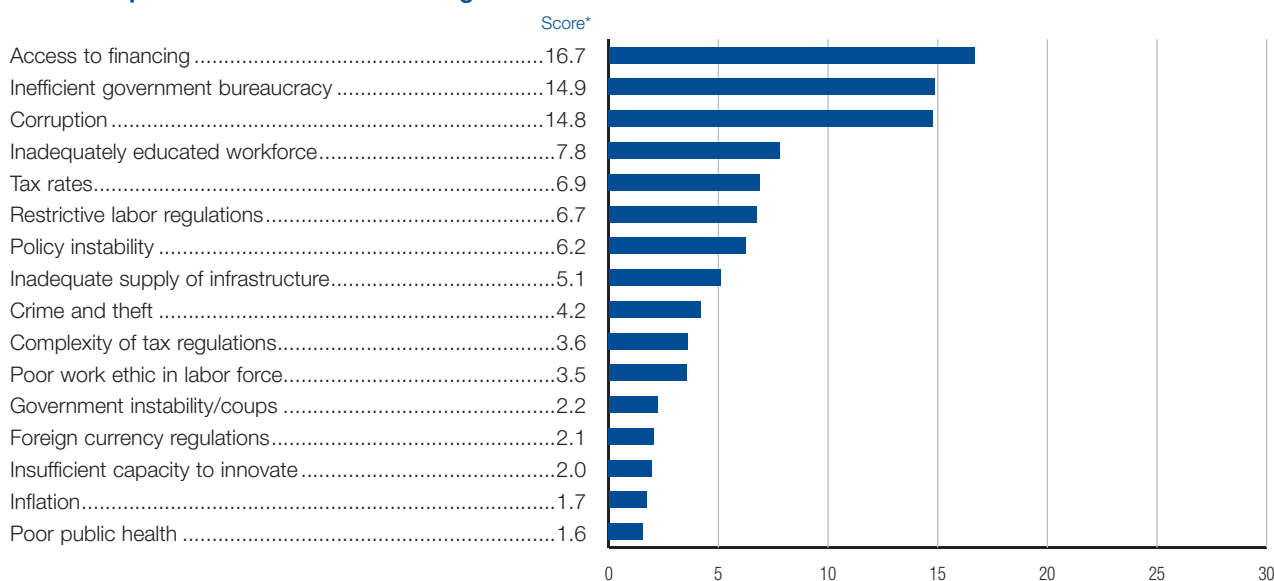
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>133</b>           | <b>3.2</b>     |
| GCI 2014–2015 (out of 144).....                           | 133                  | 3.2            |
| GCI 2013–2014 (out of 148).....                           | 137                  | 3.3            |
| GCI 2012–2013 (out of 144).....                           | 138                  | 3.2            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>135</b>           | <b>3.2</b>     |
| 1st pillar: Institutions.....                             | 126                  | 3.2            |
| 2nd pillar: Infrastructure.....                           | 126                  | 2.4            |
| 3rd pillar: Macroeconomic environment.....                | 122                  | 3.7            |
| 4th pillar: Health and primary education.....             | 133                  | 3.6            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>132</b>           | <b>3.2</b>     |
| 5th pillar: Higher education and training.....            | 136                  | 2.4            |
| 6th pillar: Goods market efficiency.....                  | 112                  | 4.0            |
| 7th pillar: Labor market efficiency.....                  | 98                   | 4.0            |
| 8th pillar: Financial market development.....             | 126                  | 3.0            |
| 9th pillar: Technological readiness.....                  | 124                  | 2.7            |
| 10th pillar: Market size.....                             | 101                  | 3.0            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>108</b>           | <b>3.3</b>     |
| 11th pillar: Business sophistication.....                 | 120                  | 3.4            |
| 12th pillar: Innovation.....                              | 83                   | 3.2            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Mozambique

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 3.5      | 116      |
| 1.02 Intellectual property protection .....                   | 3.0      | 126      |
| 1.03 Diversion of public funds .....                          | 2.4      | 123      |
| 1.04 Public trust in politicians .....                        | 2.6      | 91       |
| 1.05 Irregular payments and bribes .....                      | 3.0      | 114      |
| 1.06 Judicial independence .....                              | 2.6      | 122      |
| 1.07 Favoritism in decisions of government officials .....    | 2.6      | 106      |
| 1.08 Wastefulness of government spending .....                | 2.7      | 94       |
| 1.09 Burden of government regulation .....                    | 3.4      | 75       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.3      | 94       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.9      | 111      |
| 1.12 Transparency of government policymaking .....            | 3.5      | 111      |
| 1.13 Business costs of terrorism .....                        | 4.3      | 117      |
| 1.14 Business costs of crime and violence .....               | 3.4      | 118      |
| 1.15 Organized crime .....                                    | 3.4      | 125      |
| 1.16 Reliability of police services .....                     | 2.9      | 124      |
| 1.17 Ethical behavior of firms .....                          | 3.2      | 126      |
| 1.18 Strength of auditing and reporting standards .....       | 3.9      | 111      |
| 1.19 Efficacy of corporate boards .....                       | 4.3      | 107      |
| 1.20 Protection of minority shareholders' interests .....     | 3.4      | 119      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.2      | 85       |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 2.7      | 128      |
| 2.02 Quality of roads .....                                   | 2.3      | 137      |
| 2.03 Quality of railroad infrastructure .....                 | 2.3      | 82       |
| 2.04 Quality of port infrastructure .....                     | 3.6      | 89       |
| 2.05 Quality of air transport infrastructure .....            | 3.2      | 116      |
| 2.06 Available airline seat km/week, millions* .....          | 39.8     | 104      |
| 2.07 Quality of electricity supply .....                      | 2.9      | 117      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 69.7     | 128      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.3      | 135      |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | –8.4     | 134      |
| 3.02 Gross national savings, % GDP* .....                     | 12.4     | 116      |
| 3.03 Inflation, annual % change* .....                        | 2.3      | 1        |
| 3.04 General government debt, % GDP* .....                    | 55.4     | 90       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 29.1     | 107      |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 27,774.0 | 69       |
| 4.02 Business impact of malaria .....                         | 3.6      | 62       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 552.0    | 135      |
| 4.04 Business impact of tuberculosis .....                    | 4.1      | 122      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 10.8     | 133      |
| 4.06 Business impact of HIV/AIDS .....                        | 3.6      | 132      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 61.5     | 131      |
| 4.08 Life expectancy, years* .....                            | 50.2     | 136      |
| 4.09 Quality of primary education .....                       | 2.1      | 138      |
| 4.10 Primary education enrollment, net %* .....               | 87.4     | 111      |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 26.0     | 139      |
| 5.02 Tertiary education enrollment, gross %* .....            | 5.2      | 127      |
| 5.03 Quality of the education system .....                    | 2.8      | 119      |
| 5.04 Quality of math and science education .....              | 2.5      | 133      |
| 5.05 Quality of management schools .....                      | 2.8      | 136      |
| 5.06 Internet access in schools .....                         | 3.1      | 122      |
| 5.07 Availability of specialized training services .....      | 3.2      | 129      |
| 5.08 Extent of staff training .....                           | 3.3      | 125      |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 4.6      | 108      |
| 6.02 Extent of market dominance .....                         | 3.3      | 100      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.1      | 123      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.5      | 82       |
| 6.05 Total tax rate, % profits* .....                         | 36.6     | 68       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 9     | 104      |
| 6.07 No. days to start a business* .....                 | 13.0  | 74       |
| 6.08 Agricultural policy costs .....                     | 3.3   | 109      |
| 6.09 Prevalence of non-tariff barriers .....             | 4.2   | 89       |
| 6.10 Trade tariffs, % duty* .....                        | 7.4   | 87       |
| 6.11 Prevalence of foreign ownership .....               | 4.6   | 63       |
| 6.12 Business impact of rules on FDI .....               | 4.6   | 60       |
| 6.13 Burden of customs procedures .....                  | 3.5   | 106      |
| 6.14 Imports as a percentage of GDP* .....               | 74.2  | 29       |
| 6.15 Degree of customer orientation .....                | 3.7   | 126      |
| 6.16 Buyer sophistication .....                          | 2.8   | 120      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 3.7   | 123      |
| 7.02 Flexibility of wage determination .....             | 3.9   | 125      |
| 7.03 Hiring and firing practices .....                   | 3.5   | 93       |
| 7.04 Redundancy costs, weeks of salary* .....            | 37.5  | 131      |
| 7.05 Effect of taxation on incentives to work .....      | 3.9   | 60       |
| 7.06 Pay and productivity .....                          | 3.0   | 129      |
| 7.07 Reliance on professional management .....           | 3.4   | 124      |
| 7.08 Country capacity to retain talent .....             | 3.5   | 71       |
| 7.09 Country capacity to attract talent .....            | 3.7   | 51       |
| 7.10 Women in labor force, ratio to men* .....           | 1.04  | 2        |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.7   | 119      |
| 8.02 Affordability of financial services .....           | 3.6   | 117      |
| 8.03 Financing through local equity market .....         | 2.7   | 116      |
| 8.04 Ease of access to loans .....                       | 1.9   | 126      |
| 8.05 Venture capital availability .....                  | 2.2   | 116      |
| 8.06 Soundness of banks .....                            | 4.4   | 95       |
| 8.07 Regulation of securities exchanges .....            | 3.6   | 111      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 1     | 129      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 3.9   | 118      |
| 9.02 Firm-level technology absorption .....              | 4.2   | 99       |
| 9.03 FDI and technology transfer .....                   | 4.2   | 82       |
| 9.04 Individuals using Internet, %* .....                | 5.9   | 129      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.0   | 134      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 7.8   | 108      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 3.0   | 130      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.8   | 97       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.6   | 109      |
| 10.03 GDP (PPP\$ billions)* .....                        | 31.1  | 108      |
| 10.04 Exports as a percentage of GDP* .....              | 35.2  | 79       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 3.9   | 120      |
| 11.02 Local supplier quality .....                       | 3.3   | 132      |
| 11.03 State of cluster development .....                 | 3.5   | 92       |
| 11.04 Nature of competitive advantage .....              | 2.8   | 117      |
| 11.05 Value chain breadth .....                          | 3.3   | 117      |
| 11.06 Control of international distribution .....        | 3.3   | 105      |
| 11.07 Production process sophistication .....            | 3.0   | 120      |
| 11.08 Extent of marketing .....                          | 4.0   | 95       |
| 11.09 Willingness to delegate authority .....            | 3.2   | 119      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.5   | 110      |
| 12.02 Quality of scientific research institutions .....  | 3.0   | 109      |
| 12.03 Company spending on R&D .....                      | 3.0   | 89       |
| 12.04 University-industry collaboration in R&D .....     | 3.3   | 89       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.3   | 73       |
| 12.06 Availability of scientists and engineers .....     | 3.1   | 124      |
| 12.07 PCT patents, applications/million pop.* .....      | n/a   | n/a      |

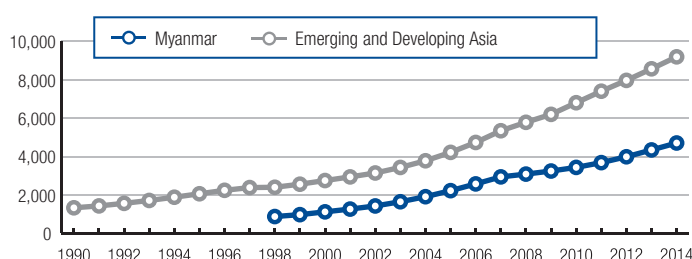
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Myanmar

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 51.4  |
| GDP (US\$ billions).....                   | 62.8  |
| GDP per capita (US\$).....                 | 1,221 |
| GDP (PPP) as share (%) of world total..... | 0.22  |

GDP (PPP) per capita (int'l \$), 1990–2014



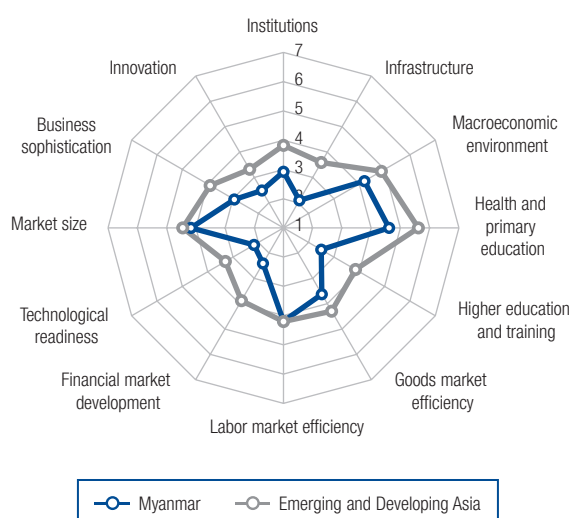
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>131</b>           | <b>3.3</b>     |
| GCI 2014–2015 (out of 144)..... | 134                  | 3.2            |
| GCI 2013–2014 (out of 148)..... | 139                  | 3.2            |
| GCI 2012–2013 (out of 144)..... | n/a                  | n/a            |

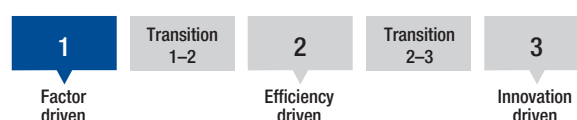
|                                               |            |            |
|-----------------------------------------------|------------|------------|
| <b>Basic requirements (60.0%)</b> .....       | <b>128</b> | <b>3.5</b> |
| 1st pillar: Institutions.....                 | 133        | 2.9        |
| 2nd pillar: Infrastructure.....               | 134        | 2.1        |
| 3rd pillar: Macroeconomic environment.....    | 106        | 4.2        |
| 4th pillar: Health and primary education..... | 113        | 4.6        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (35.0%)</b> .....      | <b>131</b> | <b>3.2</b> |
| 5th pillar: Higher education and training..... | 134        | 2.5        |
| 6th pillar: Goods market efficiency.....       | 130        | 3.6        |
| 7th pillar: Labor market efficiency.....       | 73         | 4.2        |
| 8th pillar: Financial market development.....  | 138        | 2.4        |
| 9th pillar: Technological readiness.....       | 138        | 2.2        |
| 10th pillar: Market size.....                  | 60         | 4.2        |

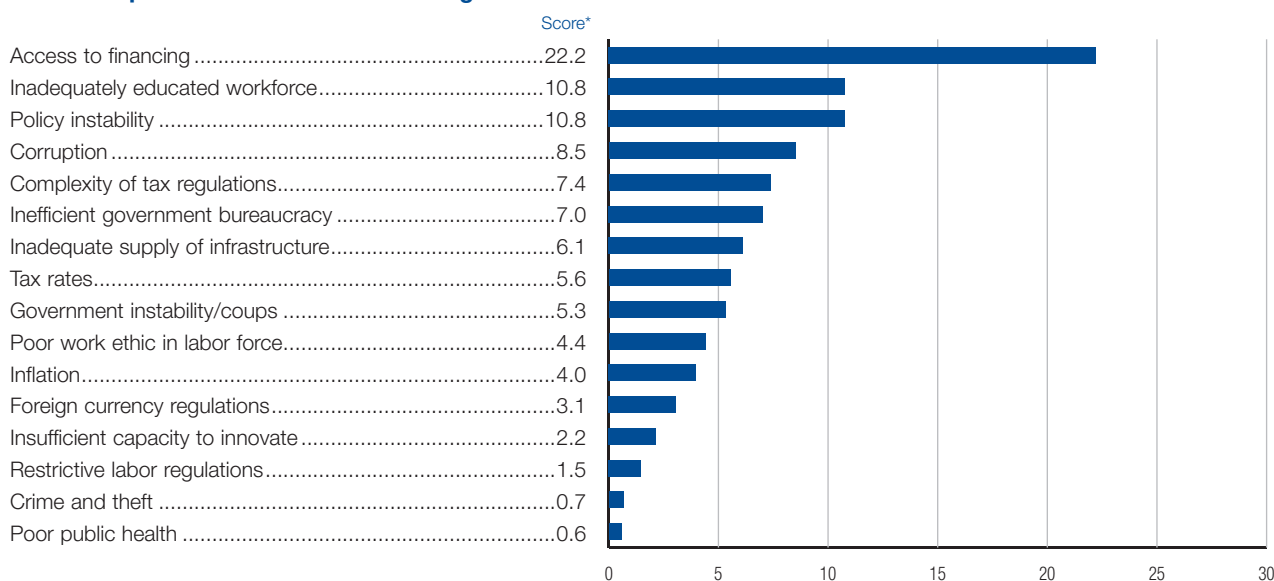
|                                                           |            |            |
|-----------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>134</b> | <b>2.7</b> |
| 11th pillar: Business sophistication.....                 | 135        | 2.9        |
| 12th pillar: Innovation.....                              | 132        | 2.5        |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Myanmar

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 3.0     | 131      |
| 1.02 Intellectual property protection .....                   | 2.8     | 134      |
| 1.03 Diversion of public funds .....                          | 2.4     | 121      |
| 1.04 Public trust in politicians .....                        | 3.0     | 71       |
| 1.05 Irregular payments and bribes .....                      | 2.5     | 133      |
| 1.06 Judicial independence .....                              | 2.6     | 121      |
| 1.07 Favoritism in decisions of government officials .....    | 2.3     | 120      |
| 1.08 Wastefulness of government spending .....                | 3.0     | 80       |
| 1.09 Burden of government regulation .....                    | 2.9     | 111      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.7     | 126      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.6     | 126      |
| 1.12 Transparency of government policymaking .....            | 2.8     | 136      |
| 1.13 Business costs of terrorism .....                        | 3.2     | 131      |
| 1.14 Business costs of crime and violence .....               | 3.4     | 120      |
| 1.15 Organized crime .....                                    | 3.5     | 124      |
| 1.16 Reliability of police services .....                     | 2.9     | 125      |
| 1.17 Ethical behavior of firms .....                          | 3.3     | 118      |
| 1.18 Strength of auditing and reporting standards .....       | 2.5     | 140      |
| 1.19 Efficacy of corporate boards .....                       | 4.1     | 117      |
| 1.20 Protection of minority shareholders' interests .....     | 2.8     | 137      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 2.9     | 135      |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 2.4     | 135      |
| 2.02 Quality of roads .....                                   | 2.3     | 136      |
| 2.03 Quality of railroad infrastructure .....                 | 1.8     | 96       |
| 2.04 Quality of port infrastructure .....                     | 2.6     | 123      |
| 2.05 Quality of air transport infrastructure .....            | 2.6     | 132      |
| 2.06 Available airline seat km/week, millions* .....          | 105.3   | 79       |
| 2.07 Quality of electricity supply .....                      | 2.7     | 118      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 49.5    | 135      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 1.0     | 124      |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –4.3    | 99       |
| 3.02 Gross national savings, % GDP* .....                     | 18.6    | 82       |
| 3.03 Inflation, annual % change* .....                        | 5.9     | 104      |
| 3.04 General government debt, % GDP* .....                    | 39.7    | 63       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 17.0    | 134      |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 2,651.6 | 48       |
| 4.02 Business impact of malaria .....                         | 4.5     | 43       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 373.0   | 130      |
| 4.04 Business impact of tuberculosis .....                    | 3.8     | 131      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.6     | 92       |
| 4.06 Business impact of HIV/AIDS .....                        | 4.3     | 114      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 39.8    | 112      |
| 4.08 Life expectancy, years* .....                            | 65.1    | 109      |
| 4.09 Quality of primary education .....                       | 2.4     | 133      |
| 4.10 Primary education enrollment, net %* .....               | 86.4    | 115      |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 50.2    | 120      |
| 5.02 Tertiary education enrollment, gross %* .....            | 13.4    | 104      |
| 5.03 Quality of the education system .....                    | 2.5     | 128      |
| 5.04 Quality of math and science education .....              | 2.8     | 127      |
| 5.05 Quality of management schools .....                      | 2.8     | 137      |
| 5.06 Internet access in schools .....                         | 2.3     | 135      |
| 5.07 Availability of specialized training services .....      | 3.0     | 133      |
| 5.08 Extent of staff training .....                           | 2.9     | 136      |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 4.4     | 118      |
| 6.02 Extent of market dominance .....                         | 2.3     | 138      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 2.9     | 132      |
| 6.04 Effect of taxation on incentives to invest .....         | 4.3     | 25       |
| 6.05 Total tax rate, % profits* .....                         | 47.7    | 102      |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 11    | 123      |
| 6.07 No. days to start a business* .....                 | 72.0  | 134      |
| 6.08 Agricultural policy costs .....                     | 3.8   | 68       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.0   | 102      |
| 6.10 Trade tariffs, % duty* .....                        | 3.8   | 53       |
| 6.11 Prevalence of foreign ownership .....               | 2.6   | 138      |
| 6.12 Business impact of rules on FDI .....               | 3.5   | 124      |
| 6.13 Burden of customs procedures .....                  | 3.0   | 131      |
| 6.14 Imports as a percentage of GDP* .....               | 23.8  | 128      |
| 6.15 Degree of customer orientation .....                | 4.1   | 104      |
| 6.16 Buyer sophistication .....                          | 2.7   | 123      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.1   | 100      |
| 7.02 Flexibility of wage determination .....             | 5.4   | 37       |
| 7.03 Hiring and firing practices .....                   | 3.8   | 69       |
| 7.04 Redundancy costs, weeks of salary* .....            | 20.2  | 91       |
| 7.05 Effect of taxation on incentives to work .....      | 3.8   | 74       |
| 7.06 Pay and productivity .....                          | 4.0   | 73       |
| 7.07 Reliance on professional management .....           | 2.7   | 138      |
| 7.08 Country capacity to retain talent .....             | 1.9   | 138      |
| 7.09 Country capacity to attract talent .....            | 2.7   | 109      |
| 7.10 Women in labor force, ratio to men* .....           | 0.93  | 20       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 2.8   | 138      |
| 8.02 Affordability of financial services .....           | 3.0   | 135      |
| 8.03 Financing through local equity market .....         | 2.1   | 135      |
| 8.04 Ease of access to loans .....                       | 1.4   | 140      |
| 8.05 Venture capital availability .....                  | 1.8   | 139      |
| 8.06 Soundness of banks .....                            | 3.4   | 130      |
| 8.07 Regulation of securities exchanges .....            | 2.4   | 137      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 2     | 106      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 2.7   | 140      |
| 9.02 Firm-level technology absorption .....              | 2.9   | 140      |
| 9.03 FDI and technology transfer .....                   | 3.6   | 127      |
| 9.04 Individuals using Internet, %* .....                | 2.1   | 137      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.2   | 121      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 28.7  | 74       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 14.9  | 102      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 4.0   | 54       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.6   | 66       |
| 10.03 GDP (PPP\$ billions)* .....                        | 242.0 | 58       |
| 10.04 Exports as a percentage of GDP* .....              | 23.7  | 113      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 3.2   | 138      |
| 11.02 Local supplier quality .....                       | 3.1   | 138      |
| 11.03 State of cluster development .....                 | 2.9   | 127      |
| 11.04 Nature of competitive advantage .....              | 2.6   | 127      |
| 11.05 Value chain breadth .....                          | 3.0   | 129      |
| 11.06 Control of international distribution .....        | 2.6   | 139      |
| 11.07 Production process sophistication .....            | 2.6   | 134      |
| 11.08 Extent of marketing .....                          | 3.5   | 131      |
| 11.09 Willingness to delegate authority .....            | 3.1   | 126      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 2.9   | 137      |
| 12.02 Quality of scientific research institutions .....  | 2.4   | 133      |
| 12.03 Company spending on R&D .....                      | 2.7   | 114      |
| 12.04 University-industry collaboration in R&D .....     | 2.2   | 137      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.8   | 118      |
| 12.06 Availability of scientists and engineers .....     | 3.2   | 122      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119      |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

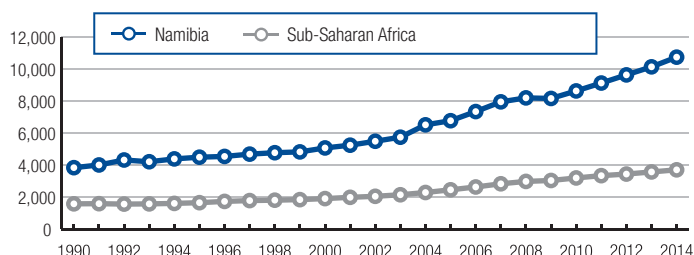


# Namibia

## Key indicators, 2014

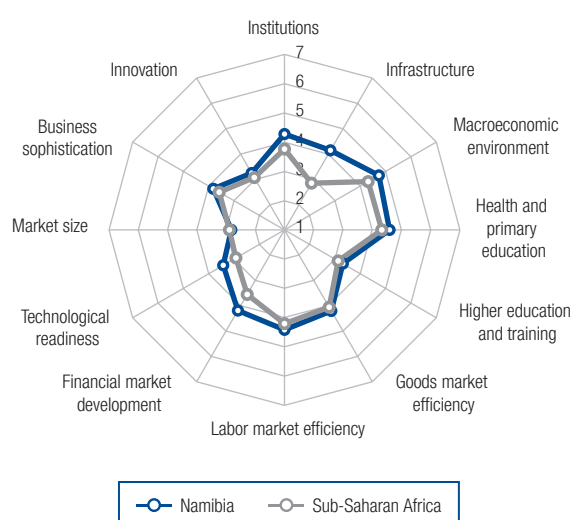
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 2.2   |
| GDP (US\$ billions).....                   | 13.4  |
| GDP per capita (US\$).....                 | 6,095 |
| GDP (PPP) as share (%) of world total..... | 0.02  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

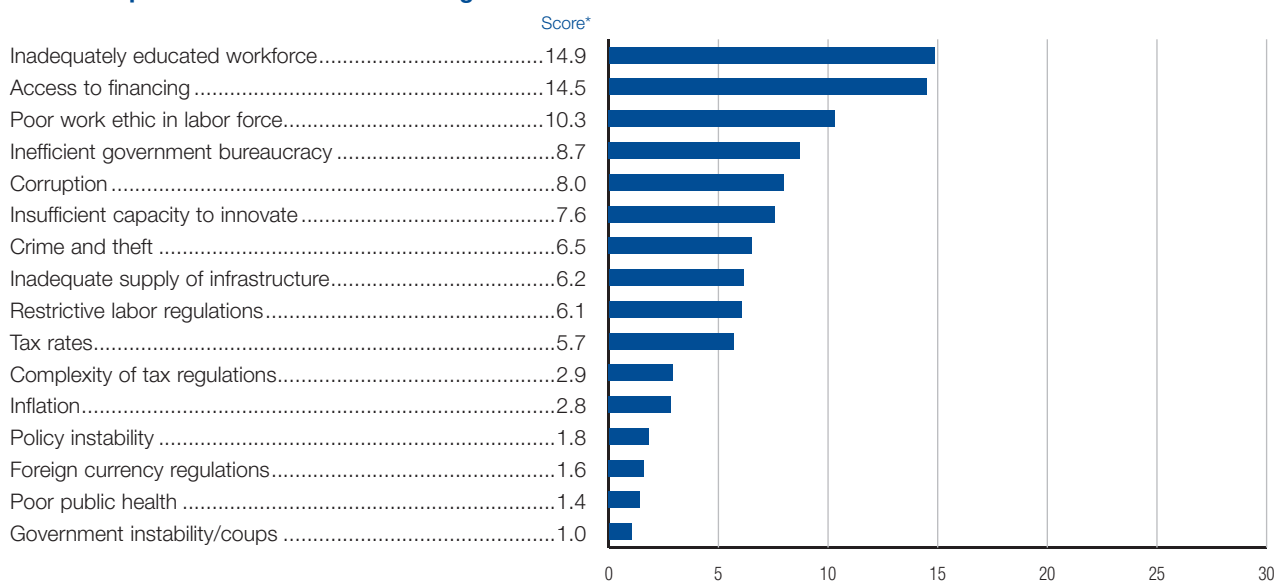
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>85</b>            | <b>4.0</b>     |
| GCI 2014–2015 (out of 144).....                            | 88                   | 4.0            |
| GCI 2013–2014 (out of 148).....                            | 90                   | 3.9            |
| GCI 2012–2013 (out of 144).....                            | 92                   | 3.9            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>79</b>            | <b>4.4</b>     |
| 1st pillar: Institutions.....                              | 44                   | 4.3            |
| 2nd pillar: Infrastructure.....                            | 66                   | 4.1            |
| 3rd pillar: Macroeconomic environment.....                 | 71                   | 4.7            |
| 4th pillar: Health and primary education.....              | 116                  | 4.6            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>97</b>            | <b>3.7</b>     |
| 5th pillar: Higher education and training.....             | 109                  | 3.3            |
| 6th pillar: Goods market efficiency.....                   | 85                   | 4.2            |
| 7th pillar: Labor market efficiency.....                   | 49                   | 4.4            |
| 8th pillar: Financial market development.....              | 50                   | 4.2            |
| 9th pillar: Technological readiness.....                   | 87                   | 3.4            |
| 10th pillar: Market size.....                              | 114                  | 2.8            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>79</b>            | <b>3.5</b>     |
| 11th pillar: Business sophistication.....                  | 77                   | 3.8            |
| 12th pillar: Innovation.....                               | 74                   | 3.2            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Namibia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140 |
|---------------------------------------------------------------|-------|----------|
| <b>1st pillar: Institutions</b>                               |       |          |
| 1.01 Property rights .....                                    | 5.1   | 34       |
| 1.02 Intellectual property protection .....                   | 4.6   | 36       |
| 1.03 Diversion of public funds .....                          | 3.4   | 68       |
| 1.04 Public trust in politicians .....                        | 3.3   | 54       |
| 1.05 Irregular payments and bribes .....                      | 4.0   | 65       |
| 1.06 Judicial independence .....                              | 4.8   | 39       |
| 1.07 Favoritism in decisions of government officials .....    | 2.9   | 79       |
| 1.08 Wastefulness of government spending .....                | 3.2   | 72       |
| 1.09 Burden of government regulation .....                    | 3.6   | 47       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.5   | 31       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.4   | 29       |
| 1.12 Transparency of government policymaking .....            | 4.4   | 47       |
| 1.13 Business costs of terrorism .....                        | 6.0   | 28       |
| 1.14 Business costs of crime and violence .....               | 4.0   | 99       |
| 1.15 Organized crime .....                                    | 4.9   | 67       |
| 1.16 Reliability of police services .....                     | 3.9   | 82       |
| 1.17 Ethical behavior of firms .....                          | 4.1   | 53       |
| 1.18 Strength of auditing and reporting standards .....       | 5.4   | 30       |
| 1.19 Efficacy of corporate boards .....                       | 4.7   | 75       |
| 1.20 Protection of minority shareholders' interests .....     | 4.9   | 26       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.3   | 81       |
| <b>2nd pillar: Infrastructure</b>                             |       |          |
| 2.01 Quality of overall infrastructure .....                  | 4.7   | 42       |
| 2.02 Quality of roads .....                                   | 5.2   | 28       |
| 2.03 Quality of railroad infrastructure .....                 | 3.1   | 50       |
| 2.04 Quality of port infrastructure .....                     | 5.2   | 31       |
| 2.05 Quality of air transport infrastructure .....            | 4.6   | 59       |
| 2.06 Available airline seat km/week, millions* .....          | 36.3  | 106      |
| 2.07 Quality of electricity supply .....                      | 5.4   | 52       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 113.8 | 71       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 7.8   | 94       |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |          |
| 3.01 Government budget balance, % GDP* .....                  | –5.2  | 112      |
| 3.02 Gross national savings, % GDP* .....                     | 23.4  | 51       |
| 3.03 Inflation, annual % change* .....                        | 5.3   | 101      |
| 3.04 General government debt, % GDP* .....                    | 25.2  | 24       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 54.0  | 64       |
| <b>4th pillar: Health and primary education</b>               |       |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 23.0  | 23       |
| 4.02 Business impact of malaria .....                         | 4.6   | 42       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 651.0 | 137      |
| 4.04 Business impact of tuberculosis .....                    | 3.9   | 129      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 14.3  | 135      |
| 4.06 Business impact of HIV/AIDS .....                        | 3.4   | 134      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 35.2  | 106      |
| 4.08 Life expectancy, years* .....                            | 64.3  | 111      |
| 4.09 Quality of primary education .....                       | 3.3   | 99       |
| 4.10 Primary education enrollment, net %* .....               | 87.7  | 110      |
| <b>5th pillar: Higher education and training</b>              |       |          |
| 5.01 Secondary education enrollment, gross %* .....           | 64.8  | 111      |
| 5.02 Tertiary education enrollment, gross %* .....            | 9.3   | 117      |
| 5.03 Quality of the education system .....                    | 3.2   | 96       |
| 5.04 Quality of math and science education .....              | 2.9   | 121      |
| 5.05 Quality of management schools .....                      | 3.5   | 114      |
| 5.06 Internet access in schools .....                         | 3.5   | 102      |
| 5.07 Availability of specialized training services .....      | 3.7   | 102      |
| 5.08 Extent of staff training .....                           | 4.3   | 40       |
| <b>6th pillar: Goods market efficiency</b>                    |       |          |
| 6.01 Intensity of local competition .....                     | 4.6   | 100      |
| 6.02 Extent of market dominance .....                         | 3.4   | 92       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.1   | 40       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.1   | 33       |
| 6.05 Total tax rate, % profits* .....                         | 20.7  | 14       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 10    | 116      |
| 6.07 No. days to start a business* .....                 | 66.0  | 133      |
| 6.08 Agricultural policy costs .....                     | 4.0   | 51       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.5   | 40       |
| 6.10 Trade tariffs, % duty* .....                        | 6.4   | 81       |
| 6.11 Prevalence of foreign ownership .....               | 5.1   | 34       |
| 6.12 Business impact of rules on FDI .....               | 4.5   | 67       |
| 6.13 Burden of customs procedures .....                  | 4.1   | 63       |
| 6.14 Imports as a percentage of GDP* .....               | 65.2  | 34       |
| 6.15 Degree of customer orientation .....                | 3.6   | 133      |
| 6.16 Buyer sophistication .....                          | 3.5   | 56       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.1   | 94       |
| 7.02 Flexibility of wage determination .....             | 4.5   | 103      |
| 7.03 Hiring and firing practices .....                   | 3.2   | 118      |
| 7.04 Redundancy costs, weeks of salary* .....            | 9.6   | 32       |
| 7.05 Effect of taxation on incentives to work .....      | 4.3   | 27       |
| 7.06 Pay and productivity .....                          | 3.6   | 98       |
| 7.07 Reliance on professional management .....           | 4.3   | 67       |
| 7.08 Country capacity to retain talent .....             | 3.7   | 50       |
| 7.09 Country capacity to attract talent .....            | 3.6   | 53       |
| 7.10 Women in labor force, ratio to men* .....           | 0.87  | 45       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.7   | 52       |
| 8.02 Affordability of financial services .....           | 4.4   | 47       |
| 8.03 Financing through local equity market .....         | 3.7   | 59       |
| 8.04 Ease of access to loans .....                       | 2.8   | 69       |
| 8.05 Venture capital availability .....                  | 2.6   | 82       |
| 8.06 Soundness of banks .....                            | 5.7   | 33       |
| 8.07 Regulation of securities exchanges .....            | 4.9   | 31       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 5     | 63       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 5.1   | 48       |
| 9.02 Firm-level technology absorption .....              | 4.9   | 52       |
| 9.03 FDI and technology transfer .....                   | 4.5   | 62       |
| 9.04 Individuals using Internet, %* .....                | 14.8  | 116      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 1.8   | 99       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 8.2   | 105      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 35.5  | 75       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.6   | 117      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.6   | 112      |
| 10.03 GDP (PPP\$ billions)* .....                        | 23.6  | 117      |
| 10.04 Exports as a percentage of GDP* .....              | 40.9  | 61       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 3.6   | 132      |
| 11.02 Local supplier quality .....                       | 4.1   | 84       |
| 11.03 State of cluster development .....                 | 3.9   | 57       |
| 11.04 Nature of competitive advantage .....              | 3.7   | 55       |
| 11.05 Value chain breadth .....                          | 3.7   | 81       |
| 11.06 Control of international distribution .....        | 3.6   | 90       |
| 11.07 Production process sophistication .....            | 3.7   | 73       |
| 11.08 Extent of marketing .....                          | 4.0   | 91       |
| 11.09 Willingness to delegate authority .....            | 3.6   | 76       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.9   | 71       |
| 12.02 Quality of scientific research institutions .....  | 3.5   | 88       |
| 12.03 Company spending on R&D .....                      | 3.4   | 53       |
| 12.04 University-industry collaboration in R&D .....     | 3.5   | 79       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.4   | 64       |
| 12.06 Availability of scientists and engineers .....     | 3.4   | 107      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.2   | 94       |

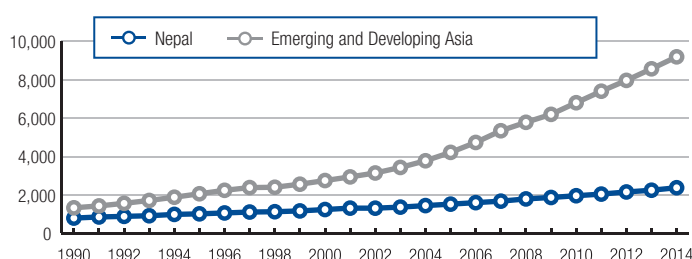
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Nepal

## Key indicators, 2014

|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 28.1 |
| GDP (US\$ billions).....                   | 19.6 |
| GDP per capita (US\$).....                 | 699  |
| GDP (PPP) as share (%) of world total..... | 0.06 |

GDP (PPP) per capita (int'l \$), 1990–2014



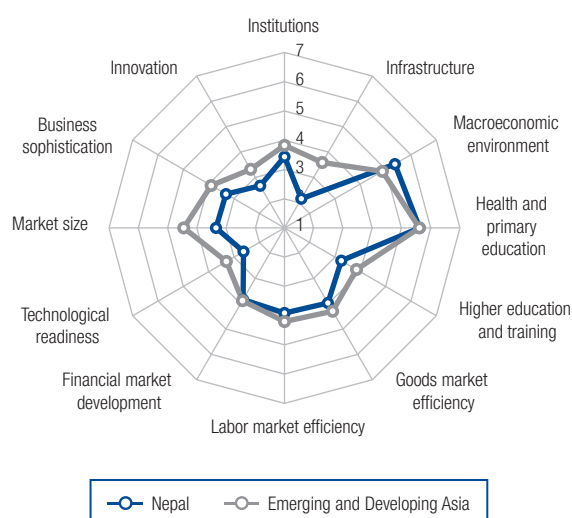
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>100</b>           | <b>3.9</b>     |
| GCI 2014–2015 (out of 144)..... | 102                  | 3.8            |
| GCI 2013–2014 (out of 148)..... | 117                  | 3.7            |
| GCI 2012–2013 (out of 144)..... | 125                  | 3.5            |

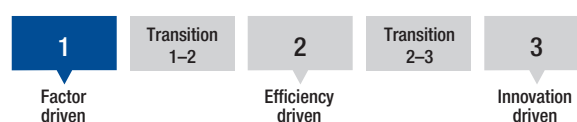
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (60.0%)</b> .....       | <b>97</b> | <b>4.1</b> |
| 1st pillar: Institutions.....                 | 103       | 3.4        |
| 2nd pillar: Infrastructure.....               | 131       | 2.2        |
| 3rd pillar: Macroeconomic environment.....    | 37        | 5.4        |
| 4th pillar: Health and primary education..... | 75        | 5.6        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (35.0%)</b> .....      | <b>111</b> | <b>3.5</b> |
| 5th pillar: Higher education and training..... | 113        | 3.2        |
| 6th pillar: Goods market efficiency.....       | 114        | 4.0        |
| 7th pillar: Labor market efficiency.....       | 99         | 3.9        |
| 8th pillar: Financial market development.....  | 72         | 3.8        |
| 9th pillar: Technological readiness.....       | 128        | 2.6        |
| 10th pillar: Market size.....                  | 88         | 3.3        |

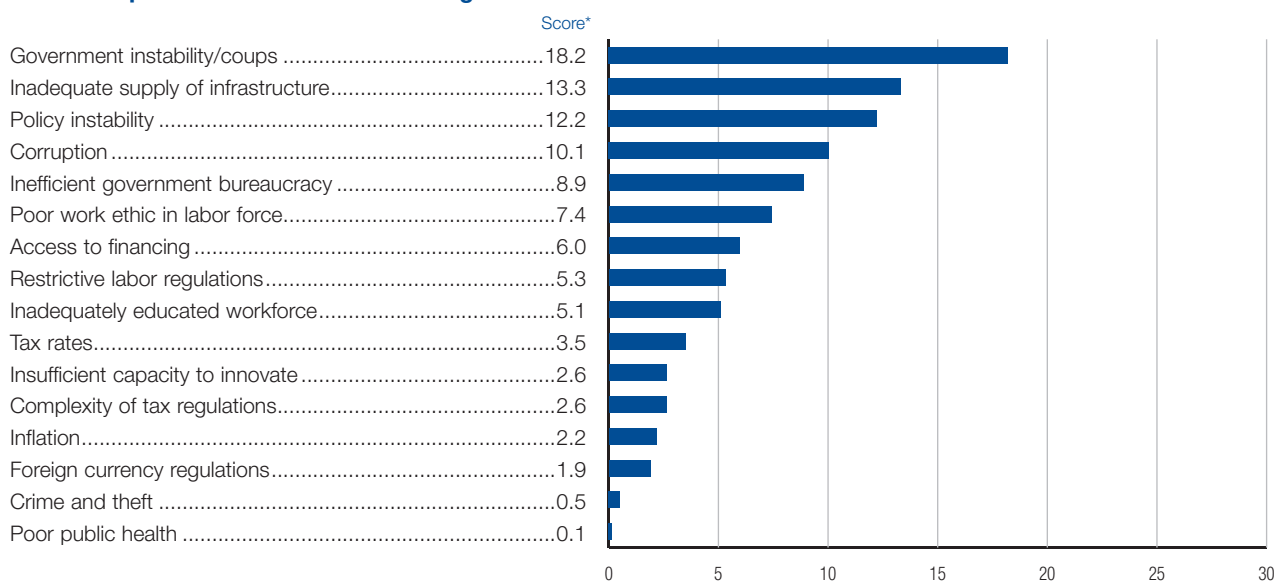
|                                                           |            |            |
|-----------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>127</b> | <b>3.0</b> |
| 11th pillar: Business sophistication.....                 | 126        | 3.3        |
| 12th pillar: Innovation.....                              | 126        | 2.7        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Nepal

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 3.7     | 108      |
| 1.02 Intellectual property protection .....                   | 3.1     | 115      |
| 1.03 Diversion of public funds .....                          | 3.1     | 83       |
| 1.04 Public trust in politicians .....                        | 2.0     | 119      |
| 1.05 Irregular payments and bribes .....                      | 3.0     | 115      |
| 1.06 Judicial independence .....                              | 3.7     | 77       |
| 1.07 Favoritism in decisions of government officials .....    | 2.8     | 92       |
| 1.08 Wastefulness of government spending .....                | 2.5     | 110      |
| 1.09 Burden of government regulation .....                    | 3.0     | 110      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.1     | 107      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.1     | 95       |
| 1.12 Transparency of government policymaking .....            | 3.5     | 112      |
| 1.13 Business costs of terrorism .....                        | 4.5     | 111      |
| 1.14 Business costs of crime and violence .....               | 3.9     | 102      |
| 1.15 Organized crime .....                                    | 4.2     | 105      |
| 1.16 Reliability of police services .....                     | 3.8     | 85       |
| 1.17 Ethical behavior of firms .....                          | 3.3     | 119      |
| 1.18 Strength of auditing and reporting standards .....       | 4.0     | 109      |
| 1.19 Efficacy of corporate boards .....                       | 4.4     | 90       |
| 1.20 Protection of minority shareholders' interests .....     | 3.5     | 114      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.7     | 69       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 2.7     | 127      |
| 2.02 Quality of roads .....                                   | 2.8     | 117      |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 1.6     | 137      |
| 2.05 Quality of air transport infrastructure .....            | 2.8     | 128      |
| 2.06 Available airline seat km/week, millions* .....          | 115.0   | 77       |
| 2.07 Quality of electricity supply .....                      | 1.9     | 130      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 82.5    | 113      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 3.0     | 109      |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | 2.2     | 9        |
| 3.02 Gross national savings, % GDP* .....                     | 33.5    | 15       |
| 3.03 Inflation, annual % change* .....                        | 9.0     | 130      |
| 3.04 General government debt, % GDP* .....                    | 26.3    | 25       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 20.4    | 127      |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 61.9    | 33       |
| 4.02 Business impact of malaria .....                         | 5.2     | 28       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 156.0   | 106      |
| 4.04 Business impact of tuberculosis .....                    | 4.7     | 97       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2     | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 4.7     | 98       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 32.2    | 102      |
| 4.08 Life expectancy, years* .....                            | 68.4    | 100      |
| 4.09 Quality of primary education .....                       | 3.4     | 92       |
| 4.10 Primary education enrollment, net %* .....               | 98.5    | 12       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 67.0    | 108      |
| 5.02 Tertiary education enrollment, gross %* .....            | 14.5    | 102      |
| 5.03 Quality of the education system .....                    | 3.7     | 69       |
| 5.04 Quality of math and science education .....              | 3.7     | 88       |
| 5.05 Quality of management schools .....                      | 3.6     | 107      |
| 5.06 Internet access in schools .....                         | 3.5     | 109      |
| 5.07 Availability of specialized training services .....      | 3.2     | 126      |
| 5.08 Extent of staff training .....                           | 3.3     | 126      |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 4.9     | 82       |
| 6.02 Extent of market dominance .....                         | 2.9     | 126      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.5     | 99       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.6     | 73       |
| 6.05 Total tax rate, % profits* .....                         | 29.5    | 36       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 7     | 76       |
| 6.07 No. days to start a business* .....                 | 17.0  | 89       |
| 6.08 Agricultural policy costs .....                     | 3.5   | 98       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.2   | 79       |
| 6.10 Trade tariffs, % duty* .....                        | 17.1  | 136      |
| 6.11 Prevalence of foreign ownership .....               | 3.3   | 128      |
| 6.12 Business impact of rules on FDI .....               | 3.9   | 110      |
| 6.13 Burden of customs procedures .....                  | 3.3   | 115      |
| 6.14 Imports as a percentage of GDP* .....               | 43.9  | 78       |
| 6.15 Degree of customer orientation .....                | 4.0   | 111      |
| 6.16 Buyer sophistication .....                          | 3.1   | 94       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 3.5   | 134      |
| 7.02 Flexibility of wage determination .....             | 4.3   | 110      |
| 7.03 Hiring and firing practices .....                   | 3.2   | 116      |
| 7.04 Redundancy costs, weeks of salary* .....            | 27.2  | 115      |
| 7.05 Effect of taxation on incentives to work .....      | 3.8   | 70       |
| 7.06 Pay and productivity .....                          | 3.4   | 118      |
| 7.07 Reliance on professional management .....           | 3.5   | 116      |
| 7.08 Country capacity to retain talent .....             | 2.9   | 107      |
| 7.09 Country capacity to attract talent .....            | 2.5   | 119      |
| 7.10 Women in labor force, ratio to men* .....           | 0.93  | 18       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.2   | 82       |
| 8.02 Affordability of financial services .....           | 4.1   | 72       |
| 8.03 Financing through local equity market .....         | 4.2   | 37       |
| 8.04 Ease of access to loans .....                       | 2.3   | 114      |
| 8.05 Venture capital availability .....                  | 2.6   | 88       |
| 8.06 Soundness of banks .....                            | 4.3   | 104      |
| 8.07 Regulation of securities exchanges .....            | 3.8   | 91       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 7     | 24       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 3.7   | 125      |
| 9.02 Firm-level technology absorption .....              | 3.9   | 123      |
| 9.03 FDI and technology transfer .....                   | 3.6   | 124      |
| 9.04 Individuals using Internet, %* .....                | 15.4  | 115      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.8   | 109      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 3.1   | 127      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 17.4  | 100      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.3   | 78       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.4   | 123      |
| 10.03 GDP (PPP\$ billions)* .....                        | 66.8  | 87       |
| 10.04 Exports as a percentage of GDP* .....              | 9.8   | 139      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.3   | 86       |
| 11.02 Local supplier quality .....                       | 3.5   | 125      |
| 11.03 State of cluster development .....                 | 3.2   | 106      |
| 11.04 Nature of competitive advantage .....              | 2.8   | 120      |
| 11.05 Value chain breadth .....                          | 3.2   | 121      |
| 11.06 Control of international distribution .....        | 3.2   | 120      |
| 11.07 Production process sophistication .....            | 3.1   | 117      |
| 11.08 Extent of marketing .....                          | 3.6   | 124      |
| 11.09 Willingness to delegate authority .....            | 2.9   | 133      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.3   | 125      |
| 12.02 Quality of scientific research institutions .....  | 2.5   | 130      |
| 12.03 Company spending on R&D .....                      | 2.6   | 118      |
| 12.04 University-industry collaboration in R&D .....     | 2.6   | 127      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.9   | 108      |
| 12.06 Availability of scientists and engineers .....     | 3.5   | 102      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 112      |

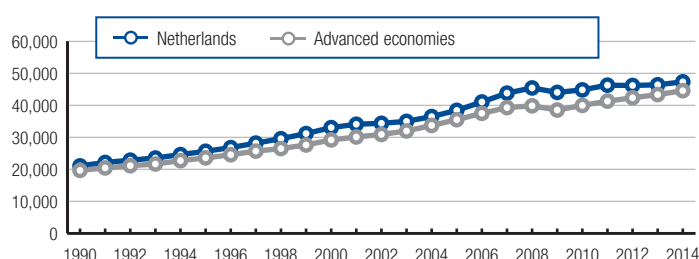
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Netherlands

## Key indicators, 2014

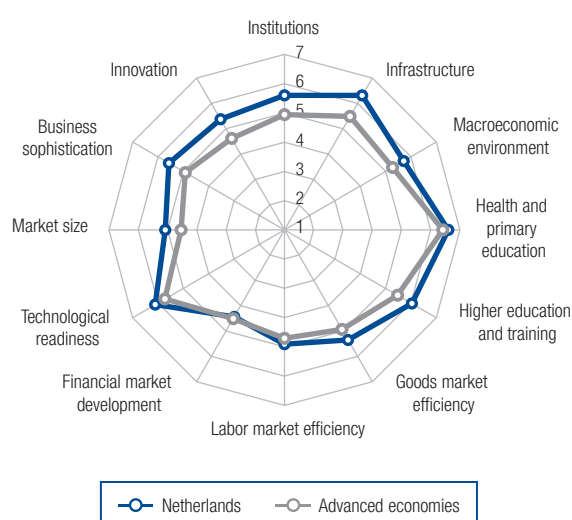
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 16.9   |
| GDP (US\$ billions).....                   | 866.4  |
| GDP per capita (US\$).....                 | 51,373 |
| GDP (PPP) as share (%) of world total..... | 0.74   |

GDP (PPP) per capita (int'l \$), 1990–2014

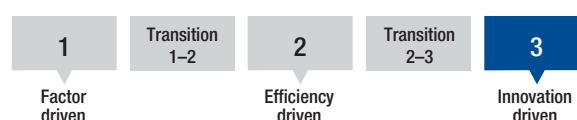


## Global Competitiveness Index

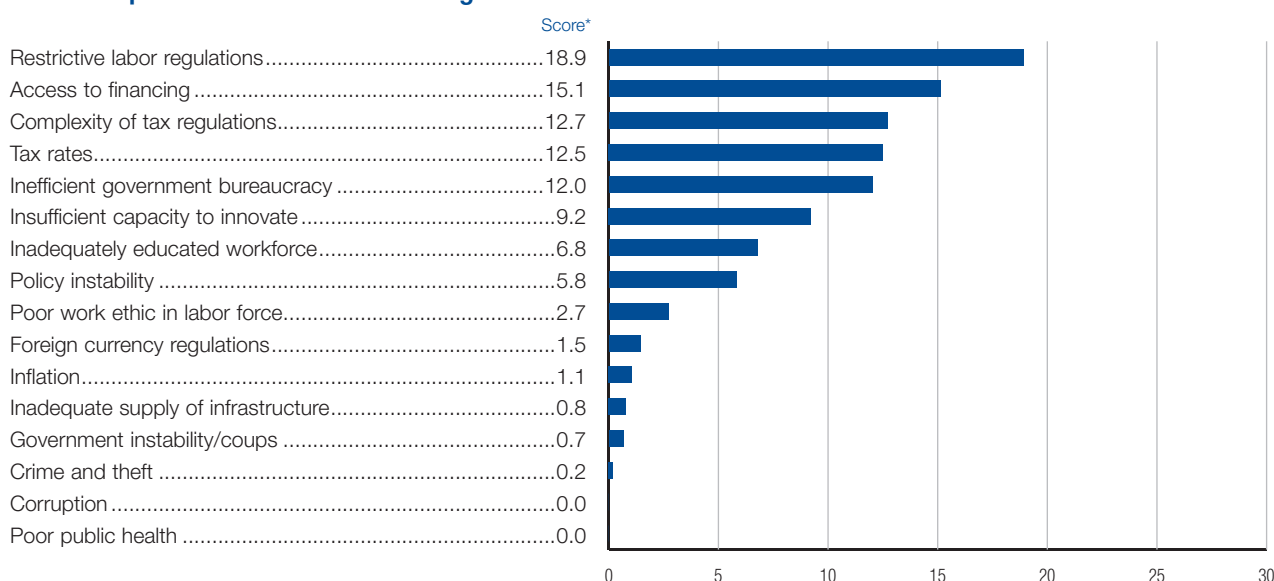
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>5</b>             | <b>5.5</b>     |
| GCI 2014–2015 (out of 144).....                            | 8                    | 5.5            |
| GCI 2013–2014 (out of 148).....                            | 8                    | 5.4            |
| GCI 2012–2013 (out of 144).....                            | 5                    | 5.5            |
| <b>Basic requirements (20.0%)</b> .....                    | <b>7</b>             | <b>6.0</b>     |
| 1st pillar: Institutions.....                              | 10                   | 5.6            |
| 2nd pillar: Infrastructure.....                            | 3                    | 6.3            |
| 3rd pillar: Macroeconomic environment.....                 | 26                   | 5.7            |
| 4th pillar: Health and primary education.....              | 6                    | 6.6            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>9</b>             | <b>5.3</b>     |
| 5th pillar: Higher education and training.....             | 3                    | 6.0            |
| 6th pillar: Goods market efficiency.....                   | 10                   | 5.3            |
| 7th pillar: Labor market efficiency.....                   | 17                   | 4.9            |
| 8th pillar: Financial market development.....              | 31                   | 4.4            |
| 9th pillar: Technological readiness.....                   | 10                   | 6.1            |
| 10th pillar: Market size.....                              | 23                   | 5.1            |
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>6</b>             | <b>5.5</b>     |
| 11th pillar: Business sophistication.....                  | 5                    | 5.6            |
| 12th pillar: Innovation.....                               | 8                    | 5.4            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Netherlands

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 6.0     | 10       |
| 1.02 Intellectual property protection .....                   | 6.0     | 8        |
| 1.03 Diversion of public funds .....                          | 5.8     | 12       |
| 1.04 Public trust in politicians .....                        | 5.4     | 11       |
| 1.05 Irregular payments and bribes .....                      | 6.1     | 14       |
| 1.06 Judicial independence .....                              | 6.3     | 7        |
| 1.07 Favoritism in decisions of government officials .....    | 5.1     | 8        |
| 1.08 Wastefulness of government spending .....                | 4.3     | 18       |
| 1.09 Burden of government regulation .....                    | 3.9     | 30       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.5     | 10       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.5     | 6        |
| 1.12 Transparency of government policymaking .....            | 5.5     | 10       |
| 1.13 Business costs of terrorism .....                        | 5.5     | 61       |
| 1.14 Business costs of crime and violence .....               | 5.2     | 42       |
| 1.15 Organized crime .....                                    | 5.9     | 25       |
| 1.16 Reliability of police services .....                     | 6.0     | 16       |
| 1.17 Ethical behavior of firms .....                          | 5.8     | 11       |
| 1.18 Strength of auditing and reporting standards .....       | 6.0     | 12       |
| 1.19 Efficacy of corporate boards .....                       | 5.9     | 7        |
| 1.20 Protection of minority shareholders' interests .....     | 5.3     | 13       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.2     | 85       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 6.3     | 5        |
| 2.02 Quality of roads .....                                   | 6.2     | 2        |
| 2.03 Quality of railroad infrastructure .....                 | 5.7     | 7        |
| 2.04 Quality of port infrastructure .....                     | 6.8     | 1        |
| 2.05 Quality of air transport infrastructure .....            | 6.4     | 4        |
| 2.06 Available airline seat km/week, millions* .....          | 1,876.0 | 23       |
| 2.07 Quality of electricity supply .....                      | 6.6     | 8        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 116.4   | 63       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 42.4    | 16       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –2.3    | 55       |
| 3.02 Gross national savings, % GDP* .....                     | 29.0    | 28       |
| 3.03 Inflation, annual % change* .....                        | 0.3     | 54       |
| 3.04 General government debt, % GDP* .....                    | 68.3    | 108      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 90.3    | 11       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.    | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl.  | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 6.1     | 13       |
| 4.04 Business impact of tuberculosis .....                    | 6.8     | 10       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2     | 11       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.6     | 11       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.3     | 21       |
| 4.08 Life expectancy, years* .....                            | 81.1    | 17       |
| 4.09 Quality of primary education .....                       | 5.8     | 6        |
| 4.10 Primary education enrollment, net %* .....               | 97.0    | 42       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 129.9   | 3        |
| 5.02 Tertiary education enrollment, gross %* .....            | 77.3    | 16       |
| 5.03 Quality of the education system .....                    | 5.4     | 8        |
| 5.04 Quality of math and science education .....              | 5.5     | 7        |
| 5.05 Quality of management schools .....                      | 5.7     | 8        |
| 5.06 Internet access in schools .....                         | 6.1     | 5        |
| 5.07 Availability of specialized training services .....      | 6.2     | 2        |
| 5.08 Extent of staff training .....                           | 5.2     | 9        |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.9     | 11       |
| 6.02 Extent of market dominance .....                         | 5.2     | 10       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.5     | 2        |
| 6.04 Effect of taxation on incentives to invest .....         | 4.4     | 24       |
| 6.05 Total tax rate, % profits* .....                         | 39.0    | 75       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 4     | 22       |
| 6.07 No. days to start a business* .....                    | 4.0   | 10       |
| 6.08 Agricultural policy costs .....                        | 5.0   | 7        |
| 6.09 Prevalence of non-tariff barriers .....                | 4.7   | 25       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 5.5   | 15       |
| 6.12 Business impact of rules on FDI .....                  | 5.4   | 14       |
| 6.13 Burden of customs procedures .....                     | 5.5   | 8        |
| 6.14 Imports as a percentage of GDP* .....                  | 85.9  | 15       |
| 6.15 Degree of customer orientation .....                   | 5.4   | 18       |
| 6.16 Buyer sophistication .....                             | 4.3   | 17       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.6   | 8        |
| 7.02 Flexibility of wage determination .....                | 3.7   | 131      |
| 7.03 Hiring and firing practices .....                      | 3.6   | 89       |
| 7.04 Redundancy costs, weeks of salary* .....               | 8.7   | 24       |
| 7.05 Effect of taxation on incentives to work .....         | 3.7   | 86       |
| 7.06 Pay and productivity .....                             | 4.3   | 46       |
| 7.07 Reliance on professional management .....              | 6.1   | 4        |
| 7.08 Country capacity to retain talent .....                | 5.1   | 11       |
| 7.09 Country capacity to attract talent .....               | 5.0   | 13       |
| 7.10 Women in labor force, ratio to men* .....              | 0.88  | 37       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 5.9   | 11       |
| 8.02 Affordability of financial services .....              | 5.5   | 17       |
| 8.03 Financing through local equity market .....            | 4.6   | 22       |
| 8.04 Ease of access to loans .....                          | 3.1   | 49       |
| 8.05 Venture capital availability .....                     | 3.5   | 24       |
| 8.06 Soundness of banks .....                               | 5.1   | 60       |
| 8.07 Regulation of securities exchanges .....               | 5.5   | 18       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 3     | 93       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 6.3   | 10       |
| 9.02 Firm-level technology absorption .....                 | 5.6   | 20       |
| 9.03 FDI and technology transfer .....                      | 5.2   | 16       |
| 9.04 Individuals using Internet, %* .....                   | 93.2  | 5        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 41.0  | 3        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 281.1 | 10       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 69.1  | 30       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.8   | 30       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 6.0   | 10       |
| 10.03 GDP (PPP\$ billions)* .....                           | 798.6 | 27       |
| 10.04 Exports as a percentage of GDP* .....                 | 99.1  | 7        |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 5.2   | 17       |
| 11.02 Local supplier quality .....                          | 5.6   | 6        |
| 11.03 State of cluster development .....                    | 5.2   | 11       |
| 11.04 Nature of competitive advantage .....                 | 5.9   | 12       |
| 11.05 Value chain breadth .....                             | 5.4   | 8        |
| 11.06 Control of international distribution .....           | 5.0   | 9        |
| 11.07 Production process sophistication .....               | 6.1   | 6        |
| 11.08 Extent of marketing .....                             | 5.7   | 4        |
| 11.09 Willingness to delegate authority .....               | 5.7   | 3        |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 5.2   | 16       |
| 12.02 Quality of scientific research institutions .....     | 6.0   | 6        |
| 12.03 Company spending on R&D .....                         | 4.8   | 18       |
| 12.04 University-industry collaboration in R&D .....        | 5.4   | 9        |
| 12.05 Gov't procurement of advanced tech products .....     | 3.9   | 21       |
| 12.06 Availability of scientists and engineers .....        | 4.8   | 22       |
| 12.07 PCT patents, applications/million pop.* .....         | 208.9 | 9        |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

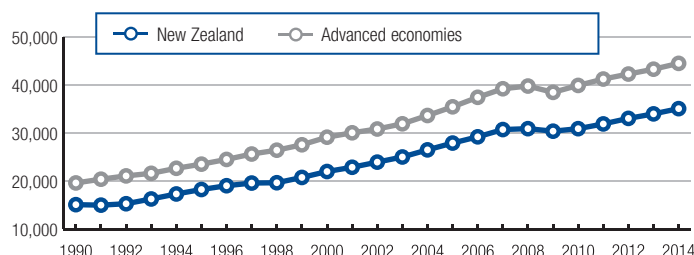


# New Zealand

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 4.5    |
| GDP (US\$ billions).....                   | 198.1  |
| GDP per capita (US\$).....                 | 43,837 |
| GDP (PPP) as share (%) of world total..... | 0.15   |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016.....</b>       | <b>16.....</b>       | <b>5.3</b>     |
| GCI 2014–2015 (out of 144)..... | 17.....              | 5.2            |
| GCI 2013–2014 (out of 148)..... | 18.....              | 5.1            |
| GCI 2012–2013 (out of 144)..... | 23.....              | 5.1            |

### Basic requirements (20.0%).....10.....6.0

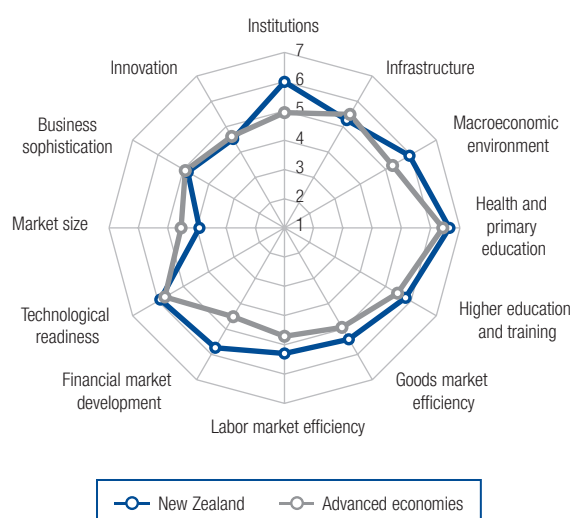
|                                               |         |     |
|-----------------------------------------------|---------|-----|
| 1st pillar: Institutions.....                 | 3.....  | 6.0 |
| 2nd pillar: Infrastructure.....               | 28..... | 5.2 |
| 3rd pillar: Macroeconomic environment.....    | 22..... | 5.9 |
| 4th pillar: Health and primary education..... | 5.....  | 6.6 |

### Efficiency enhancers (50.0%).....7.....5.3

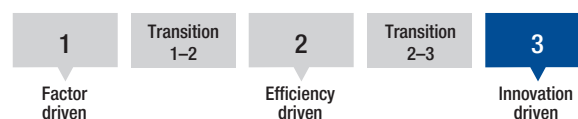
|                                                |         |     |
|------------------------------------------------|---------|-----|
| 5th pillar: Higher education and training..... | 10..... | 5.8 |
| 6th pillar: Goods market efficiency.....       | 8.....  | 5.4 |
| 7th pillar: Labor market efficiency.....       | 6.....  | 5.3 |
| 8th pillar: Financial market development.....  | 1.....  | 5.7 |
| 9th pillar: Technological readiness.....       | 15..... | 5.9 |
| 10th pillar: Market size.....                  | 66..... | 3.9 |

### Innovation and sophistication factors (30.0%).....25.....4.7

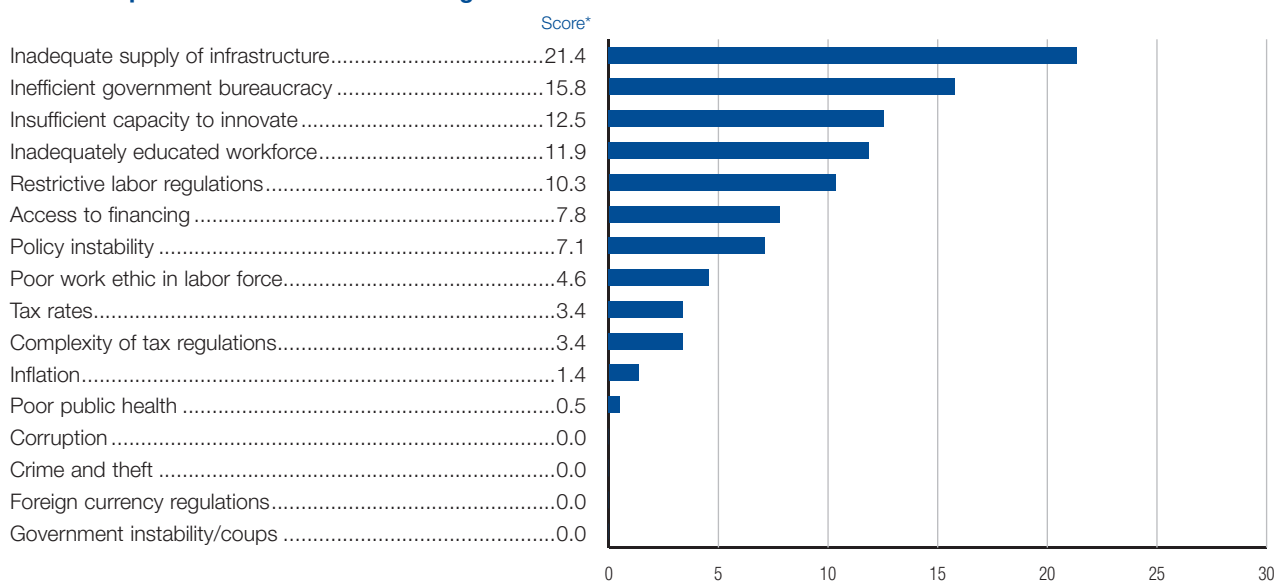
|                                           |         |     |
|-------------------------------------------|---------|-----|
| 11th pillar: Business sophistication..... | 25..... | 4.8 |
| 12th pillar: Innovation.....              | 24..... | 4.5 |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# New Zealand

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 6.1    | 8        |
| 1.02 Intellectual property protection .....                   | 6.1    | 5        |
| 1.03 Diversion of public funds .....                          | 6.4    | 1        |
| 1.04 Public trust in politicians .....                        | 5.5    | 7        |
| 1.05 Irregular payments and bribes .....                      | 6.6    | 2        |
| 1.06 Judicial independence .....                              | 6.7    | 1        |
| 1.07 Favoritism in decisions of government officials .....    | 5.4    | 3        |
| 1.08 Wastefulness of government spending .....                | 5.1    | 5        |
| 1.09 Burden of government regulation .....                    | 3.9    | 36       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.7    | 5        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.5    | 5        |
| 1.12 Transparency of government policymaking .....            | 6.0    | 2        |
| 1.13 Business costs of terrorism .....                        | 5.8    | 37       |
| 1.14 Business costs of crime and violence .....               | 5.5    | 23       |
| 1.15 Organized crime .....                                    | 6.3    | 11       |
| 1.16 Reliability of police services .....                     | 6.5    | 2        |
| 1.17 Ethical behavior of firms .....                          | 6.3    | 2        |
| 1.18 Strength of auditing and reporting standards .....       | 6.4    | 3        |
| 1.19 Efficacy of corporate boards .....                       | 6.3    | 1        |
| 1.20 Protection of minority shareholders' interests .....     | 5.9    | 5        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 8.2    | 1        |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 5.0    | 29       |
| 2.02 Quality of roads .....                                   | 4.7    | 43       |
| 2.03 Quality of railroad infrastructure .....                 | 3.5    | 44       |
| 2.04 Quality of port infrastructure .....                     | 5.5    | 20       |
| 2.05 Quality of air transport infrastructure .....            | 5.8    | 18       |
| 2.06 Available airline seat km/week, millions* .....          | 747.2  | 33       |
| 2.07 Quality of electricity supply .....                      | 6.1    | 30       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 112.1  | 74       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 40.6   | 18       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –0.6   | 28       |
| 3.02 Gross national savings, % GDP* .....                     | 20.0   | 71       |
| 3.03 Inflation, annual % change* .....                        | 1.2    | 1        |
| 3.04 General government debt, % GDP* .....                    | 34.0   | 47       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 86.0   | 15       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 7.3    | 19       |
| 4.04 Business impact of tuberculosis .....                    | 6.8    | 9        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.8    | 7        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 5.2    | 35       |
| 4.08 Life expectancy, years* .....                            | 81.4   | 15       |
| 4.09 Quality of primary education .....                       | 5.8    | 5        |
| 4.10 Primary education enrollment, net %* .....               | 97.9   | 29       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 119.5  | 5        |
| 5.02 Tertiary education enrollment, gross %* .....            | 79.8   | 12       |
| 5.03 Quality of the education system .....                    | 5.4    | 7        |
| 5.04 Quality of math and science education .....              | 5.3    | 10       |
| 5.05 Quality of management schools .....                      | 5.2    | 23       |
| 5.06 Internet access in schools .....                         | 5.9    | 14       |
| 5.07 Availability of specialized training services .....      | 5.2    | 24       |
| 5.08 Extent of staff training .....                           | 4.9    | 18       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.7    | 16       |
| 6.02 Extent of market dominance .....                         | 4.4    | 26       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.6    | 1        |
| 6.04 Effect of taxation on incentives to invest .....         | 4.8    | 14       |
| 6.05 Total tax rate, % profits* .....                         | 34.4   | 59       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 1     | 1        |
| 6.07 No. days to start a business* .....                    | 0.5   | 1        |
| 6.08 Agricultural policy costs .....                        | 5.9   | 1        |
| 6.09 Prevalence of non-tariff barriers .....                | 5.3   | 5        |
| 6.10 Trade tariffs, % duty* .....                           | 1.5   | 34       |
| 6.11 Prevalence of foreign ownership .....                  | 5.6   | 13       |
| 6.12 Business impact of rules on FDI .....                  | 4.8   | 47       |
| 6.13 Burden of customs procedures .....                     | 5.9   | 5        |
| 6.14 Imports as a percentage of GDP* .....                  | 28.0  | 121      |
| 6.15 Degree of customer orientation .....                   | 5.8   | 4        |
| 6.16 Buyer sophistication .....                             | 4.2   | 20       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.5   | 13       |
| 7.02 Flexibility of wage determination .....                | 5.6   | 23       |
| 7.03 Hiring and firing practices .....                      | 4.3   | 33       |
| 7.04 Redundancy costs, weeks of salary* .....               | 0.0   | 1        |
| 7.05 Effect of taxation on incentives to work .....         | 4.9   | 12       |
| 7.06 Pay and productivity .....                             | 4.8   | 12       |
| 7.07 Reliance on professional management .....              | 6.4   | 1        |
| 7.08 Country capacity to retain talent .....                | 4.1   | 31       |
| 7.09 Country capacity to attract talent .....               | 4.7   | 17       |
| 7.10 Women in labor force, ratio to men* .....              | 0.87  | 44       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 5.7   | 14       |
| 8.02 Affordability of financial services .....              | 5.7   | 9        |
| 8.03 Financing through local equity market .....            | 5.4   | 6        |
| 8.04 Ease of access to loans .....                          | 4.0   | 11       |
| 8.05 Venture capital availability .....                     | 4.1   | 11       |
| 8.06 Soundness of banks .....                               | 6.5   | 4        |
| 8.07 Regulation of securities exchanges .....               | 5.8   | 8        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 12    | 1        |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 5.9   | 25       |
| 9.02 Firm-level technology absorption .....                 | 5.8   | 11       |
| 9.03 FDI and technology transfer .....                      | 4.9   | 26       |
| 9.04 Individuals using Internet, %* .....                   | 85.5  | 17       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 30.5  | 19       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 95.1  | 30       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 92.7  | 19       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 3.7   | 64       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.4   | 72       |
| 10.03 GDP (PPP\$ billions)* .....                           | 158.9 | 65       |
| 10.04 Exports as a percentage of GDP* .....                 | 28.3  | 104      |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.5   | 69       |
| 11.02 Local supplier quality .....                          | 5.5   | 12       |
| 11.03 State of cluster development .....                    | 4.0   | 46       |
| 11.04 Nature of competitive advantage .....                 | 4.1   | 34       |
| 11.05 Value chain breadth .....                             | 4.2   | 34       |
| 11.06 Control of international distribution .....           | 4.4   | 27       |
| 11.07 Production process sophistication .....               | 5.2   | 25       |
| 11.08 Extent of marketing .....                             | 5.2   | 21       |
| 11.09 Willingness to delegate authority .....               | 5.5   | 6        |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 5.3   | 15       |
| 12.02 Quality of scientific research institutions .....     | 5.4   | 19       |
| 12.03 Company spending on R&D .....                         | 4.1   | 28       |
| 12.04 University-industry collaboration in R&D .....        | 4.9   | 17       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.3   | 69       |
| 12.06 Availability of scientists and engineers .....        | 4.6   | 33       |
| 12.07 PCT patents, applications/million pop.* .....         | 74.6  | 22       |

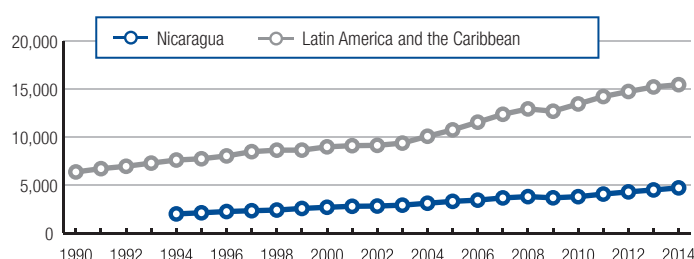
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Nicaragua

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 6.2   |
| GDP (US\$ billions).....                   | 11.7  |
| GDP per capita (US\$).....                 | 1,881 |
| GDP (PPP) as share (%) of world total..... | 0.03  |

GDP (PPP) per capita (int'l \$), 1990–2014



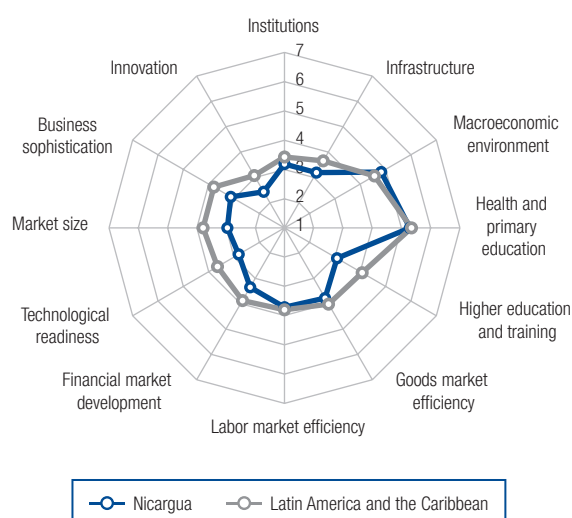
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>108</b>           | <b>3.8</b>     |
| GCI 2014–2015 (out of 144)..... | 99                   | 3.8            |
| GCI 2013–2014 (out of 148)..... | 99                   | 3.8            |
| GCI 2012–2013 (out of 144)..... | 108                  | 3.7            |

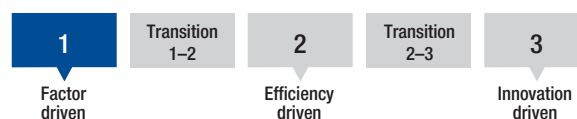
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (60.0%)</b> .....       | <b>99</b> | <b>4.1</b> |
| 1st pillar: Institutions.....                 | 125       | 3.2        |
| 2nd pillar: Infrastructure.....               | 102       | 3.2        |
| 3rd pillar: Macroeconomic environment.....    | 62        | 4.8        |
| 4th pillar: Health and primary education..... | 99        | 5.3        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (35.0%)</b> .....      | <b>124</b> | <b>3.3</b> |
| 5th pillar: Higher education and training..... | 119        | 3.1        |
| 6th pillar: Goods market efficiency.....       | 125        | 3.8        |
| 7th pillar: Labor market efficiency.....       | 119        | 3.7        |
| 8th pillar: Financial market development.....  | 112        | 3.3        |
| 9th pillar: Technological readiness.....       | 116        | 2.8        |
| 10th pillar: Market size.....                  | 107        | 3.0        |

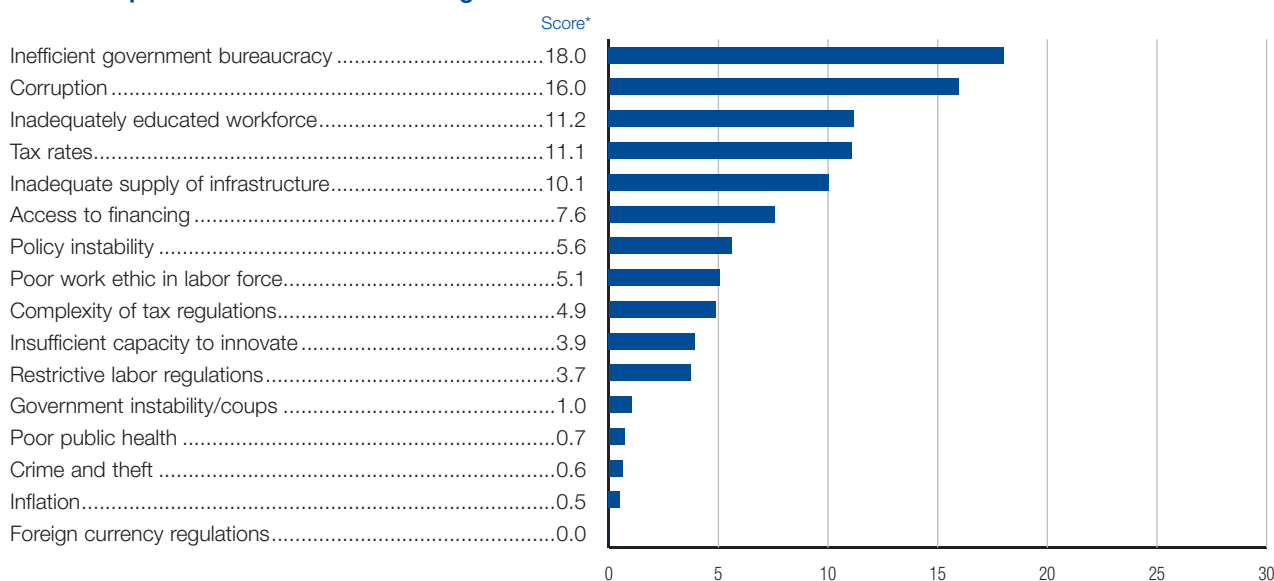
|                                                           |            |            |
|-----------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>133</b> | <b>2.8</b> |
| 11th pillar: Business sophistication.....                 | 133        | 3.1        |
| 12th pillar: Innovation.....                              | 137        | 2.4        |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Nicaragua

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140  |
|---------------------------------------------------------------|---------|-----------|
| <b>1st pillar: Institutions</b>                               |         |           |
| 1.01 Property rights .....                                    | 3.2     | 125       |
| 1.02 Intellectual property protection .....                   | 3.0     | 128       |
| 1.03 Diversion of public funds .....                          | 2.5     | 118       |
| 1.04 Public trust in politicians .....                        | 1.7     | 135       |
| 1.05 Irregular payments and bribes .....                      | 3.1     | 107       |
| 1.06 Judicial independence .....                              | 1.7     | 138       |
| 1.07 Favoritism in decisions of government officials .....    | 2.0     | 136       |
| 1.08 Wastefulness of government spending .....                | 3.0     | 82        |
| 1.09 Burden of government regulation .....                    | 2.8     | 121       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.9     | 118       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.1     | 138       |
| 1.12 Transparency of government policymaking .....            | 3.3     | 124       |
| 1.13 Business costs of terrorism .....                        | 6.3     | <b>12</b> |
| 1.14 Business costs of crime and violence .....               | 5.1     | <b>46</b> |
| 1.15 Organized crime .....                                    | 5.7     | <b>34</b> |
| 1.16 Reliability of police services .....                     | 3.7     | 96        |
| 1.17 Ethical behavior of firms .....                          | 3.2     | 128       |
| 1.18 Strength of auditing and reporting standards .....       | 4.4     | 77        |
| 1.19 Efficacy of corporate boards .....                       | 4.4     | 93        |
| 1.20 Protection of minority shareholders' interests .....     | 3.4     | 122       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 3.3     | 132       |
| <b>2nd pillar: Infrastructure</b>                             |         |           |
| 2.01 Quality of overall infrastructure .....                  | 3.2     | 108       |
| 2.02 Quality of roads .....                                   | 3.6     | 86        |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. | n/a       |
| 2.04 Quality of port infrastructure .....                     | 2.8     | 115       |
| 2.05 Quality of air transport infrastructure .....            | 3.6     | 107       |
| 2.06 Available airline seat km/week, millions* .....          | 22.1    | 119       |
| 2.07 Quality of electricity supply .....                      | 4.0     | 94        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 114.6   | 68        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 5.5     | 101       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |           |
| 3.01 Government budget balance, % GDP* .....                  | –1.1    | <b>33</b> |
| 3.02 Gross national savings, % GDP* .....                     | 18.8    | 79        |
| 3.03 Inflation, annual % change* .....                        | 6.0     | 106       |
| 3.04 General government debt, % GDP* .....                    | 32.2    | <b>41</b> |
| 3.05 Country credit rating, 0–100 (best)* .....               | 22.0    | 124       |
| <b>4th pillar: Health and primary education</b>               |         |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 38.4    | 30        |
| 4.02 Business impact of malaria .....                         | 5.7     | 18        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 55.0    | 72        |
| 4.04 Business impact of tuberculosis .....                    | 5.9     | 56        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2     | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 5.5     | 72        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 20.0    | 88        |
| 4.08 Life expectancy, years* .....                            | 74.8    | 61        |
| 4.09 Quality of primary education .....                       | 2.3     | 134       |
| 4.10 Primary education enrollment, net %* .....               | 91.8    | 86        |
| <b>5th pillar: Higher education and training</b>              |         |           |
| 5.01 Secondary education enrollment, gross %* .....           | 68.9    | 103       |
| 5.02 Tertiary education enrollment, gross %* .....            | 19.0    | 94        |
| 5.03 Quality of the education system .....                    | 2.3     | 137       |
| 5.04 Quality of math and science education .....              | 2.3     | 136       |
| 5.05 Quality of management schools .....                      | 3.7     | 104       |
| 5.06 Internet access in schools .....                         | 2.7     | 129       |
| 5.07 Availability of specialized training services .....      | 3.1     | 131       |
| 5.08 Extent of staff training .....                           | 3.5     | 110       |
| <b>6th pillar: Goods market efficiency</b>                    |         |           |
| 6.01 Intensity of local competition .....                     | 4.7     | 96        |
| 6.02 Extent of market dominance .....                         | 2.7     | 135       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.0     | 128       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.0     | 116       |
| 6.05 Total tax rate, % profits* .....                         | 65.8    | 131       |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 6     | 57        |
| 6.07 No. days to start a business* .....                 | 13.0  | 74        |
| 6.08 Agricultural policy costs .....                     | 3.7   | 75        |
| 6.09 Prevalence of non-tariff barriers .....             | 4.0   | 111       |
| 6.10 Trade tariffs, % duty* .....                        | 3.8   | 52        |
| 6.11 Prevalence of foreign ownership .....               | 4.4   | 76        |
| 6.12 Business impact of rules on FDI .....               | 4.8   | <b>48</b> |
| 6.13 Burden of customs procedures .....                  | 2.4   | 136       |
| 6.14 Imports as a percentage of GDP* .....               | 67.1  | <b>32</b> |
| 6.15 Degree of customer orientation .....                | 3.6   | 129       |
| 6.16 Buyer sophistication .....                          | 2.5   | 129       |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 4.4   | 66        |
| 7.02 Flexibility of wage determination .....             | 4.8   | 82        |
| 7.03 Hiring and firing practices .....                   | 4.3   | <b>37</b> |
| 7.04 Redundancy costs, weeks of salary* .....            | 14.9  | 64        |
| 7.05 Effect of taxation on incentives to work .....      | 3.1   | 116       |
| 7.06 Pay and productivity .....                          | 3.4   | 113       |
| 7.07 Reliance on professional management .....           | 3.2   | 127       |
| 7.08 Country capacity to retain talent .....             | 2.9   | 100       |
| 7.09 Country capacity to attract talent .....            | 2.8   | 100       |
| 7.10 Women in labor force, ratio to men* .....           | 0.60  | 117       |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 3.7   | 117       |
| 8.02 Affordability of financial services .....           | 3.8   | 95        |
| 8.03 Financing through local equity market .....         | 2.7   | 112       |
| 8.04 Ease of access to loans .....                       | 2.8   | 68        |
| 8.05 Venture capital availability .....                  | 2.1   | 120       |
| 8.06 Soundness of banks .....                            | 5.2   | 55        |
| 8.07 Regulation of securities exchanges .....            | 4.2   | 70        |
| 8.08 Legal rights index, 0–12 (best)* .....              | 1     | 129       |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 4.0   | 110       |
| 9.02 Firm-level technology absorption .....              | 3.8   | 124       |
| 9.03 FDI and technology transfer .....                   | 4.1   | 92        |
| 9.04 Individuals using Internet, %* .....                | 17.6  | 110       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 2.5   | 96        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 23.0  | 83        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 1.4   | 133       |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.6   | 107       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.9   | 99        |
| 10.03 GDP (PPP\$ billions)* .....                        | 29.5  | 110       |
| 10.04 Exports as a percentage of GDP* .....              | 54.9  | <b>35</b> |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 3.7   | 129       |
| 11.02 Local supplier quality .....                       | 3.4   | 129       |
| 11.03 State of cluster development .....                 | 3.1   | 113       |
| 11.04 Nature of competitive advantage .....              | 1.9   | 140       |
| 11.05 Value chain breadth .....                          | 3.0   | 128       |
| 11.06 Control of international distribution .....        | 3.0   | 130       |
| 11.07 Production process sophistication .....            | 2.7   | 132       |
| 11.08 Extent of marketing .....                          | 3.8   | 118       |
| 11.09 Willingness to delegate authority .....            | 3.4   | 101       |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 3.0   | 135       |
| 12.02 Quality of scientific research institutions .....  | 2.3   | 135       |
| 12.03 Company spending on R&D .....                      | 2.2   | 137       |
| 12.04 University-industry collaboration in R&D .....     | 3.0   | 115       |
| 12.05 Gov't procurement of advanced tech products .....  | 2.4   | 137       |
| 12.06 Availability of scientists and engineers .....     | 2.8   | 137       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.2   | 95        |

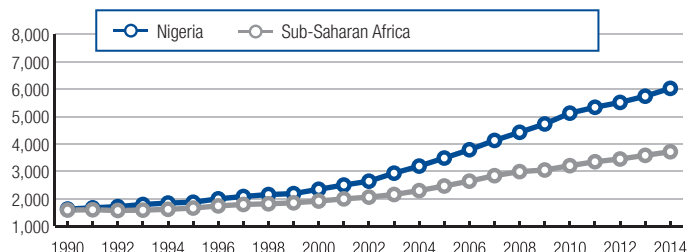
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Nigeria

## Key indicators, 2014

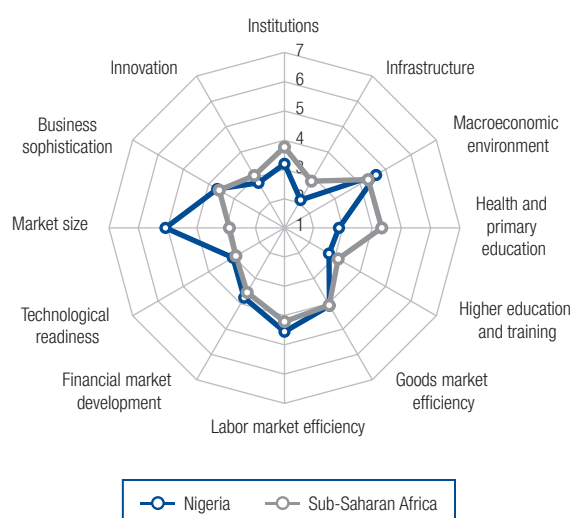
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 173.9 |
| GDP (US\$ billions).....                   | 573.7 |
| GDP per capita (US\$).....                 | 3,298 |
| GDP (PPP) as share (%) of world total..... | 0.97  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

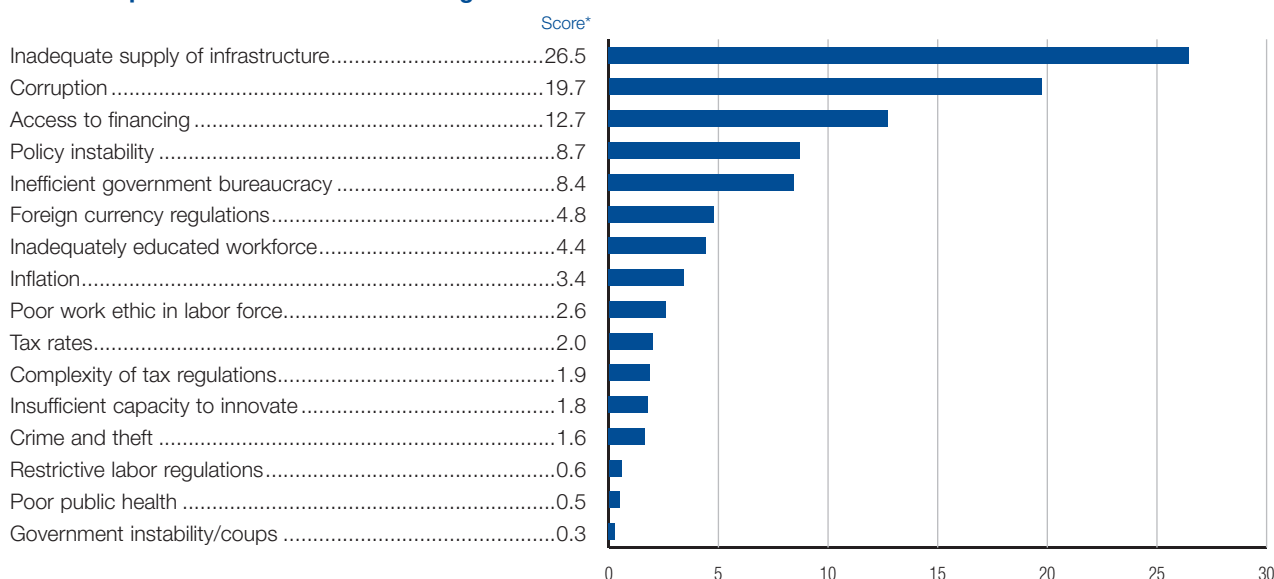
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>124</b>           | <b>3.5</b>     |
| GCI 2014–2015 (out of 144).....                           | 127                  | 3.4            |
| GCI 2013–2014 (out of 148).....                           | 120                  | 3.6            |
| GCI 2012–2013 (out of 144).....                           | 115                  | 3.7            |
| <b>Basic requirements (54.1%)</b> .....                   | <b>136</b>           | <b>3.2</b>     |
| 1st pillar: Institutions.....                             | 124                  | 3.2            |
| 2nd pillar: Infrastructure.....                           | 133                  | 2.1            |
| 3rd pillar: Macroeconomic environment.....                | 81                   | 4.6            |
| 4th pillar: Health and primary education.....             | 140                  | 2.9            |
| <b>Efficiency enhancers (39.5%)</b> .....                 | <b>81</b>            | <b>3.9</b>     |
| 5th pillar: Higher education and training.....            | 128                  | 2.8            |
| 6th pillar: Goods market efficiency.....                  | 100                  | 4.1            |
| 7th pillar: Labor market efficiency.....                  | 35                   | 4.5            |
| 8th pillar: Financial market development.....             | 79                   | 3.8            |
| 9th pillar: Technological readiness.....                  | 106                  | 3.0            |
| 10th pillar: Market size.....                             | 25                   | 5.1            |
| <b>Innovation and sophistication factors (6.5%)</b> ..... | <b>114</b>           | <b>3.2</b>     |
| 11th pillar: Business sophistication.....                 | 94                   | 3.7            |
| 12th pillar: Innovation.....                              | 117                  | 2.8            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Nigeria

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE          | RANK/140 |
|---------------------------------------------------------------|----------------|----------|
| <b>1st pillar: Institutions</b>                               |                |          |
| 1.01 Property rights .....                                    | 3.8 .....      | 100      |
| 1.02 Intellectual property protection .....                   | 3.1 .....      | 119      |
| 1.03 Diversion of public funds .....                          | 2.1 .....      | 132      |
| 1.04 Public trust in politicians .....                        | 1.7 .....      | 132      |
| 1.05 Irregular payments and bribes .....                      | 2.6 .....      | 132      |
| 1.06 Judicial independence .....                              | 3.3 .....      | 96       |
| 1.07 Favoritism in decisions of government officials .....    | 2.1 .....      | 132      |
| 1.08 Wastefulness of government spending .....                | 2.2 .....      | 131      |
| 1.09 Burden of government regulation .....                    | 3.0 .....      | 109      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.4 .....      | 83       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.2 .....      | 91       |
| 1.12 Transparency of government policymaking .....            | 3.4 .....      | 121      |
| 1.13 Business costs of terrorism .....                        | 3.0 .....      | 135      |
| 1.14 Business costs of crime and violence .....               | 3.1 .....      | 125      |
| 1.15 Organized crime .....                                    | 4.1 .....      | 109      |
| 1.16 Reliability of police services .....                     | 2.6 .....      | 134      |
| 1.17 Ethical behavior of firms .....                          | 3.3 .....      | 123      |
| 1.18 Strength of auditing and reporting standards .....       | 4.8 .....      | 57       |
| 1.19 Efficacy of corporate boards .....                       | 4.9 .....      | 49       |
| 1.20 Protection of minority shareholders' interests .....     | 4.1 .....      | 64       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8 .....      | 55       |
| <b>2nd pillar: Infrastructure</b>                             |                |          |
| 2.01 Quality of overall infrastructure .....                  | 2.4 .....      | 133      |
| 2.02 Quality of roads .....                                   | 2.7 .....      | 125      |
| 2.03 Quality of railroad infrastructure .....                 | 1.5 .....      | 103      |
| 2.04 Quality of port infrastructure .....                     | 3.0 .....      | 112      |
| 2.05 Quality of air transport infrastructure .....            | 3.4 .....      | 111      |
| 2.06 Available airline seat km/week, millions* .....          | 321.5 .....    | 53       |
| 2.07 Quality of electricity supply .....                      | 1.4 .....      | 139      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 77.8 .....     | 117      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.1 .....      | 139      |
| <b>3rd pillar: Macroeconomic environment</b>                  |                |          |
| 3.01 Government budget balance, % GDP* .....                  | –2.3 .....     | 57       |
| 3.02 Gross national savings, % GDP* .....                     | 17.4 .....     | 91       |
| 3.03 Inflation, annual % change* .....                        | 8.1 .....      | 125      |
| 3.04 General government debt, % GDP* .....                    | 10.5 .....     | 7        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 39.6 .....     | 77       |
| <b>4th pillar: Health and primary education</b>               |                |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 28,430.3 ..... | 70       |
| 4.02 Business impact of malaria .....                         | 3.6 .....      | 61       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 338.0 .....    | 129      |
| 4.04 Business impact of tuberculosis .....                    | 5.0 .....      | 90       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 3.2 .....      | 126      |
| 4.06 Business impact of HIV/AIDS .....                        | 4.5 .....      | 106      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 74.3 .....     | 137      |
| 4.08 Life expectancy, years* .....                            | 52.5 .....     | 133      |
| 4.09 Quality of primary education .....                       | 2.5 .....      | 128      |
| 4.10 Primary education enrollment, net %* .....               | 63.9 .....     | 138      |
| <b>5th pillar: Higher education and training</b>              |                |          |
| 5.01 Secondary education enrollment, gross %* .....           | 43.8 .....     | 125      |
| 5.02 Tertiary education enrollment, gross %* .....            | 10.4 .....     | 113      |
| 5.03 Quality of the education system .....                    | 2.7 .....      | 125      |
| 5.04 Quality of math and science education .....              | 2.6 .....      | 132      |
| 5.05 Quality of management schools .....                      | 3.7 .....      | 102      |
| 5.06 Internet access in schools .....                         | 3.0 .....      | 124      |
| 5.07 Availability of specialized training services .....      | 3.6 .....      | 106      |
| 5.08 Extent of staff training .....                           | 4.0 .....      | 62       |
| <b>6th pillar: Goods market efficiency</b>                    |                |          |
| 6.01 Intensity of local competition .....                     | 5.2 .....      | 60       |
| 6.02 Extent of market dominance .....                         | 3.6 .....      | 78       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.1 .....      | 119      |
| 6.04 Effect of taxation on incentives to invest .....         | 4.1 .....      | 32       |
| 6.05 Total tax rate, % profits* .....                         | 32.7 .....     | 51       |

| INDICATOR                                                | VALUE         | RANK/140 |
|----------------------------------------------------------|---------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |               |          |
| 6.06 No. procedures to start a business* .....           | 9 .....       | 103      |
| 6.07 No. days to start a business* .....                 | 30.8 .....    | 115      |
| 6.08 Agricultural policy costs .....                     | 4.5 .....     | 20       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.8 .....     | 18       |
| 6.10 Trade tariffs, % duty* .....                        | 12.9 .....    | 126      |
| 6.11 Prevalence of foreign ownership .....               | 4.8 .....     | 56       |
| 6.12 Business impact of rules on FDI .....               | 4.9 .....     | 34       |
| 6.13 Burden of customs procedures .....                  | 2.8 .....     | 135      |
| 6.14 Imports as a percentage of GDP* .....               | 14.4 .....    | 139      |
| 6.15 Degree of customer orientation .....                | 3.8 .....     | 123      |
| 6.16 Buyer sophistication .....                          | 3.0 .....     | 105      |
| <b>7th pillar: Labor market efficiency</b>               |               |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.4 .....     | 63       |
| 7.02 Flexibility of wage determination .....             | 5.3 .....     | 47       |
| 7.03 Hiring and firing practices .....                   | 5.0 .....     | 9        |
| 7.04 Redundancy costs, weeks of salary* .....            | 15.4 .....    | 67       |
| 7.05 Effect of taxation on incentives to work .....      | 4.9 .....     | 13       |
| 7.06 Pay and productivity .....                          | 4.0 .....     | 69       |
| 7.07 Reliance on professional management .....           | 4.7 .....     | 39       |
| 7.08 Country capacity to retain talent .....             | 3.2 .....     | 90       |
| 7.09 Country capacity to attract talent .....            | 3.7 .....     | 50       |
| 7.10 Women in labor force, ratio to men* .....           | 0.76 .....    | 87       |
| <b>8th pillar: Financial market development</b>          |               |          |
| 8.01 Availability of financial services .....            | 4.1 .....     | 86       |
| 8.02 Affordability of financial services .....           | 3.5 .....     | 122      |
| 8.03 Financing through local equity market .....         | 4.0 .....     | 43       |
| 8.04 Ease of access to loans .....                       | 1.6 .....     | 135      |
| 8.05 Venture capital availability .....                  | 2.0 .....     | 128      |
| 8.06 Soundness of banks .....                            | 4.7 .....     | 77       |
| 8.07 Regulation of securities exchanges .....            | 4.6 .....     | 47       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 6 .....       | 44       |
| <b>9th pillar: Technological readiness</b>               |               |          |
| 9.01 Availability of latest technologies .....           | 4.2 .....     | 99       |
| 9.02 Firm-level technology absorption .....              | 4.3 .....     | 91       |
| 9.03 FDI and technology transfer .....                   | 4.4 .....     | 71       |
| 9.04 Individuals using Internet, %* .....                | 42.7 .....    | 84       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.0 .....     | 137      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 3.1 .....     | 126      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 11.7 .....    | 110      |
| <b>10th pillar: Market size</b>                          |               |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 5.0 .....     | 21       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 5.2 .....     | 42       |
| 10.03 GDP (PPP\$ billions)* .....                        | 1,049.1 ..... | 21       |
| 10.04 Exports as a percentage of GDP* .....              | 17.2 .....    | 126      |
| <b>11th pillar: Business sophistication</b>              |               |          |
| 11.01 Local supplier quantity .....                      | 4.7 .....     | 44       |
| 11.02 Local supplier quality .....                       | 3.8 .....     | 102      |
| 11.03 State of cluster development .....                 | 3.5 .....     | 85       |
| 11.04 Nature of competitive advantage .....              | 2.6 .....     | 129      |
| 11.05 Value chain breadth .....                          | 3.5 .....     | 99       |
| 11.06 Control of international distribution .....        | 3.3 .....     | 109      |
| 11.07 Production process sophistication .....            | 3.2 .....     | 109      |
| 11.08 Extent of marketing .....                          | 4.2 .....     | 76       |
| 11.09 Willingness to delegate authority .....            | 3.6 .....     | 89       |
| <b>12th pillar: Innovation</b>                           |               |          |
| 12.01 Capacity for innovation .....                      | 3.8 .....     | 82       |
| 12.02 Quality of scientific research institutions .....  | 2.5 .....     | 129      |
| 12.03 Company spending on R&D .....                      | 2.8 .....     | 108      |
| 12.04 University-industry collaboration in R&D .....     | 2.8 .....     | 122      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.8 .....     | 117      |
| 12.06 Availability of scientists and engineers .....     | 3.6 .....     | 98       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0 .....     | 113      |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

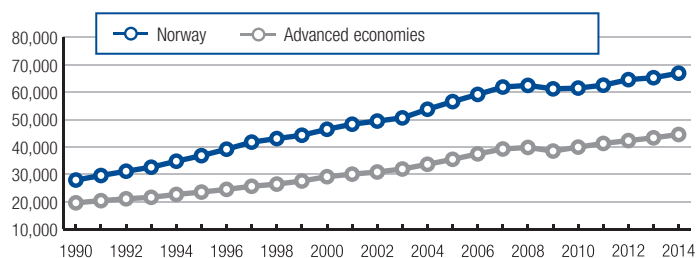


# Norway

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 5.2    |
| GDP (US\$ billions).....                   | 500.2  |
| GDP per capita (US\$).....                 | 97,013 |
| GDP (PPP) as share (%) of world total..... | 0.32   |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>11</b>            | <b>5.4</b>     |
| GCI 2014–2015 (out of 144)..... | 11                   | 5.4            |
| GCI 2013–2014 (out of 148)..... | 11                   | 5.3            |
| GCI 2012–2013 (out of 144)..... | 15                   | 5.3            |

### Basic requirements (20.0%).....6.....6.1

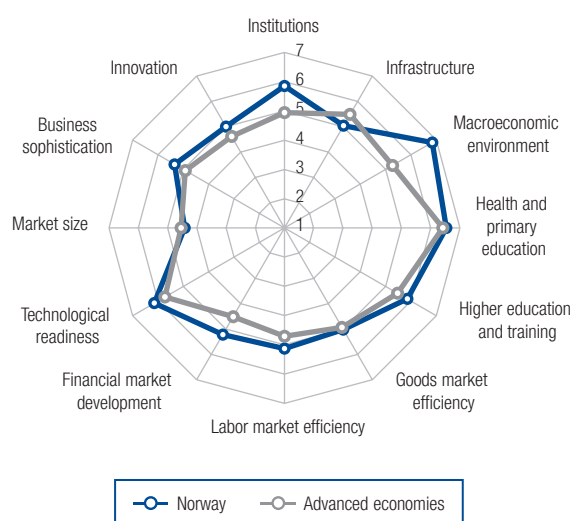
|                                               |    |     |
|-----------------------------------------------|----|-----|
| 1st pillar: Institutions.....                 | 5  | 5.8 |
| 2nd pillar: Infrastructure.....               | 31 | 5.0 |
| 3rd pillar: Macroeconomic environment.....    | 1  | 6.8 |
| 4th pillar: Health and primary education..... | 10 | 6.5 |

### Efficiency enhancers (50.0%).....11.....5.3

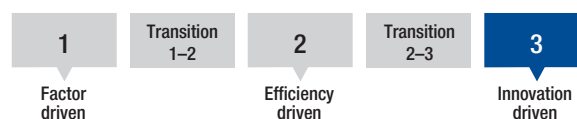
|                                                |    |     |
|------------------------------------------------|----|-----|
| 5th pillar: Higher education and training..... | 7  | 5.8 |
| 6th pillar: Goods market efficiency.....       | 19 | 5.0 |
| 7th pillar: Labor market efficiency.....       | 9  | 5.1 |
| 8th pillar: Financial market development.....  | 8  | 5.2 |
| 9th pillar: Technological readiness.....       | 7  | 6.1 |
| 10th pillar: Market size.....                  | 49 | 4.4 |

### Innovation and sophistication factors (30.0%).....13.....5.2

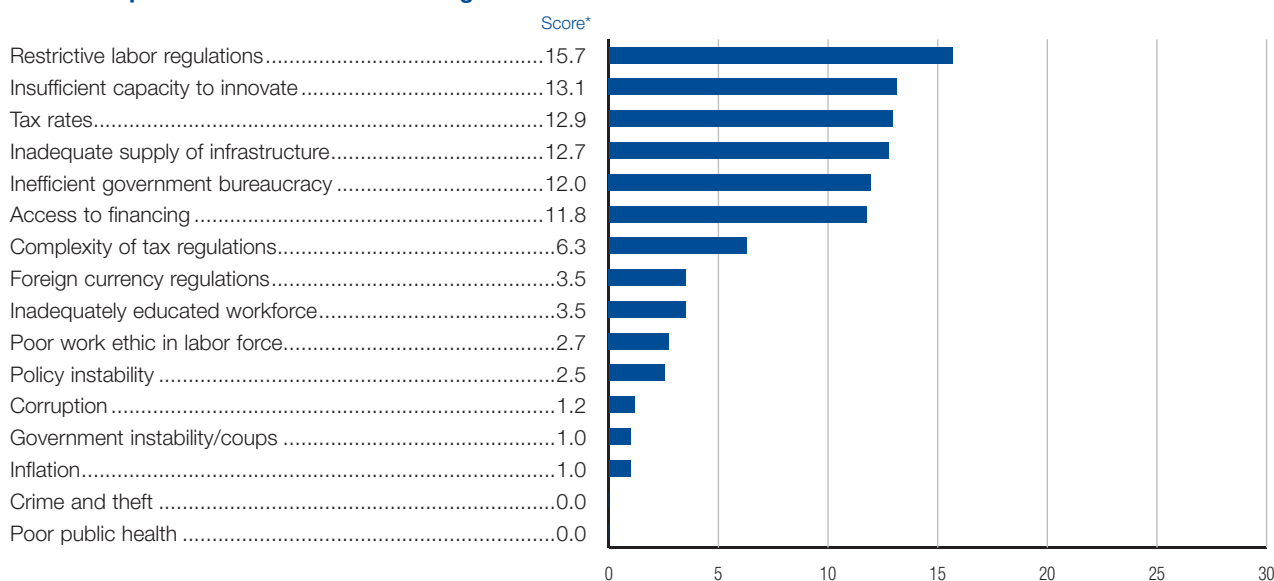
|                                           |    |     |
|-------------------------------------------|----|-----|
| 11th pillar: Business sophistication..... | 11 | 5.3 |
| 12th pillar: Innovation.....              | 13 | 5.0 |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Norway

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140  |
|---------------------------------------------------------------|--------|-----------|
| <b>1st pillar: Institutions</b>                               |        |           |
| 1.01 Property rights .....                                    | 6.0    | 12        |
| 1.02 Intellectual property protection .....                   | 5.8    | 17        |
| 1.03 Diversion of public funds .....                          | 6.0    | <b>6</b>  |
| 1.04 Public trust in politicians .....                        | 6.0    | <b>4</b>  |
| 1.05 Irregular payments and bribes .....                      | 6.5    | <b>4</b>  |
| 1.06 Judicial independence .....                              | 6.5    | <b>3</b>  |
| 1.07 Favoritism in decisions of government officials .....    | 5.3    | <b>6</b>  |
| 1.08 Wastefulness of government spending .....                | 4.6    | 13        |
| 1.09 Burden of government regulation .....                    | 4.1    | 19        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.6    | <b>7</b>  |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.4    | <b>7</b>  |
| 1.12 Transparency of government policymaking .....            | 5.7    | <b>7</b>  |
| 1.13 Business costs of terrorism .....                        | 5.5    | 56        |
| 1.14 Business costs of crime and violence .....               | 5.8    | 19        |
| 1.15 Organized crime .....                                    | 6.2    | 14        |
| 1.16 Reliability of police services .....                     | 6.1    | 13        |
| 1.17 Ethical behavior of firms .....                          | 6.1    | <b>5</b>  |
| 1.18 Strength of auditing and reporting standards .....       | 6.3    | <b>5</b>  |
| 1.19 Efficacy of corporate boards .....                       | 6.1    | <b>2</b>  |
| 1.20 Protection of minority shareholders' interests .....     | 6.0    | <b>2</b>  |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 7.0    | 12        |
| <b>2nd pillar: Infrastructure</b>                             |        |           |
| 2.01 Quality of overall infrastructure .....                  | 5.0    | 27        |
| 2.02 Quality of roads .....                                   | 4.0    | 65        |
| 2.03 Quality of railroad infrastructure .....                 | 3.7    | 41        |
| 2.04 Quality of port infrastructure .....                     | 5.5    | 18        |
| 2.05 Quality of air transport infrastructure .....            | 6.0    | <b>10</b> |
| 2.06 Available airline seat km/week, millions* .....          | 604.4  | 39        |
| 2.07 Quality of electricity supply .....                      | 6.7    | <b>7</b>  |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 116.5  | 62        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 22.7   | 46        |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |           |
| 3.01 Government budget balance, % GDP* .....                  | 8.8    | <b>3</b>  |
| 3.02 Gross national savings, % GDP* .....                     | 37.2   | <b>9</b>  |
| 3.03 Inflation, annual % change* .....                        | 2.0    | <b>1</b>  |
| 3.04 General government debt, % GDP* .....                    | 30.1   | 33        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 95.0   | <b>2</b>  |
| <b>4th pillar: Health and primary education</b>               |        |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a       |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 8.2    | 22        |
| 4.04 Business impact of tuberculosis .....                    | 6.9    | <b>2</b>  |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 6.8    | <b>5</b>  |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 2.3    | <b>7</b>  |
| 4.08 Life expectancy, years* .....                            | 81.5   | 14        |
| 4.09 Quality of primary education .....                       | 5.3    | 17        |
| 4.10 Primary education enrollment, net %* .....               | 99.7   | <b>5</b>  |
| <b>5th pillar: Higher education and training</b>              |        |           |
| 5.01 Secondary education enrollment, gross %* .....           | 111.1  | 11        |
| 5.02 Tertiary education enrollment, gross %* .....            | 74.1   | 20        |
| 5.03 Quality of the education system .....                    | 5.3    | 11        |
| 5.04 Quality of math and science education .....              | 4.9    | 24        |
| 5.05 Quality of management schools .....                      | 5.4    | 15        |
| 5.06 Internet access in schools .....                         | 6.3    | <b>3</b>  |
| 5.07 Availability of specialized training services .....      | 5.7    | <b>9</b>  |
| 5.08 Extent of staff training .....                           | 5.3    | <b>7</b>  |
| <b>6th pillar: Goods market efficiency</b>                    |        |           |
| 6.01 Intensity of local competition .....                     | 5.3    | 50        |
| 6.02 Extent of market dominance .....                         | 4.8    | 16        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.2    | 11        |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8    | 46        |
| 6.05 Total tax rate, % profits* .....                         | 40.7   | 85        |

| INDICATOR                                                   | VALUE | RANK/140  |
|-------------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |           |
| 6.06 No. procedures to start a business* .....              | 4     | 22        |
| 6.07 No. days to start a business* .....                    | 5.0   | 18        |
| 6.08 Agricultural policy costs .....                        | 3.9   | 58        |
| 6.09 Prevalence of non-tariff barriers .....                | 4.7   | 26        |
| 6.10 Trade tariffs, % duty* .....                           | 2.9   | 44        |
| 6.11 Prevalence of foreign ownership .....                  | 5.3   | 21        |
| 6.12 Business impact of rules on FDI .....                  | 5.1   | 29        |
| 6.13 Burden of customs procedures .....                     | 5.3   | 15        |
| 6.14 Imports as a percentage of GDP* .....                  | 29.1  | 120       |
| 6.15 Degree of customer orientation .....                   | 5.4   | 20        |
| 6.16 Buyer sophistication .....                             | 4.5   | 13        |
| <b>7th pillar: Labor market efficiency</b>                  |       |           |
| 7.01 Cooperation in labor-employer relations .....          | 6.0   | <b>4</b>  |
| 7.02 Flexibility of wage determination .....                | 3.8   | 130       |
| 7.03 Hiring and firing practices .....                      | 3.3   | 109       |
| 7.04 Redundancy costs, weeks of salary* .....               | 8.7   | 24        |
| 7.05 Effect of taxation on incentives to work .....         | 4.2   | 37        |
| 7.06 Pay and productivity .....                             | 4.4   | 41        |
| 7.07 Reliance on professional management .....              | 6.3   | <b>2</b>  |
| 7.08 Country capacity to retain talent .....                | 5.5   | <b>4</b>  |
| 7.09 Country capacity to attract talent .....               | 4.6   | 20        |
| 7.10 Women in labor force, ratio to men* .....              | 0.95  | 12        |
| <b>8th pillar: Financial market development</b>             |       |           |
| 8.01 Availability of financial services .....               | 6.0   | <b>9</b>  |
| 8.02 Affordability of financial services .....              | 5.9   | <b>5</b>  |
| 8.03 Financing through local equity market .....            | 5.3   | <b>9</b>  |
| 8.04 Ease of access to loans .....                          | 4.3   | <b>7</b>  |
| 8.05 Venture capital availability .....                     | 4.2   | <b>10</b> |
| 8.06 Soundness of banks .....                               | 6.5   | <b>6</b>  |
| 8.07 Regulation of securities exchanges .....               | 5.8   | <b>9</b>  |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 5     | 63        |
| <b>9th pillar: Technological readiness</b>                  |       |           |
| 9.01 Availability of latest technologies .....              | 6.5   | <b>3</b>  |
| 9.02 Firm-level technology absorption .....                 | 6.1   | <b>4</b>  |
| 9.03 FDI and technology transfer .....                      | 4.8   | 39        |
| 9.04 Individuals using Internet, %* .....                   | 96.3  | <b>2</b>  |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 38.1  | <b>6</b>  |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 203.9 | 15        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 93.0  | 18        |
| <b>10th pillar: Market size</b>                             |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.2   | 48        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.0   | 51        |
| 10.03 GDP (PPP\$ billions)* .....                           | 345.2 | 48        |
| 10.04 Exports as a percentage of GDP* .....                 | 38.7  | 71        |
| <b>11th pillar: Business sophistication</b>                 |       |           |
| 11.01 Local supplier quantity .....                         | 4.5   | 74        |
| 11.02 Local supplier quality .....                          | 5.5   | 11        |
| 11.03 State of cluster development .....                    | 5.2   | 12        |
| 11.04 Nature of competitive advantage .....                 | 5.7   | 14        |
| 11.05 Value chain breadth .....                             | 4.8   | 24        |
| 11.06 Control of international distribution .....           | 4.6   | 23        |
| 11.07 Production process sophistication .....               | 6.0   | <b>9</b>  |
| 11.08 Extent of marketing .....                             | 5.3   | 15        |
| 11.09 Willingness to delegate authority .....               | 6.0   | <b>2</b>  |
| <b>12th pillar: Innovation</b>                              |       |           |
| 12.01 Capacity for innovation .....                         | 5.2   | 18        |
| 12.02 Quality of scientific research institutions .....     | 5.4   | 17        |
| 12.03 Company spending on R&D .....                         | 4.7   | 20        |
| 12.04 University-industry collaboration in R&D .....        | 5.0   | 15        |
| 12.05 Gov't procurement of advanced tech products .....     | 4.1   | 16        |
| 12.06 Availability of scientists and engineers .....        | 5.0   | 12        |
| 12.07 PCT patents, applications/million pop.* .....         | 138.4 | 12        |

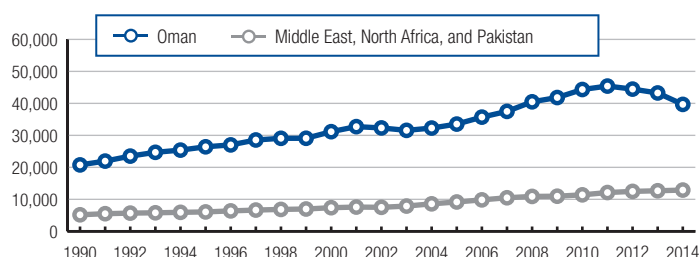
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Oman

## Key indicators, 2014

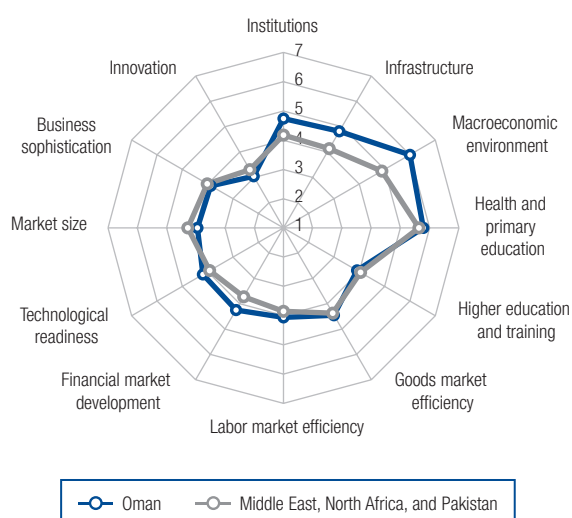
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 4.1    |
| GDP (US\$ billions).....                   | 77.8   |
| GDP per capita (US\$).....                 | 19,002 |
| GDP (PPP) as share (%) of world total..... | 0.15   |

GDP (PPP) per capita (int'l \$), 1990–2014

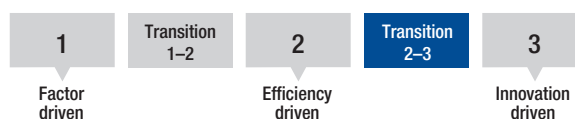


## Global Competitiveness Index

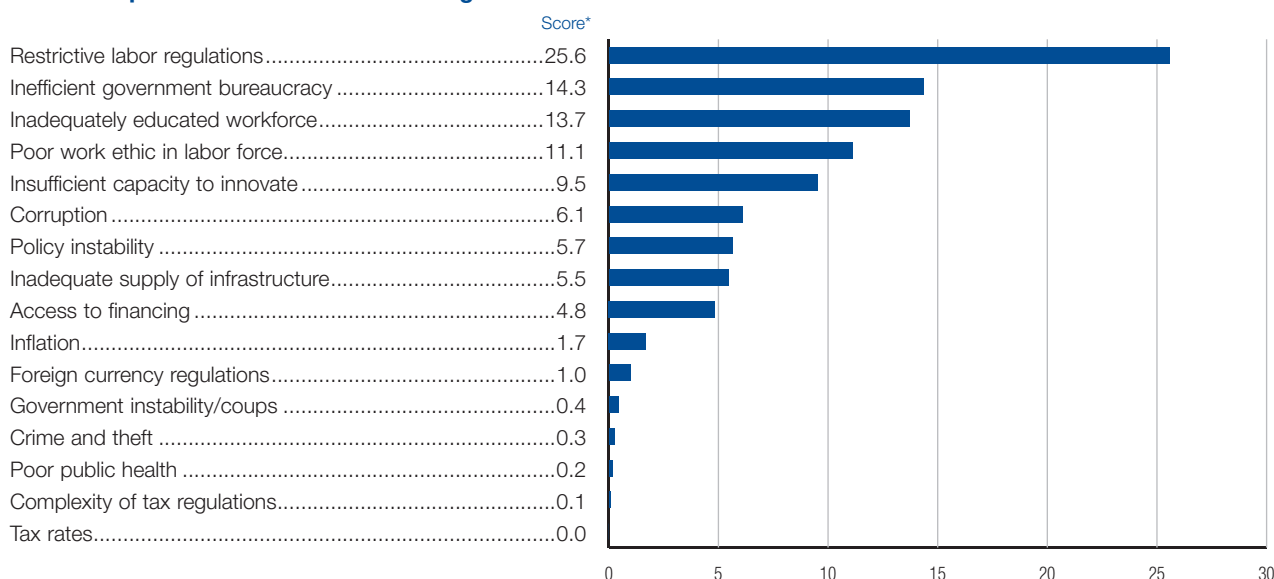
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>62</b>            | <b>4.2</b>     |
| GCI 2014–2015 (out of 144).....                            | 46                   | 4.5            |
| GCI 2013–2014 (out of 148).....                            | 33                   | 4.6            |
| GCI 2012–2013 (out of 144).....                            | 32                   | 4.7            |
| <b>Basic requirements (24.4%)</b> .....                    | <b>29</b>            | <b>5.3</b>     |
| 1st pillar: Institutions.....                              | 31                   | 4.7            |
| 2nd pillar: Infrastructure.....                            | 36                   | 4.8            |
| 3rd pillar: Macroeconomic environment.....                 | 19                   | 6.0            |
| 4th pillar: Health and primary education.....              | 66                   | 5.8            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>63</b>            | <b>4.1</b>     |
| 5th pillar: Higher education and training.....             | 88                   | 3.9            |
| 6th pillar: Goods market efficiency.....                   | 52                   | 4.4            |
| 7th pillar: Labor market efficiency.....                   | 89                   | 4.1            |
| 8th pillar: Financial market development.....              | 45                   | 4.2            |
| 9th pillar: Technological readiness.....                   | 62                   | 4.2            |
| 10th pillar: Market size.....                              | 64                   | 3.9            |
| <b>Innovation and sophistication factors (25.6%)</b> ..... | <b>85</b>            | <b>3.5</b>     |
| 11th pillar: Business sophistication.....                  | 71                   | 3.9            |
| 12th pillar: Innovation.....                               | 103                  | 3.0            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 5.1     | 33       |
| 1.02 Intellectual property protection .....                   | 4.4     | 40       |
| 1.03 Diversion of public funds .....                          | 4.4     | 35       |
| 1.04 Public trust in politicians .....                        | 4.4     | 23       |
| 1.05 Irregular payments and bribes .....                      | 5.0     | 34       |
| 1.06 Judicial independence .....                              | 4.5     | 46       |
| 1.07 Favoritism in decisions of government officials .....    | 3.7     | 37       |
| 1.08 Wastefulness of government spending .....                | 5.1     | 6        |
| 1.09 Burden of government regulation .....                    | 3.5     | 61       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.3     | 40       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.7     | 53       |
| 1.12 Transparency of government policymaking .....            | 4.3     | 54       |
| 1.13 Business costs of terrorism .....                        | 6.2     | 19       |
| 1.14 Business costs of crime and violence .....               | 6.2     | 6        |
| 1.15 Organized crime .....                                    | 6.6     | 4        |
| 1.16 Reliability of police services .....                     | 5.6     | 26       |
| 1.17 Ethical behavior of firms .....                          | 4.5     | 35       |
| 1.18 Strength of auditing and reporting standards .....       | 5.2     | 35       |
| 1.19 Efficacy of corporate boards .....                       | 5.0     | 48       |
| 1.20 Protection of minority shareholders' interests .....     | 4.9     | 27       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.6     | 105      |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 4.9     | 34       |
| 2.02 Quality of roads .....                                   | 5.6     | 18       |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 4.9     | 37       |
| 2.05 Quality of air transport infrastructure .....            | 4.8     | 52       |
| 2.06 Available airline seat km/week, millions* .....          | 262.2   | 58       |
| 2.07 Quality of electricity supply .....                      | 6.1     | 29       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 157.8   | 16       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 9.6     | 85       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –1.5    | 41       |
| 3.02 Gross national savings, % GDP* .....                     | 30.6    | 21       |
| 3.03 Inflation, annual % change* .....                        | 1.0     | 1        |
| 3.04 General government debt, % GDP* .....                    | 5.1     | 2        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 69.2    | 36       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.0     | 1        |
| 4.02 Business impact of malaria .....                         | 6.0     | 12       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 11.0    | 28       |
| 4.04 Business impact of tuberculosis .....                    | 5.8     | 63       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1     | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.7     | 65       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 9.8     | 56       |
| 4.08 Life expectancy, years* .....                            | 76.9    | 43       |
| 4.09 Quality of primary education .....                       | 3.5     | 88       |
| 4.10 Primary education enrollment, net %* .....               | 93.7    | 73       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 93.5    | 62       |
| 5.02 Tertiary education enrollment, gross %* .....            | 28.1    | 82       |
| 5.03 Quality of the education system .....                    | 3.1     | 106      |
| 5.04 Quality of math and science education .....              | 3.3     | 102      |
| 5.05 Quality of management schools .....                      | 3.1     | 128      |
| 5.06 Internet access in schools .....                         | 3.9     | 84       |
| 5.07 Availability of specialized training services .....      | 3.4     | 119      |
| 5.08 Extent of staff training .....                           | 4.0     | 68       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 4.7     | 95       |
| 6.02 Extent of market dominance .....                         | 3.0     | 123      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.6     | 90       |
| 6.04 Effect of taxation on incentives to invest .....         | 5.4     | 6        |
| 6.05 Total tax rate, % profits* .....                         | 23.0    | 19       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 5     | 38       |
| 6.07 No. days to start a business* .....                 | 7.0   | 40       |
| 6.08 Agricultural policy costs .....                     | 4.1   | 38       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.4   | 59       |
| 6.10 Trade tariffs, % duty* .....                        | 4.1   | 56       |
| 6.11 Prevalence of foreign ownership .....               | 4.0   | 105      |
| 6.12 Business impact of rules on FDI .....               | 4.4   | 80       |
| 6.13 Burden of customs procedures .....                  | 4.4   | 50       |
| 6.14 Imports as a percentage of GDP* .....               | 52.5  | 55       |
| 6.15 Degree of customer orientation .....                | 4.3   | 91       |
| 6.16 Buyer sophistication .....                          | 3.2   | 89       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.4   | 60       |
| 7.02 Flexibility of wage determination .....             | 5.2   | 55       |
| 7.03 Hiring and firing practices .....                   | 2.8   | 130      |
| 7.04 Redundancy costs, weeks of salary* .....            | 4.3   | 7        |
| 7.05 Effect of taxation on incentives to work .....      | 5.6   | 6        |
| 7.06 Pay and productivity .....                          | 3.6   | 102      |
| 7.07 Reliance on professional management .....           | 4.4   | 53       |
| 7.08 Country capacity to retain talent .....             | 4.0   | 38       |
| 7.09 Country capacity to attract talent .....            | 4.2   | 24       |
| 7.10 Women in labor force, ratio to men* .....           | 0.36  | 131      |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.9   | 46       |
| 8.02 Affordability of financial services .....           | 5.2   | 26       |
| 8.03 Financing through local equity market .....         | 4.4   | 27       |
| 8.04 Ease of access to loans .....                       | 4.1   | 9        |
| 8.05 Venture capital availability .....                  | 3.3   | 36       |
| 8.06 Soundness of banks .....                            | 5.6   | 38       |
| 8.07 Regulation of securities exchanges .....            | 5.3   | 22       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 1     | 129      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.8   | 65       |
| 9.02 Firm-level technology absorption .....              | 4.8   | 56       |
| 9.03 FDI and technology transfer .....                   | 4.2   | 84       |
| 9.04 Individuals using Internet, %* .....                | 70.2  | 41       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 4.5   | 85       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 33.7  | 68       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 73.7  | 27       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.6   | 73       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 5.0   | 52       |
| 10.03 GDP (PPP\$ billions)* .....                        | 162.4 | 64       |
| 10.04 Exports as a percentage of GDP* .....              | 72.3  | 20       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.0   | 111      |
| 11.02 Local supplier quality .....                       | 4.1   | 82       |
| 11.03 State of cluster development .....                 | 3.6   | 79       |
| 11.04 Nature of competitive advantage .....              | 3.4   | 72       |
| 11.05 Value chain breadth .....                          | 3.6   | 84       |
| 11.06 Control of international distribution .....        | 3.9   | 58       |
| 11.07 Production process sophistication .....            | 4.0   | 60       |
| 11.08 Extent of marketing .....                          | 3.8   | 112      |
| 11.09 Willingness to delegate authority .....            | 4.2   | 36       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.4   | 119      |
| 12.02 Quality of scientific research institutions .....  | 2.9   | 116      |
| 12.03 Company spending on R&D .....                      | 2.6   | 120      |
| 12.04 University-industry collaboration in R&D .....     | 3.6   | 69       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.7   | 43       |
| 12.06 Availability of scientists and engineers .....     | 3.4   | 108      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.6   | 76       |

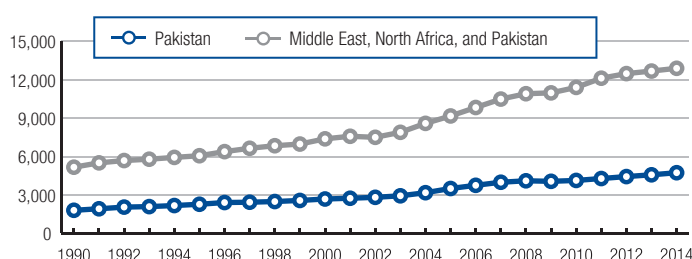
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Pakistan

## Key indicators, 2014

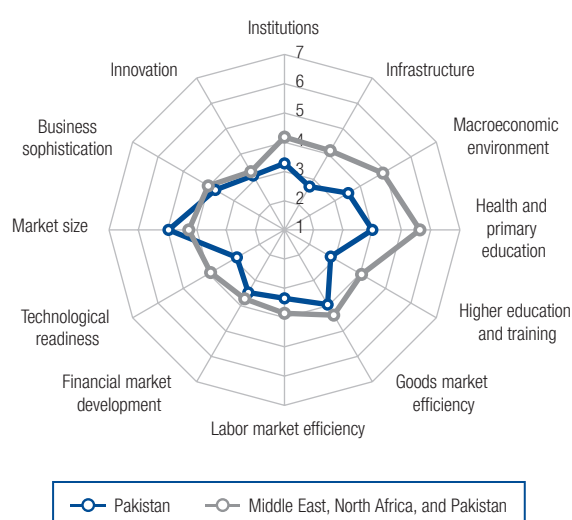
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 186.3 |
| GDP (US\$ billions).....                   | 250.1 |
| GDP per capita (US\$).....                 | 1,343 |
| GDP (PPP) as share (%) of world total..... | 0.82  |

GDP (PPP) per capita (int'l \$), 1990–2014

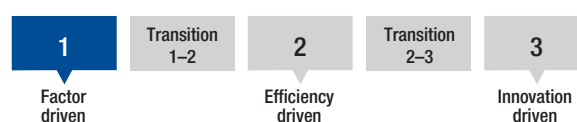


## Global Competitiveness Index

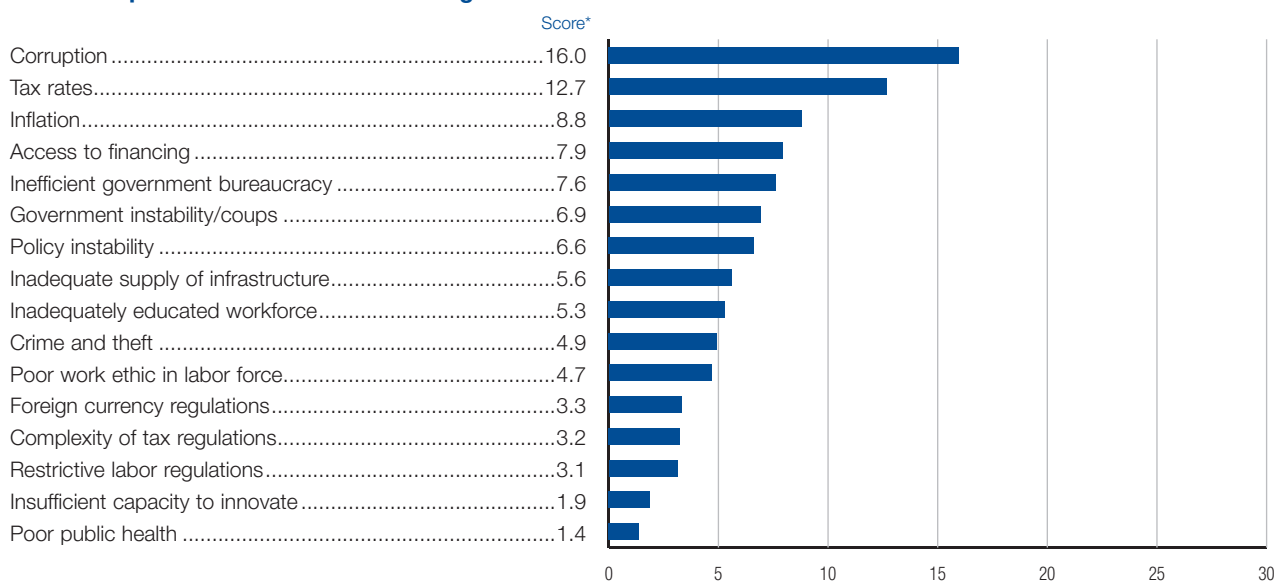
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>126</b>           | <b>3.4</b>     |
| GCI 2014–2015 (out of 144).....                           | 129                  | 3.4            |
| GCI 2013–2014 (out of 148).....                           | 133                  | 3.4            |
| GCI 2012–2013 (out of 144).....                           | 124                  | 3.5            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>131</b>           | <b>3.4</b>     |
| 1st pillar: Institutions.....                             | 119                  | 3.3            |
| 2nd pillar: Infrastructure.....                           | 117                  | 2.7            |
| 3rd pillar: Macroeconomic environment.....                | 128                  | 3.5            |
| 4th pillar: Health and primary education.....             | 127                  | 4.0            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>107</b>           | <b>3.6</b>     |
| 5th pillar: Higher education and training.....            | 124                  | 2.8            |
| 6th pillar: Goods market efficiency.....                  | 116                  | 3.9            |
| 7th pillar: Labor market efficiency.....                  | 132                  | 3.3            |
| 8th pillar: Financial market development.....             | 99                   | 3.5            |
| 9th pillar: Technological readiness.....                  | 113                  | 2.9            |
| 10th pillar: Market size.....                             | 28                   | 5.0            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>89</b>            | <b>3.4</b>     |
| 11th pillar: Business sophistication.....                 | 86                   | 3.7            |
| 12th pillar: Innovation.....                              | 89                   | 3.1            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Pakistan

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140  |
|---------------------------------------------------------------|---------|-----------|
| <b>1st pillar: Institutions</b>                               |         |           |
| 1.01 Property rights .....                                    | 3.5     | 118       |
| 1.02 Intellectual property protection .....                   | 3.2     | 112       |
| 1.03 Diversion of public funds .....                          | 3.1     | 85        |
| 1.04 Public trust in politicians .....                        | 2.4     | 99        |
| 1.05 Irregular payments and bribes .....                      | 3.0     | 116       |
| 1.06 Judicial independence .....                              | 3.6     | 82        |
| 1.07 Favoritism in decisions of government officials .....    | 3.0     | 75        |
| 1.08 Wastefulness of government spending .....                | 2.6     | 102       |
| 1.09 Burden of government regulation .....                    | 3.3     | 86        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.1     | 108       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.0     | 101       |
| 1.12 Transparency of government policymaking .....            | 3.3     | 125       |
| 1.13 Business costs of terrorism .....                        | 2.6     | 139       |
| 1.14 Business costs of crime and violence .....               | 2.8     | 130       |
| 1.15 Organized crime .....                                    | 3.1     | 132       |
| 1.16 Reliability of police services .....                     | 2.8     | 126       |
| 1.17 Ethical behavior of firms .....                          | 3.6     | 98        |
| 1.18 Strength of auditing and reporting standards .....       | 3.8     | 117       |
| 1.19 Efficacy of corporate boards .....                       | 4.1     | 121       |
| 1.20 Protection of minority shareholders' interests .....     | 3.5     | 112       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.7     | <b>21</b> |
| <b>2nd pillar: Infrastructure</b>                             |         |           |
| 2.01 Quality of overall infrastructure .....                  | 3.5     | 98        |
| 2.02 Quality of roads .....                                   | 3.8     | 77        |
| 2.03 Quality of railroad infrastructure .....                 | 2.8     | 60        |
| 2.04 Quality of port infrastructure .....                     | 4.1     | 66        |
| 2.05 Quality of air transport infrastructure .....            | 4.1     | 79        |
| 2.06 Available airline seat km/week, millions* .....          | 439.0   | <b>48</b> |
| 2.07 Quality of electricity supply .....                      | 2.1     | 129       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 73.3    | 124       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 2.6     | 112       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |           |
| 3.01 Government budget balance, % GDP* .....                  | –4.7    | 106       |
| 3.02 Gross national savings, % GDP* .....                     | 12.8    | 115       |
| 3.03 Inflation, annual % change* .....                        | 8.6     | 127       |
| 3.04 General government debt, % GDP* .....                    | 64.2    | 101       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 25.3    | 115       |
| <b>4th pillar: Health and primary education</b>               |         |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 1,953.6 | 46        |
| 4.02 Business impact of malaria .....                         | 4.2     | 49        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 275.0   | 125       |
| 4.04 Business impact of tuberculosis .....                    | 4.4     | 104       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1     | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 4.8     | 94        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 69.0    | 134       |
| 4.08 Life expectancy, years* .....                            | 66.6    | 106       |
| 4.09 Quality of primary education .....                       | 3.0     | 112       |
| 4.10 Primary education enrollment, net %* .....               | 71.9    | 134       |
| <b>5th pillar: Higher education and training</b>              |         |           |
| 5.01 Secondary education enrollment, gross %* .....           | 38.3    | 129       |
| 5.02 Tertiary education enrollment, gross %* .....            | 9.8     | 115       |
| 5.03 Quality of the education system .....                    | 3.6     | 75        |
| 5.04 Quality of math and science education .....              | 3.6     | 89        |
| 5.05 Quality of management schools .....                      | 4.1     | 70        |
| 5.06 Internet access in schools .....                         | 3.5     | 103       |
| 5.07 Availability of specialized training services .....      | 3.8     | 94        |
| 5.08 Extent of staff training .....                           | 3.3     | 122       |
| <b>6th pillar: Goods market efficiency</b>                    |         |           |
| 6.01 Intensity of local competition .....                     | 4.7     | 98        |
| 6.02 Extent of market dominance .....                         | 3.3     | 110       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.4     | 106       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.7     | 66        |
| 6.05 Total tax rate, % profits* .....                         | 32.6    | <b>50</b> |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 10    | 116       |
| 6.07 No. days to start a business* .....                 | 19.0  | 94        |
| 6.08 Agricultural policy costs .....                     | 3.4   | 103       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.0   | 106       |
| 6.10 Trade tariffs, % duty* .....                        | 17.5  | 137       |
| 6.11 Prevalence of foreign ownership .....               | 3.6   | 116       |
| 6.12 Business impact of rules on FDI .....               | 3.8   | 111       |
| 6.13 Burden of customs procedures .....                  | 3.4   | 111       |
| 6.14 Imports as a percentage of GDP* .....               | 22.1  | 132       |
| 6.15 Degree of customer orientation .....                | 4.1   | 106       |
| 6.16 Buyer sophistication .....                          | 3.3   | 78        |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 3.5   | 131       |
| 7.02 Flexibility of wage determination .....             | 4.1   | 114       |
| 7.03 Hiring and firing practices .....                   | 4.1   | <b>48</b> |
| 7.04 Redundancy costs, weeks of salary* .....            | 27.2  | 115       |
| 7.05 Effect of taxation on incentives to work .....      | 3.7   | 84        |
| 7.06 Pay and productivity .....                          | 3.7   | 95        |
| 7.07 Reliance on professional management .....           | 3.5   | 122       |
| 7.08 Country capacity to retain talent .....             | 3.5   | 70        |
| 7.09 Country capacity to attract talent .....            | 2.9   | 96        |
| 7.10 Women in labor force, ratio to men* .....           | 0.30  | 136       |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 4.2   | 80        |
| 8.02 Affordability of financial services .....           | 4.0   | 83        |
| 8.03 Financing through local equity market .....         | 3.6   | 69        |
| 8.04 Ease of access to loans .....                       | 2.6   | 90        |
| 8.05 Venture capital availability .....                  | 2.6   | 78        |
| 8.06 Soundness of banks .....                            | 4.4   | 99        |
| 8.07 Regulation of securities exchanges .....            | 3.8   | 93        |
| 8.08 Legal rights index, 0–12 (best)* .....              | 3     | 93        |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 4.6   | 79        |
| 9.02 Firm-level technology absorption .....              | 4.4   | 82        |
| 9.03 FDI and technology transfer .....                   | 4.3   | 77        |
| 9.04 Individuals using Internet, %* .....                | 13.8  | 119       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 1.1   | 107       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 5.7   | 115       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 5.1   | 125       |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 5.0   | <b>23</b> |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.9   | 55        |
| 10.03 GDP (PPP\$ billions)* .....                        | 882.3 | <b>26</b> |
| 10.04 Exports as a percentage of GDP* .....              | 11.3  | 137       |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 4.6   | 53        |
| 11.02 Local supplier quality .....                       | 3.9   | 98        |
| 11.03 State of cluster development .....                 | 3.7   | 68        |
| 11.04 Nature of competitive advantage .....              | 3.1   | 99        |
| 11.05 Value chain breadth .....                          | 3.8   | 64        |
| 11.06 Control of international distribution .....        | 3.8   | 62        |
| 11.07 Production process sophistication .....            | 3.6   | 86        |
| 11.08 Extent of marketing .....                          | 3.9   | 100       |
| 11.09 Willingness to delegate authority .....            | 3.3   | 115       |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 3.7   | 95        |
| 12.02 Quality of scientific research institutions .....  | 3.2   | 104       |
| 12.03 Company spending on R&D .....                      | 3.0   | 88        |
| 12.04 University-industry collaboration in R&D .....     | 3.2   | 98        |
| 12.05 Gov't procurement of advanced tech products .....  | 3.6   | 52        |
| 12.06 Availability of scientists and engineers .....     | 4.3   | <b>44</b> |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 109       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

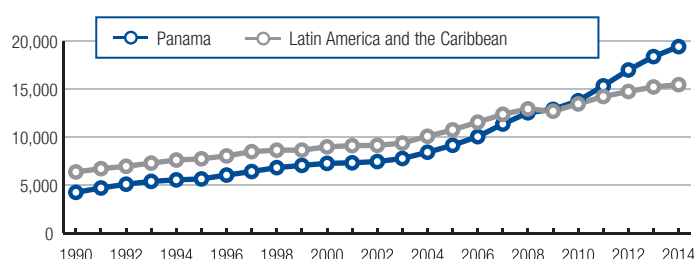


# Panama

## Key indicators, 2014

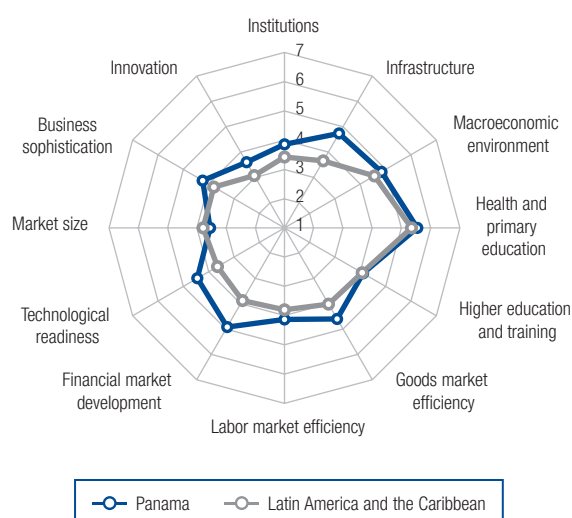
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 3.9    |
| GDP (US\$ billions).....                   | 43.8   |
| GDP per capita (US\$).....                 | 11,147 |
| GDP (PPP) as share (%) of world total..... | 0.07   |

GDP (PPP) per capita (int'l \$), 1990–2014

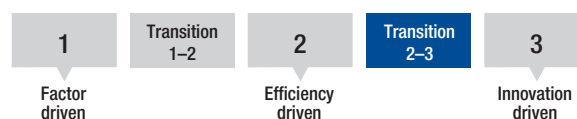


## Global Competitiveness Index

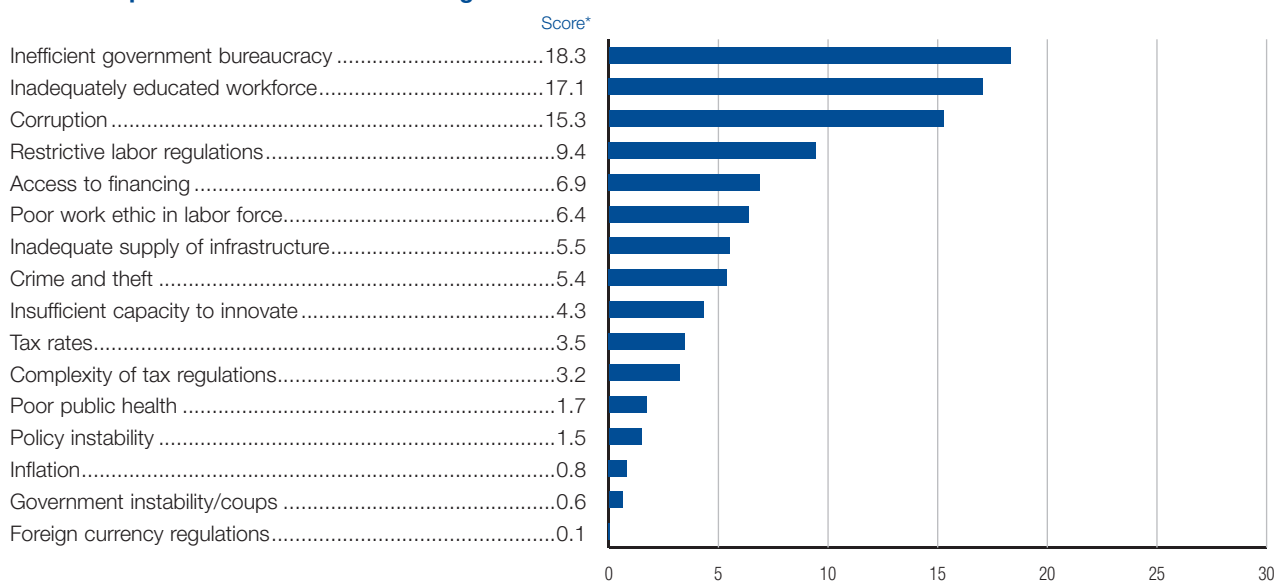
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>50</b>            | <b>4.4</b>     |
| GCI 2014–2015 (out of 144).....                            | 48                   | 4.4            |
| GCI 2013–2014 (out of 148).....                            | 40                   | 4.5            |
| GCI 2012–2013 (out of 144).....                            | 40                   | 4.5            |
| <b>Basic requirements (34.6%)</b> .....                    | <b>54</b>            | <b>4.7</b>     |
| 1st pillar: Institutions.....                              | 73                   | 3.9            |
| 2nd pillar: Infrastructure.....                            | 40                   | 4.7            |
| 3rd pillar: Macroeconomic environment.....                 | 60                   | 4.8            |
| 4th pillar: Health and primary education.....              | 82                   | 5.5            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>52</b>            | <b>4.3</b>     |
| 5th pillar: Higher education and training.....             | 77                   | 4.1            |
| 6th pillar: Goods market efficiency.....                   | 41                   | 4.6            |
| 7th pillar: Labor market efficiency.....                   | 80                   | 4.1            |
| 8th pillar: Financial market development.....              | 15                   | 4.9            |
| 9th pillar: Technological readiness.....                   | 52                   | 4.4            |
| 10th pillar: Market size.....                              | 80                   | 3.5            |
| <b>Innovation and sophistication factors (15.4%)</b> ..... | <b>44</b>            | <b>3.9</b>     |
| 11th pillar: Business sophistication.....                  | 45                   | 4.2            |
| 12th pillar: Innovation.....                               | 45                   | 3.6            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Panama

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140  |
|---------------------------------------------------------------|-------|-----------|
| <b>1st pillar: Institutions</b>                               |       |           |
| 1.01 Property rights .....                                    | 4.7   | <b>43</b> |
| 1.02 Intellectual property protection .....                   | 4.5   | <b>37</b> |
| 1.03 Diversion of public funds .....                          | 2.7   | 112       |
| 1.04 Public trust in politicians .....                        | 2.5   | 95        |
| 1.05 Irregular payments and bribes .....                      | 3.7   | 84        |
| 1.06 Judicial independence .....                              | 2.6   | 119       |
| 1.07 Favoritism in decisions of government officials .....    | 2.7   | 96        |
| 1.08 Wastefulness of government spending .....                | 3.3   | 59        |
| 1.09 Burden of government regulation .....                    | 3.8   | <b>38</b> |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.3   | 95        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.2   | 87        |
| 1.12 Transparency of government policymaking .....            | 4.4   | <b>46</b> |
| 1.13 Business costs of terrorism .....                        | 5.7   | <b>49</b> |
| 1.14 Business costs of crime and violence .....               | 4.4   | 81        |
| 1.15 Organized crime .....                                    | 4.9   | 68        |
| 1.16 Reliability of police services .....                     | 4.5   | 51        |
| 1.17 Ethical behavior of firms .....                          | 3.7   | 84        |
| 1.18 Strength of auditing and reporting standards .....       | 5.2   | <b>39</b> |
| 1.19 Efficacy of corporate boards .....                       | 4.8   | 64        |
| 1.20 Protection of minority shareholders' interests .....     | 4.4   | <b>44</b> |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.6   | 72        |
| <b>2nd pillar: Infrastructure</b>                             |       |           |
| 2.01 Quality of overall infrastructure .....                  | 4.8   | <b>40</b> |
| 2.02 Quality of roads .....                                   | 4.6   | <b>45</b> |
| 2.03 Quality of railroad infrastructure .....                 | 3.9   | 36        |
| 2.04 Quality of port infrastructure .....                     | 6.3   | <b>7</b>  |
| 2.05 Quality of air transport infrastructure .....            | 6.2   | <b>6</b>  |
| 2.06 Available airline seat km/week, millions* .....          | 417.2 | <b>49</b> |
| 2.07 Quality of electricity supply .....                      | 4.8   | 65        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 158.1 | <b>15</b> |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 15.0  | 70        |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |           |
| 3.01 Government budget balance, % GDP* .....                  | −4.3  | 98        |
| 3.02 Gross national savings, % GDP* .....                     | 17.8  | 89        |
| 3.03 Inflation, annual % change* .....                        | 2.6   | <b>1</b>  |
| 3.04 General government debt, % GDP* .....                    | 45.6  | 73        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 59.8  | <b>48</b> |
| <b>4th pillar: Health and primary education</b>               |       |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 26.3  | 25        |
| 4.02 Business impact of malaria .....                         | 6.0   | 9         |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 48.0  | 67        |
| 4.04 Business impact of tuberculosis .....                    | 5.9   | 59        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.7   | 98        |
| 4.06 Business impact of HIV/AIDS .....                        | 4.7   | 99        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 15.4  | 79        |
| 4.08 Life expectancy, years* .....                            | 77.6  | <b>37</b> |
| 4.09 Quality of primary education .....                       | 3.3   | 97        |
| 4.10 Primary education enrollment, net %* .....               | 90.7  | 98        |
| <b>5th pillar: Higher education and training</b>              |       |           |
| 5.01 Secondary education enrollment, gross %* .....           | 73.0  | 98        |
| 5.02 Tertiary education enrollment, gross %* .....            | 43.5  | 62        |
| 5.03 Quality of the education system .....                    | 3.3   | 94        |
| 5.04 Quality of math and science education .....              | 3.1   | 114       |
| 5.05 Quality of management schools .....                      | 3.9   | 89        |
| 5.06 Internet access in schools .....                         | 4.7   | 52        |
| 5.07 Availability of specialized training services .....      | 4.1   | 71        |
| 5.08 Extent of staff training .....                           | 4.2   | <b>45</b> |
| <b>6th pillar: Goods market efficiency</b>                    |       |           |
| 6.01 Intensity of local competition .....                     | 5.3   | 52        |
| 6.02 Extent of market dominance .....                         | 4.0   | <b>38</b> |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.0   | <b>48</b> |
| 6.04 Effect of taxation on incentives to invest .....         | 4.7   | <b>16</b> |
| 6.05 Total tax rate, % profits* .....                         | 37.2  | 69        |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 5     | <b>38</b> |
| 6.07 No. days to start a business* .....                 | 6.0   | <b>28</b> |
| 6.08 Agricultural policy costs .....                     | 3.1   | 118       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.5   | 50        |
| 6.10 Trade tariffs, % duty* .....                        | 4.8   | 66        |
| 6.11 Prevalence of foreign ownership .....               | 5.6   | <b>11</b> |
| 6.12 Business impact of rules on FDI .....               | 5.6   | <b>9</b>  |
| 6.13 Burden of customs procedures .....                  | 4.1   | 61        |
| 6.14 Imports as a percentage of GDP* .....               | 59.1  | <b>45</b> |
| 6.15 Degree of customer orientation .....                | 4.3   | 93        |
| 6.16 Buyer sophistication .....                          | 3.7   | <b>44</b> |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 4.6   | <b>42</b> |
| 7.02 Flexibility of wage determination .....             | 4.7   | 93        |
| 7.03 Hiring and firing practices .....                   | 3.6   | 88        |
| 7.04 Redundancy costs, weeks of salary* .....            | 18.1  | 81        |
| 7.05 Effect of taxation on incentives to work .....      | 4.3   | <b>33</b> |
| 7.06 Pay and productivity .....                          | 3.8   | 88        |
| 7.07 Reliance on professional management .....           | 4.0   | 82        |
| 7.08 Country capacity to retain talent .....             | 4.7   | <b>18</b> |
| 7.09 Country capacity to attract talent .....            | 5.0   | <b>14</b> |
| 7.10 Women in labor force, ratio to men* .....           | 0.62  | 113       |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 5.7   | <b>16</b> |
| 8.02 Affordability of financial services .....           | 5.5   | <b>18</b> |
| 8.03 Financing through local equity market .....         | 4.1   | <b>40</b> |
| 8.04 Ease of access to loans .....                       | 4.0   | <b>13</b> |
| 8.05 Venture capital availability .....                  | 3.6   | <b>22</b> |
| 8.06 Soundness of banks .....                            | 6.2   | <b>11</b> |
| 8.07 Regulation of securities exchanges .....            | 5.1   | <b>28</b> |
| 8.08 Legal rights index, 0–12 (best)* .....              | 7     | <b>24</b> |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 5.5   | <b>35</b> |
| 9.02 Firm-level technology absorption .....              | 5.3   | <b>34</b> |
| 9.03 FDI and technology transfer .....                   | 5.5   | <b>6</b>  |
| 9.04 Individuals using Internet, %* .....                | 44.9  | 77        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 7.9   | 74        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 72.7  | <b>40</b> |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 29.5  | 88        |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.3   | 82        |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.4   | 77        |
| 10.03 GDP (PPP\$ billions)* .....                        | 76.4  | 81        |
| 10.04 Exports as a percentage of GDP* .....              | 54.4  | <b>37</b> |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 4.6   | 66        |
| 11.02 Local supplier quality .....                       | 4.5   | 50        |
| 11.03 State of cluster development .....                 | 4.0   | <b>41</b> |
| 11.04 Nature of competitive advantage .....              | 4.4   | <b>29</b> |
| 11.05 Value chain breadth .....                          | 4.2   | <b>42</b> |
| 11.06 Control of international distribution .....        | 4.0   | 50        |
| 11.07 Production process sophistication .....            | 4.0   | 56        |
| 11.08 Extent of marketing .....                          | 4.8   | <b>34</b> |
| 11.09 Willingness to delegate authority .....            | 3.7   | 72        |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 4.2   | <b>48</b> |
| 12.02 Quality of scientific research institutions .....  | 4.0   | 54        |
| 12.03 Company spending on R&D .....                      | 3.5   | <b>48</b> |
| 12.04 University-industry collaboration in R&D .....     | 4.0   | <b>41</b> |
| 12.05 Gov't procurement of advanced tech products .....  | 4.0   | <b>18</b> |
| 12.06 Availability of scientists and engineers .....     | 3.9   | 77        |
| 12.07 PCT patents, applications/million pop.* .....      | 1.9   | 58        |

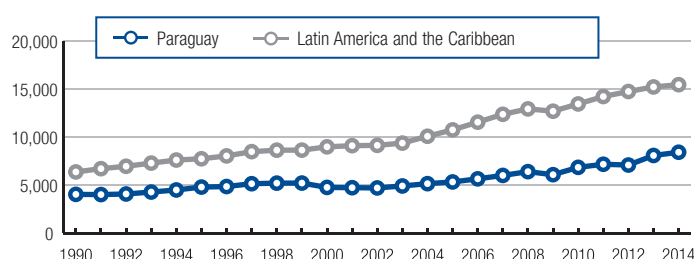
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Paraguay

## Key indicators, 2014

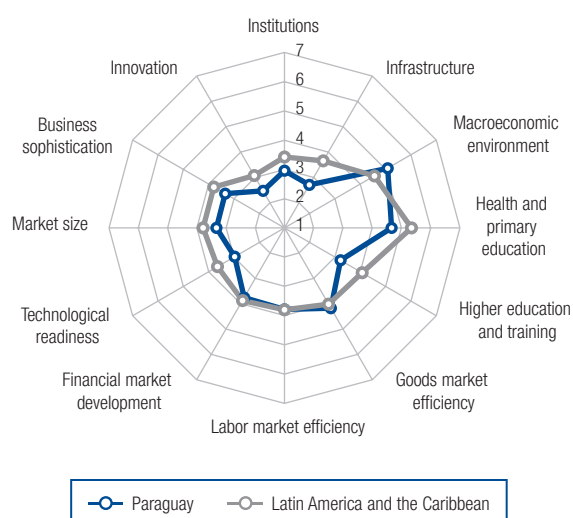
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 6.9   |
| GDP (US\$ billions).....                   | 29.7  |
| GDP per capita (US\$).....                 | 4,305 |
| GDP (PPP) as share (%) of world total..... | 0.05  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

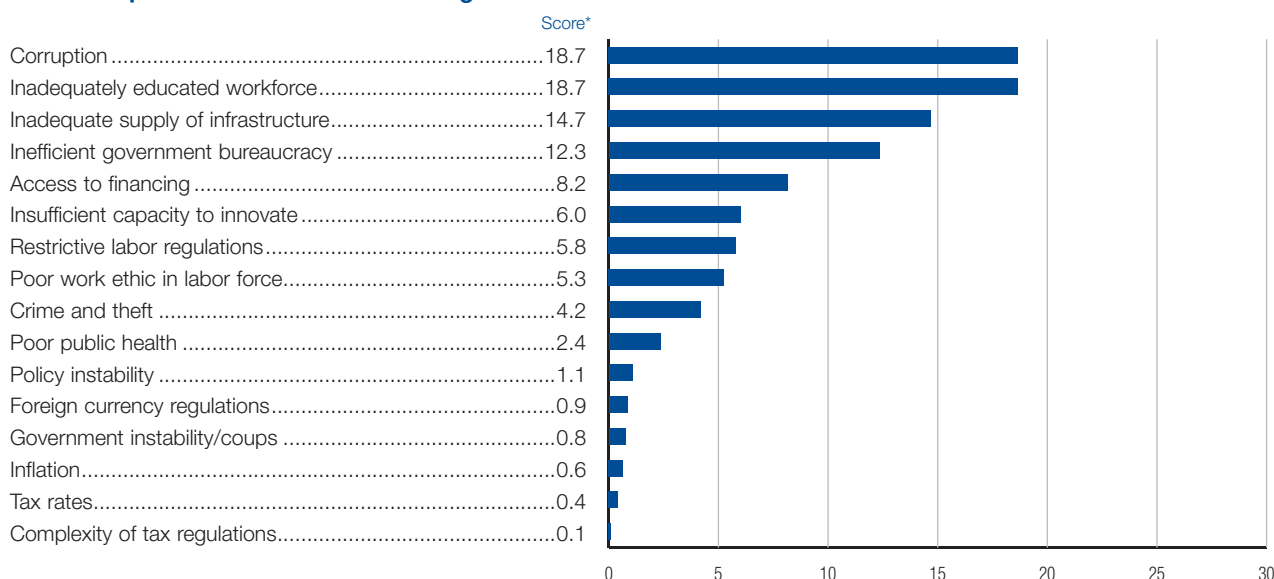
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>118</b>           | <b>3.6</b>     |
| GCI 2014–2015 (out of 144).....                            | 120                  | 3.6            |
| GCI 2013–2014 (out of 148).....                            | 119                  | 3.6            |
| GCI 2012–2013 (out of 144).....                            | 116                  | 3.7            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>111</b>           | <b>3.8</b>     |
| 1st pillar: Institutions.....                              | 131                  | 3.0            |
| 2nd pillar: Infrastructure.....                            | 118                  | 2.7            |
| 3rd pillar: Macroeconomic environment.....                 | 48                   | 5.1            |
| 4th pillar: Health and primary education.....              | 112                  | 4.7            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>110</b>           | <b>3.5</b>     |
| 5th pillar: Higher education and training.....             | 115                  | 3.2            |
| 6th pillar: Goods market efficiency.....                   | 90                   | 4.2            |
| 7th pillar: Labor market efficiency.....                   | 110                  | 3.8            |
| 8th pillar: Financial market development.....              | 80                   | 3.8            |
| 9th pillar: Technological readiness.....                   | 109                  | 3.0            |
| 10th pillar: Market size.....                              | 91                   | 3.3            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>131</b>           | <b>2.9</b>     |
| 11th pillar: Business sophistication.....                  | 124                  | 3.3            |
| 12th pillar: Innovation.....                               | 134                  | 2.5            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Paraguay

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 3.6    | 112      |
| 1.02 Intellectual property protection .....                   | 3.0    | 123      |
| 1.03 Diversion of public funds .....                          | 1.8    | 138      |
| 1.04 Public trust in politicians .....                        | 1.4    | 139      |
| 1.05 Irregular payments and bribes .....                      | 2.7    | 128      |
| 1.06 Judicial independence .....                              | 2.0    | 137      |
| 1.07 Favoritism in decisions of government officials .....    | 2.2    | 130      |
| 1.08 Wastefulness of government spending .....                | 1.9    | 136      |
| 1.09 Burden of government regulation .....                    | 3.8    | 42       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.4    | 135      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.6    | 122      |
| 1.12 Transparency of government policymaking .....            | 4.0    | 75       |
| 1.13 Business costs of terrorism .....                        | 4.7    | 97       |
| 1.14 Business costs of crime and violence .....               | 3.7    | 110      |
| 1.15 Organized crime .....                                    | 4.4    | 95       |
| 1.16 Reliability of police services .....                     | 2.3    | 138      |
| 1.17 Ethical behavior of firms .....                          | 2.8    | 137      |
| 1.18 Strength of auditing and reporting standards .....       | 4.2    | 94       |
| 1.19 Efficacy of corporate boards .....                       | 4.2    | 109      |
| 1.20 Protection of minority shareholders' interests .....     | 3.6    | 110      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 3.8    | 129      |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 2.5    | 131      |
| 2.02 Quality of roads .....                                   | 2.2    | 138      |
| 2.03 Quality of railroad infrastructure .....                 | N/Apl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 3.1    | 110      |
| 2.05 Quality of air transport infrastructure .....            | 2.6    | 133      |
| 2.06 Available airline seat km/week, millions* .....          | 22.7   | 118      |
| 2.07 Quality of electricity supply .....                      | 3.3    | 102      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 105.6  | 85       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 5.4    | 102      |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –0.5   | 27       |
| 3.02 Gross national savings, % GDP* .....                     | 15.3   | 99       |
| 3.03 Inflation, annual % change* .....                        | 5.0    | 99       |
| 3.04 General government debt, % GDP* .....                    | 21.4   | 17       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 41.9   | 73       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.0    | 1        |
| 4.02 Business impact of malaria .....                         | 6.1    | 8        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 44.0   | 63       |
| 4.04 Business impact of tuberculosis .....                    | 5.9    | 57       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.4    | 74       |
| 4.06 Business impact of HIV/AIDS .....                        | 5.8    | 59       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 18.7   | 83       |
| 4.08 Life expectancy, years* .....                            | 72.3   | 84       |
| 4.09 Quality of primary education .....                       | 2.0    | 140      |
| 4.10 Primary education enrollment, net %* .....               | 80.6   | 126      |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 69.6   | 102      |
| 5.02 Tertiary education enrollment, gross %* .....            | 34.5   | 72       |
| 5.03 Quality of the education system .....                    | 2.1    | 140      |
| 5.04 Quality of math and science education .....              | 2.1    | 139      |
| 5.05 Quality of management schools .....                      | 3.0    | 134      |
| 5.06 Internet access in schools .....                         | 2.9    | 125      |
| 5.07 Availability of specialized training services .....      | 3.2    | 128      |
| 5.08 Extent of staff training .....                           | 3.4    | 115      |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.0    | 79       |
| 6.02 Extent of market dominance .....                         | 3.1    | 119      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.1    | 125      |
| 6.04 Effect of taxation on incentives to invest .....         | 5.0    | 11       |
| 6.05 Total tax rate, % profits* .....                         | 35.0   | 60       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 7     | 76       |
| 6.07 No. days to start a business* .....                 | 35.0  | 122      |
| 6.08 Agricultural policy costs .....                     | 3.6   | 88       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.6   | 34       |
| 6.10 Trade tariffs, % duty* .....                        | 6.6   | 84       |
| 6.11 Prevalence of foreign ownership .....               | 4.3   | 85       |
| 6.12 Business impact of rules on FDI .....               | 4.9   | 39       |
| 6.13 Burden of customs procedures .....                  | 3.8   | 77       |
| 6.14 Imports as a percentage of GDP* .....               | 44.6  | 77       |
| 6.15 Degree of customer orientation .....                | 4.3   | 92       |
| 6.16 Buyer sophistication .....                          | 2.9   | 116      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.4   | 59       |
| 7.02 Flexibility of wage determination .....             | 5.5   | 32       |
| 7.03 Hiring and firing practices .....                   | 3.4   | 104      |
| 7.04 Redundancy costs, weeks of salary* .....            | 26.1  | 112      |
| 7.05 Effect of taxation on incentives to work .....      | 4.4   | 22       |
| 7.06 Pay and productivity .....                          | 3.3   | 124      |
| 7.07 Reliance on professional management .....           | 3.3   | 125      |
| 7.08 Country capacity to retain talent .....             | 3.2   | 88       |
| 7.09 Country capacity to attract talent .....            | 2.9   | 95       |
| 7.10 Women in labor force, ratio to men* .....           | 0.67  | 102      |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.3   | 78       |
| 8.02 Affordability of financial services .....           | 3.7   | 109      |
| 8.03 Financing through local equity market .....         | 3.8   | 54       |
| 8.04 Ease of access to loans .....                       | 3.0   | 58       |
| 8.05 Venture capital availability .....                  | 2.5   | 94       |
| 8.06 Soundness of banks .....                            | 5.5   | 42       |
| 8.07 Regulation of securities exchanges .....            | 4.7   | 45       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 2     | 106      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.0   | 109      |
| 9.02 Firm-level technology absorption .....              | 4.1   | 114      |
| 9.03 FDI and technology transfer .....                   | 4.1   | 89       |
| 9.04 Individuals using Internet, %* .....                | 43.0  | 82       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 2.3   | 98       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 12.6  | 93       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 4.2   | 127      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.1   | 88       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.0   | 93       |
| 10.03 GDP (PPP\$ billions)* .....                        | 58.3  | 91       |
| 10.04 Exports as a percentage of GDP* .....              | 35.3  | 78       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.3   | 90       |
| 11.02 Local supplier quality .....                       | 4.0   | 90       |
| 11.03 State of cluster development .....                 | 2.8   | 132      |
| 11.04 Nature of competitive advantage .....              | 2.4   | 134      |
| 11.05 Value chain breadth .....                          | 3.1   | 125      |
| 11.06 Control of international distribution .....        | 3.3   | 106      |
| 11.07 Production process sophistication .....            | 3.2   | 111      |
| 11.08 Extent of marketing .....                          | 4.0   | 90       |
| 11.09 Willingness to delegate authority .....            | 3.0   | 130      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.4   | 120      |
| 12.02 Quality of scientific research institutions .....  | 2.2   | 140      |
| 12.03 Company spending on R&D .....                      | 2.4   | 130      |
| 12.04 University-industry collaboration in R&D .....     | 2.7   | 124      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.7   | 122      |
| 12.06 Availability of scientists and engineers .....     | 2.6   | 140      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 108      |

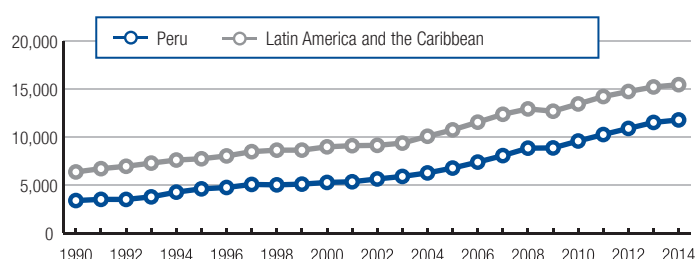
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Peru

## Key indicators, 2014

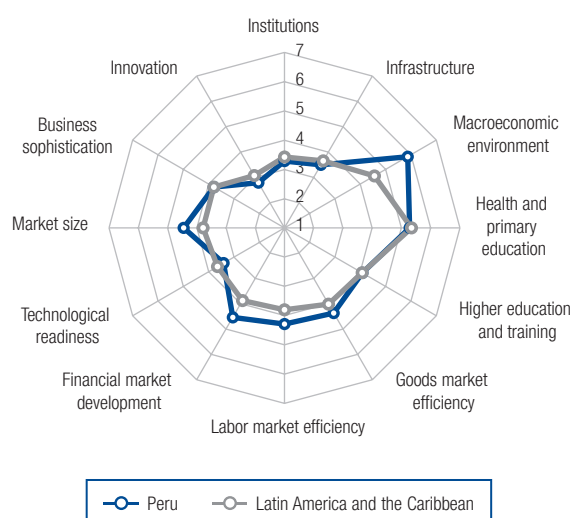
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 31.4  |
| GDP (US\$ billions).....                   | 202.9 |
| GDP per capita (US\$).....                 | 6,458 |
| GDP (PPP) as share (%) of world total..... | 0.34  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

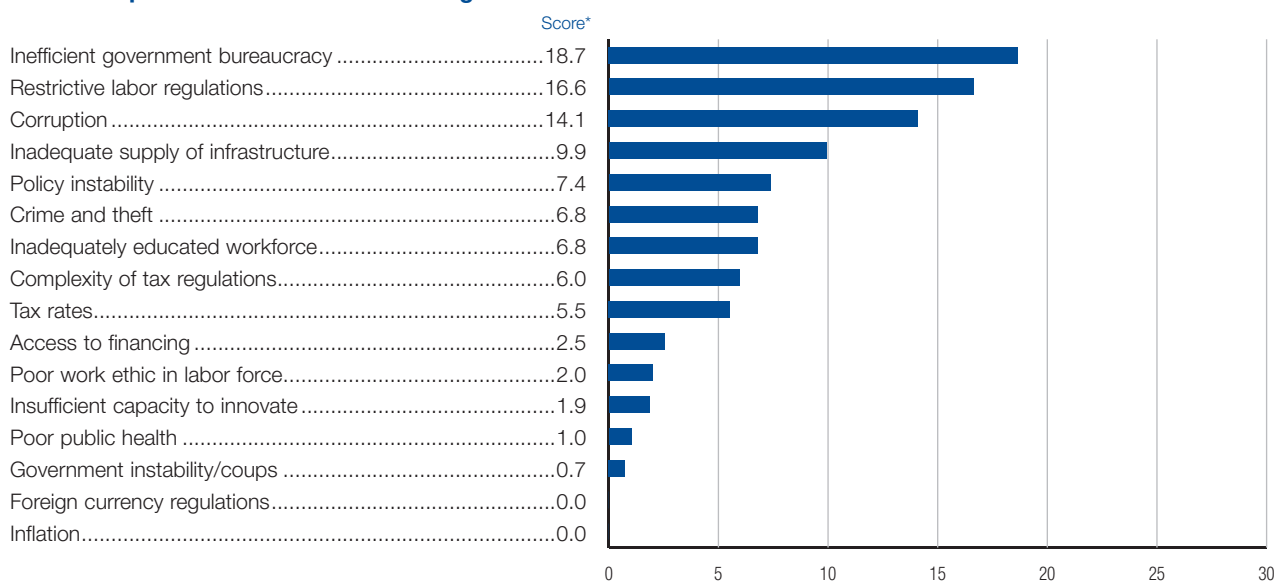
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>69</b>            | <b>4.2</b>     |
| GCI 2014–2015 (out of 144).....                            | 65                   | 4.2            |
| GCI 2013–2014 (out of 148).....                            | 61                   | 4.3            |
| GCI 2012–2013 (out of 144).....                            | 61                   | 4.3            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>76</b>            | <b>4.5</b>     |
| 1st pillar: Institutions.....                              | 116                  | 3.3            |
| 2nd pillar: Infrastructure.....                            | 89                   | 3.5            |
| 3rd pillar: Macroeconomic environment.....                 | 23                   | 5.9            |
| 4th pillar: Health and primary education.....              | 100                  | 5.3            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>60</b>            | <b>4.2</b>     |
| 5th pillar: Higher education and training.....             | 82                   | 4.1            |
| 6th pillar: Goods market efficiency.....                   | 60                   | 4.4            |
| 7th pillar: Labor market efficiency.....                   | 64                   | 4.3            |
| 8th pillar: Financial market development.....              | 30                   | 4.5            |
| 9th pillar: Technological readiness.....                   | 88                   | 3.4            |
| 10th pillar: Market size.....                              | 48                   | 4.4            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>106</b>           | <b>3.3</b>     |
| 11th pillar: Business sophistication.....                  | 81                   | 3.8            |
| 12th pillar: Innovation.....                               | 116                  | 2.8            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140 |
|---------------------------------------------------------------|-------|----------|
| <b>1st pillar: Institutions</b>                               |       |          |
| 1.01 Property rights .....                                    | 3.8   | 104      |
| 1.02 Intellectual property protection .....                   | 3.3   | 104      |
| 1.03 Diversion of public funds .....                          | 2.5   | 114      |
| 1.04 Public trust in politicians .....                        | 1.8   | 130      |
| 1.05 Irregular payments and bribes .....                      | 3.9   | 72       |
| 1.06 Judicial independence .....                              | 2.8   | 112      |
| 1.07 Favoritism in decisions of government officials .....    | 2.5   | 109      |
| 1.08 Wastefulness of government spending .....                | 2.4   | 117      |
| 1.09 Burden of government regulation .....                    | 2.4   | 133      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.6   | 130      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.7   | 118      |
| 1.12 Transparency of government policymaking .....            | 3.9   | 82       |
| 1.13 Business costs of terrorism .....                        | 4.2   | 123      |
| 1.14 Business costs of crime and violence .....               | 2.9   | 129      |
| 1.15 Organized crime .....                                    | 3.0   | 133      |
| 1.16 Reliability of police services .....                     | 2.6   | 135      |
| 1.17 Ethical behavior of firms .....                          | 3.5   | 106      |
| 1.18 Strength of auditing and reporting standards .....       | 5.1   | 41       |
| 1.19 Efficacy of corporate boards .....                       | 5.2   | 39       |
| 1.20 Protection of minority shareholders' interests .....     | 4.2   | 57       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.2   | 39       |
| <b>2nd pillar: Infrastructure</b>                             |       |          |
| 2.01 Quality of overall infrastructure .....                  | 3.2   | 112      |
| 2.02 Quality of roads .....                                   | 3.0   | 111      |
| 2.03 Quality of railroad infrastructure .....                 | 1.9   | 94       |
| 2.04 Quality of port infrastructure .....                     | 3.6   | 86       |
| 2.05 Quality of air transport infrastructure .....            | 4.1   | 82       |
| 2.06 Available airline seat km/week, millions* .....          | 533.3 | 42       |
| 2.07 Quality of electricity supply .....                      | 4.7   | 70       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 102.9 | 93       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 9.9   | 84       |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |          |
| 3.01 Government budget balance, % GDP* .....                  | –0.1  | 24       |
| 3.02 Gross national savings, % GDP* .....                     | 22.7  | 53       |
| 3.03 Inflation, annual % change* .....                        | 3.2   | 62       |
| 3.04 General government debt, % GDP* .....                    | 20.7  | 16       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 66.3  | 41       |
| <b>4th pillar: Health and primary education</b>               |       |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 190.1 | 37       |
| 4.02 Business impact of malaria .....                         | 5.8   | 15       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 124.0 | 98       |
| 4.04 Business impact of tuberculosis .....                    | 5.0   | 92       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.4   | 74       |
| 4.06 Business impact of HIV/AIDS .....                        | 5.4   | 76       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 12.9  | 67       |
| 4.08 Life expectancy, years* .....                            | 74.8  | 60       |
| 4.09 Quality of primary education .....                       | 2.2   | 136      |
| 4.10 Primary education enrollment, net %* .....               | 91.8  | 85       |
| <b>5th pillar: Higher education and training</b>              |       |          |
| 5.01 Secondary education enrollment, gross %* .....           | 94.0  | 59       |
| 5.02 Tertiary education enrollment, gross %* .....            | 40.6  | 66       |
| 5.03 Quality of the education system .....                    | 2.5   | 130      |
| 5.04 Quality of math and science education .....              | 2.2   | 137      |
| 5.05 Quality of management schools .....                      | 4.1   | 71       |
| 5.06 Internet access in schools .....                         | 3.7   | 95       |
| 5.07 Availability of specialized training services .....      | 4.1   | 73       |
| 5.08 Extent of staff training .....                           | 3.7   | 92       |
| <b>6th pillar: Goods market efficiency</b>                    |       |          |
| 6.01 Intensity of local competition .....                     | 5.2   | 58       |
| 6.02 Extent of market dominance .....                         | 3.5   | 84       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.8   | 64       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.4   | 88       |
| 6.05 Total tax rate, % profits* .....                         | 36.0  | 65       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 6     | 57       |
| 6.07 No. days to start a business* .....                 | 26.0  | 106      |
| 6.08 Agricultural policy costs .....                     | 3.7   | 83       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.1   | 101      |
| 6.10 Trade tariffs, % duty* .....                        | 1.8   | 35       |
| 6.11 Prevalence of foreign ownership .....               | 5.0   | 46       |
| 6.12 Business impact of rules on FDI .....               | 4.9   | 40       |
| 6.13 Burden of customs procedures .....                  | 3.8   | 76       |
| 6.14 Imports as a percentage of GDP* .....               | 24.6  | 127      |
| 6.15 Degree of customer orientation .....                | 4.8   | 56       |
| 6.16 Buyer sophistication .....                          | 3.5   | 55       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.3   | 69       |
| 7.02 Flexibility of wage determination .....             | 5.7   | 21       |
| 7.03 Hiring and firing practices .....                   | 2.7   | 133      |
| 7.04 Redundancy costs, weeks of salary* .....            | 11.4  | 43       |
| 7.05 Effect of taxation on incentives to work .....      | 3.2   | 112      |
| 7.06 Pay and productivity .....                          | 3.8   | 83       |
| 7.07 Reliance on professional management .....           | 4.3   | 64       |
| 7.08 Country capacity to retain talent .....             | 3.8   | 42       |
| 7.09 Country capacity to attract talent .....            | 3.7   | 47       |
| 7.10 Women in labor force, ratio to men* .....           | 0.80  | 74       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.7   | 53       |
| 8.02 Affordability of financial services .....           | 4.1   | 68       |
| 8.03 Financing through local equity market .....         | 3.7   | 58       |
| 8.04 Ease of access to loans .....                       | 3.2   | 43       |
| 8.05 Venture capital availability .....                  | 3.1   | 43       |
| 8.06 Soundness of banks .....                            | 5.7   | 30       |
| 8.07 Regulation of securities exchanges .....            | 5.1   | 27       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 8     | 17       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.5   | 84       |
| 9.02 Firm-level technology absorption .....              | 4.5   | 77       |
| 9.03 FDI and technology transfer .....                   | 4.9   | 33       |
| 9.04 Individuals using Internet, %* .....                | 40.2  | 88       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 5.7   | 80       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 36.4  | 66       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 13.7  | 106      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 4.3   | 45       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.8   | 62       |
| 10.03 GDP (PPP\$ billions)* .....                        | 371.3 | 46       |
| 10.04 Exports as a percentage of GDP* .....              | 22.2  | 120      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.7   | 49       |
| 11.02 Local supplier quality .....                       | 4.3   | 61       |
| 11.03 State of cluster development .....                 | 3.2   | 104      |
| 11.04 Nature of competitive advantage .....              | 2.8   | 112      |
| 11.05 Value chain breadth .....                          | 3.4   | 104      |
| 11.06 Control of international distribution .....        | 3.6   | 92       |
| 11.07 Production process sophistication .....            | 3.6   | 89       |
| 11.08 Extent of marketing .....                          | 4.4   | 59       |
| 11.09 Willingness to delegate authority .....            | 3.8   | 64       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.6   | 105      |
| 12.02 Quality of scientific research institutions .....  | 2.9   | 117      |
| 12.03 Company spending on R&D .....                      | 2.7   | 115      |
| 12.04 University-industry collaboration in R&D .....     | 3.1   | 108      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.7   | 123      |
| 12.06 Availability of scientists and engineers .....     | 3.2   | 117      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.3   | 84       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

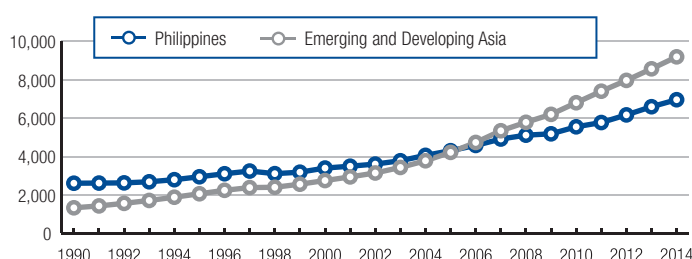


# Philippines

## Key indicators, 2014

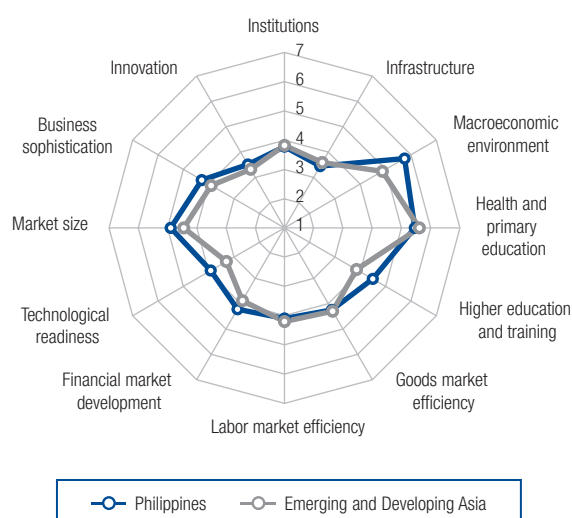
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 99.4  |
| GDP (US\$ billions).....                   | 284.9 |
| GDP per capita (US\$).....                 | 2,865 |
| GDP (PPP) as share (%) of world total..... | 0.64  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

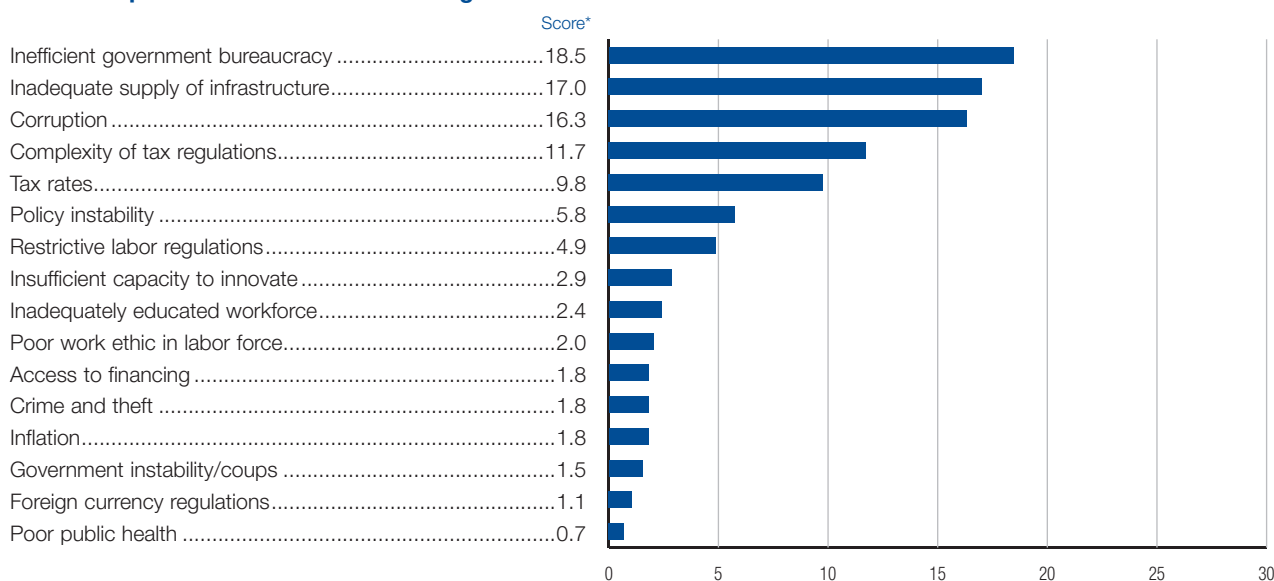
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>47</b>            | <b>4.4</b>     |
| GCI 2014–2015 (out of 144).....                           | 52                   | 4.4            |
| GCI 2013–2014 (out of 148).....                           | 59                   | 4.3            |
| GCI 2012–2013 (out of 144).....                           | 65                   | 4.2            |
| <b>Basic requirements (42.7%)</b> .....                   | <b>66</b>            | <b>4.6</b>     |
| 1st pillar: Institutions.....                             | 77                   | 3.8            |
| 2nd pillar: Infrastructure.....                           | 90                   | 3.4            |
| 3rd pillar: Macroeconomic environment.....                | 24                   | 5.7            |
| 4th pillar: Health and primary education.....             | 86                   | 5.5            |
| <b>Efficiency enhancers (48.0%)</b> .....                 | <b>51</b>            | <b>4.3</b>     |
| 5th pillar: Higher education and training.....            | 63                   | 4.5            |
| 6th pillar: Goods market efficiency.....                  | 80                   | 4.2            |
| 7th pillar: Labor market efficiency.....                  | 82                   | 4.1            |
| 8th pillar: Financial market development.....             | 48                   | 4.2            |
| 9th pillar: Technological readiness.....                  | 68                   | 3.9            |
| 10th pillar: Market size.....                             | 30                   | 4.9            |
| <b>Innovation and sophistication factors (9.3%)</b> ..... | <b>47</b>            | <b>3.9</b>     |
| 11th pillar: Business sophistication.....                 | 42                   | 4.3            |
| 12th pillar: Innovation.....                              | 48                   | 3.5            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Philippines

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 4.1     | 78       |
| 1.02 Intellectual property protection .....                   | 3.9     | 71       |
| 1.03 Diversion of public funds .....                          | 2.9     | 100      |
| 1.04 Public trust in politicians .....                        | 2.6     | 89       |
| 1.05 Irregular payments and bribes .....                      | 3.5     | 95       |
| 1.06 Judicial independence .....                              | 3.7     | 76       |
| 1.07 Favoritism in decisions of government officials .....    | 3.0     | 74       |
| 1.08 Wastefulness of government spending .....                | 3.3     | 61       |
| 1.09 Burden of government regulation .....                    | 3.1     | 101      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.3     | 87       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.3     | 80       |
| 1.12 Transparency of government policymaking .....            | 3.9     | 85       |
| 1.13 Business costs of terrorism .....                        | 4.4     | 113      |
| 1.14 Business costs of crime and violence .....               | 4.1     | 92       |
| 1.15 Organized crime .....                                    | 4.5     | 87       |
| 1.16 Reliability of police services .....                     | 3.6     | 101      |
| 1.17 Ethical behavior of firms .....                          | 4.1     | 52       |
| 1.18 Strength of auditing and reporting standards .....       | 5.0     | 46       |
| 1.19 Efficacy of corporate boards .....                       | 5.3     | 31       |
| 1.20 Protection of minority shareholders' interests .....     | 4.4     | 45       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.2     | 121      |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 3.3     | 106      |
| 2.02 Quality of roads .....                                   | 3.3     | 97       |
| 2.03 Quality of railroad infrastructure .....                 | 2.2     | 84       |
| 2.04 Quality of port infrastructure .....                     | 3.2     | 103      |
| 2.05 Quality of air transport infrastructure .....            | 3.7     | 98       |
| 2.06 Available airline seat km/week, millions* .....          | 1,206.5 | 27       |
| 2.07 Quality of electricity supply .....                      | 4.0     | 89       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 111.2   | 76       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 3.1     | 108      |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | 0.5     | 14       |
| 3.02 Gross national savings, % GDP* .....                     | 23.9    | 48       |
| 3.03 Inflation, annual % change* .....                        | 4.2     | 88       |
| 3.04 General government debt, % GDP* .....                    | 37.2    | 54       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 55.9    | 59       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 23.8    | 24       |
| 4.02 Business impact of malaria .....                         | 4.9     | 34       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 292.0   | 126      |
| 4.04 Business impact of tuberculosis .....                    | 4.4     | 110      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1     | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 4.9     | 91       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 23.5    | 92       |
| 4.08 Life expectancy, years* .....                            | 68.7    | 99       |
| 4.09 Quality of primary education .....                       | 4.1     | 61       |
| 4.10 Primary education enrollment, net %* .....               | 90.2    | 100      |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 84.6    | 86       |
| 5.02 Tertiary education enrollment, gross %* .....            | 28.2    | 81       |
| 5.03 Quality of the education system .....                    | 4.5     | 31       |
| 5.04 Quality of math and science education .....              | 4.1     | 67       |
| 5.05 Quality of management schools .....                      | 4.7     | 40       |
| 5.06 Internet access in schools .....                         | 4.5     | 58       |
| 5.07 Availability of specialized training services .....      | 4.6     | 45       |
| 5.08 Extent of staff training .....                           | 4.7     | 26       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.2     | 56       |
| 6.02 Extent of market dominance .....                         | 3.4     | 87       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.7     | 74       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.6     | 72       |
| 6.05 Total tax rate, % profits* .....                         | 42.5    | 90       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 16    | 139      |
| 6.07 No. days to start a business* .....                    | 34.0  | 119      |
| 6.08 Agricultural policy costs .....                        | 3.5   | 94       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.5   | 43       |
| 6.10 Trade tariffs, % duty* .....                           | 3.6   | 51       |
| 6.11 Prevalence of foreign ownership .....                  | 4.8   | 52       |
| 6.12 Business impact of rules on FDI .....                  | 4.5   | 69       |
| 6.13 Burden of customs procedures .....                     | 3.5   | 107      |
| 6.14 Imports as a percentage of GDP* .....                  | 30.6  | 113      |
| 6.15 Degree of customer orientation .....                   | 5.2   | 31       |
| 6.16 Buyer sophistication .....                             | 3.6   | 49       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.1   | 26       |
| 7.02 Flexibility of wage determination .....                | 4.7   | 96       |
| 7.03 Hiring and firing practices .....                      | 3.8   | 74       |
| 7.04 Redundancy costs, weeks of salary* .....               | 27.4  | 117      |
| 7.05 Effect of taxation on incentives to work .....         | 4.0   | 46       |
| 7.06 Pay and productivity .....                             | 4.6   | 19       |
| 7.07 Reliance on professional management .....              | 5.0   | 28       |
| 7.08 Country capacity to retain talent .....                | 3.8   | 45       |
| 7.09 Country capacity to attract talent .....               | 3.3   | 70       |
| 7.10 Women in labor force, ratio to men* .....              | 0.65  | 106      |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 5.0   | 41       |
| 8.02 Affordability of financial services .....              | 4.8   | 42       |
| 8.03 Financing through local equity market .....            | 4.4   | 29       |
| 8.04 Ease of access to loans .....                          | 3.5   | 30       |
| 8.05 Venture capital availability .....                     | 3.1   | 39       |
| 8.06 Soundness of banks .....                               | 5.4   | 47       |
| 8.07 Regulation of securities exchanges .....               | 4.8   | 39       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 3     | 93       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 4.6   | 78       |
| 9.02 Firm-level technology absorption .....                 | 5.1   | 40       |
| 9.03 FDI and technology transfer .....                      | 4.8   | 42       |
| 9.04 Individuals using Internet, %* .....                   | 39.7  | 89       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 23.2  | 37       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 27.7  | 76       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 28.0  | 92       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.8   | 29       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.3   | 38       |
| 10.03 GDP (PPP\$ billions)* .....                           | 692.2 | 30       |
| 10.04 Exports as a percentage of GDP* .....                 | 30.5  | 95       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.6   | 64       |
| 11.02 Local supplier quality .....                          | 4.3   | 64       |
| 11.03 State of cluster development .....                    | 4.0   | 45       |
| 11.04 Nature of competitive advantage .....                 | 3.3   | 85       |
| 11.05 Value chain breadth .....                             | 4.2   | 39       |
| 11.06 Control of international distribution .....           | 4.1   | 44       |
| 11.07 Production process sophistication .....               | 4.1   | 50       |
| 11.08 Extent of marketing .....                             | 4.8   | 31       |
| 11.09 Willingness to delegate authority .....               | 4.7   | 23       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 4.6   | 33       |
| 12.02 Quality of scientific research institutions .....     | 3.7   | 69       |
| 12.03 Company spending on R&D .....                         | 3.8   | 36       |
| 12.04 University-industry collaboration in R&D .....        | 3.8   | 55       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.5   | 59       |
| 12.06 Availability of scientists and engineers .....        | 4.0   | 67       |
| 12.07 PCT patents, applications/million pop.* .....         | 0.3   | 85       |

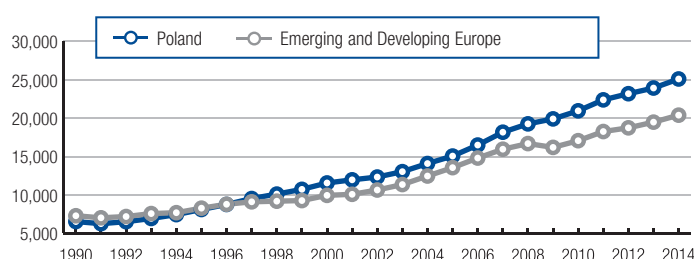
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Poland

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 38.0   |
| GDP (US\$ billions).....                   | 546.6  |
| GDP per capita (US\$).....                 | 14,379 |
| GDP (PPP) as share (%) of world total..... | 0.88   |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>41</b>            | <b>4.5</b>     |
| GCI 2014–2015 (out of 144)..... | 43                   | 4.5            |
| GCI 2013–2014 (out of 148)..... | 42                   | 4.5            |
| GCI 2012–2013 (out of 144)..... | 41                   | 4.5            |

### Basic requirements (26.6%).....44.....4.9

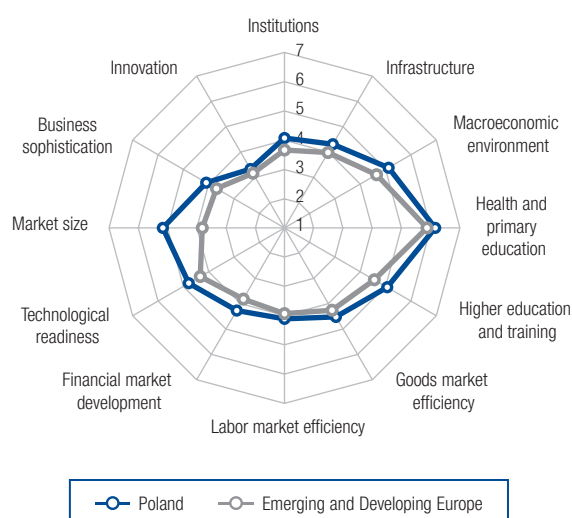
|                                               |    |     |
|-----------------------------------------------|----|-----|
| 1st pillar: Institutions.....                 | 58 | 4.1 |
| 2nd pillar: Infrastructure.....               | 56 | 4.3 |
| 3rd pillar: Macroeconomic environment.....    | 46 | 5.1 |
| 4th pillar: Health and primary education..... | 40 | 6.1 |

### Efficiency enhancers (50.0%).....34.....4.6

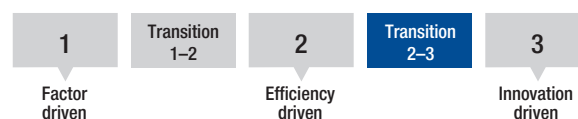
|                                                |    |     |
|------------------------------------------------|----|-----|
| 5th pillar: Higher education and training..... | 31 | 5.1 |
| 6th pillar: Goods market efficiency.....       | 46 | 4.5 |
| 7th pillar: Labor market efficiency.....       | 81 | 4.1 |
| 8th pillar: Financial market development.....  | 43 | 4.3 |
| 9th pillar: Technological readiness.....       | 41 | 4.8 |
| 10th pillar: Market size.....                  | 21 | 5.2 |

### Innovation and sophistication factors (23.4%).....57.....3.7

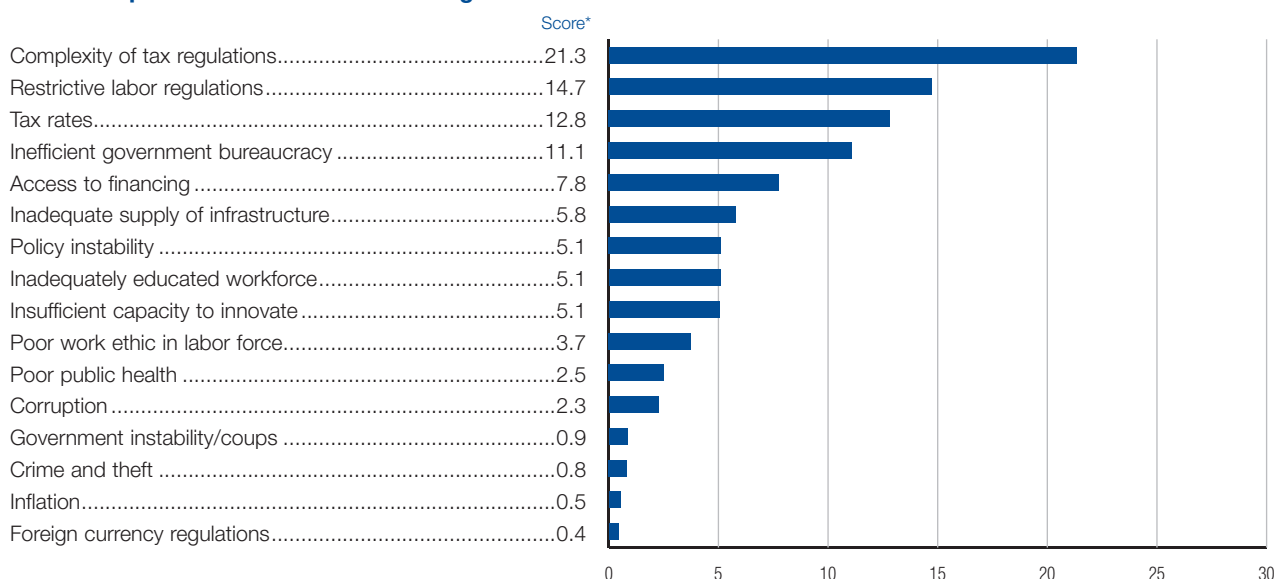
|                                           |    |     |
|-------------------------------------------|----|-----|
| 11th pillar: Business sophistication..... | 55 | 4.1 |
| 12th pillar: Innovation.....              | 64 | 3.3 |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Poland

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE       | RANK/140 |
|---------------------------------------------------------------|-------------|----------|
| <b>1st pillar: Institutions</b>                               |             |          |
| 1.01 Property rights .....                                    | 4.3 .....   | 64       |
| 1.02 Intellectual property protection .....                   | 4.0 .....   | 65       |
| 1.03 Diversion of public funds .....                          | 3.9 .....   | 48       |
| 1.04 Public trust in politicians .....                        | 2.4 .....   | 100      |
| 1.05 Irregular payments and bribes .....                      | 4.8 .....   | 40       |
| 1.06 Judicial independence .....                              | 4.2 .....   | 54       |
| 1.07 Favoritism in decisions of government officials .....    | 3.1 .....   | 69       |
| 1.08 Wastefulness of government spending .....                | 2.9 .....   | 87       |
| 1.09 Burden of government regulation .....                    | 2.8 .....   | 122      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.7 .....   | 70       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.1 .....   | 97       |
| 1.12 Transparency of government policymaking .....            | 3.6 .....   | 106      |
| 1.13 Business costs of terrorism .....                        | 5.7 .....   | 43       |
| 1.14 Business costs of crime and violence .....               | 5.2 .....   | 39       |
| 1.15 Organized crime .....                                    | 5.4 .....   | 49       |
| 1.16 Reliability of police services .....                     | 4.1 .....   | 75       |
| 1.17 Ethical behavior of firms .....                          | 4.1 .....   | 55       |
| 1.18 Strength of auditing and reporting standards .....       | 5.0 .....   | 52       |
| 1.19 Efficacy of corporate boards .....                       | 4.8 .....   | 66       |
| 1.20 Protection of minority shareholders' interests .....     | 4.1 .....   | 63       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.3 .....   | 32       |
| <b>2nd pillar: Infrastructure</b>                             |             |          |
| 2.01 Quality of overall infrastructure .....                  | 4.1 .....   | 68       |
| 2.02 Quality of roads .....                                   | 3.8 .....   | 76       |
| 2.03 Quality of railroad infrastructure .....                 | 3.1 .....   | 51       |
| 2.04 Quality of port infrastructure .....                     | 4.0 .....   | 67       |
| 2.05 Quality of air transport infrastructure .....            | 4.1 .....   | 83       |
| 2.06 Available airline seat km/week, millions* .....          | 391.0 ..... | 51       |
| 2.07 Quality of electricity supply .....                      | 5.5 .....   | 47       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 156.4 ..... | 17       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 13.2 .....  | 77       |
| <b>3rd pillar: Macroeconomic environment</b>                  |             |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.5 .....  | 78       |
| 3.02 Gross national savings, % GDP* .....                     | 19.0 .....  | 78       |
| 3.03 Inflation, annual % change* .....                        | 0.0 .....   | 66       |
| 3.04 General government debt, % GDP* .....                    | 48.8 .....  | 83       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 73.4 .....  | 31       |
| <b>4th pillar: Health and primary education</b>               |             |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F. ....   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. .... | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 22.0 .....  | 50       |
| 4.04 Business impact of tuberculosis .....                    | 6.1 .....   | 47       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1 .....   | 40       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.1 .....   | 1        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 4.5 .....   | 32       |
| 4.08 Life expectancy, years* .....                            | 76.8 .....  | 44       |
| 4.09 Quality of primary education .....                       | 4.3 .....   | 49       |
| 4.10 Primary education enrollment, net %* .....               | 96.8 .....  | 45       |
| <b>5th pillar: Higher education and training</b>              |             |          |
| 5.01 Secondary education enrollment, gross %* .....           | 97.7 .....  | 45       |
| 5.02 Tertiary education enrollment, gross %* .....            | 73.2 .....  | 22       |
| 5.03 Quality of the education system .....                    | 3.6 .....   | 73       |
| 5.04 Quality of math and science education .....              | 4.4 .....   | 51       |
| 5.05 Quality of management schools .....                      | 4.1 .....   | 75       |
| 5.06 Internet access in schools .....                         | 4.8 .....   | 46       |
| 5.07 Availability of specialized training services .....      | 4.9 .....   | 32       |
| 5.08 Extent of staff training .....                           | 4.0 .....   | 65       |
| <b>6th pillar: Goods market efficiency</b>                    |             |          |
| 6.01 Intensity of local competition .....                     | 5.3 .....   | 48       |
| 6.02 Extent of market dominance .....                         | 4.7 .....   | 18       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.0 .....   | 50       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.3 .....   | 96       |
| 6.05 Total tax rate, % profits* .....                         | 38.7 .....  | 72       |

| INDICATOR                                                   | VALUE       | RANK/140 |
|-------------------------------------------------------------|-------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |             |          |
| 6.06 No. procedures to start a business* .....              | 4 .....     | 22       |
| 6.07 No. days to start a business* .....                    | 30.0 .....  | 112      |
| 6.08 Agricultural policy costs .....                        | 3.5 .....   | 95       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.3 .....   | 65       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2 .....   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 5.0 .....   | 37       |
| 6.12 Business impact of rules on FDI .....                  | 4.6 .....   | 64       |
| 6.13 Burden of customs procedures .....                     | 4.4 .....   | 49       |
| 6.14 Imports as a percentage of GDP* .....                  | 46.7 .....  | 70       |
| 6.15 Degree of customer orientation .....                   | 5.0 .....   | 42       |
| 6.16 Buyer sophistication .....                             | 3.2 .....   | 87       |
| <b>7th pillar: Labor market efficiency</b>                  |             |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.1 .....   | 97       |
| 7.02 Flexibility of wage determination .....                | 5.6 .....   | 28       |
| 7.03 Hiring and firing practices .....                      | 3.5 .....   | 97       |
| 7.04 Redundancy costs, weeks of salary* .....               | 18.8 .....  | 83       |
| 7.05 Effect of taxation on incentives to work .....         | 3.1 .....   | 115      |
| 7.06 Pay and productivity .....                             | 4.1 .....   | 65       |
| 7.07 Reliance on professional management .....              | 4.3 .....   | 63       |
| 7.08 Country capacity to retain talent .....                | 2.7 .....   | 116      |
| 7.09 Country capacity to attract talent .....               | 2.4 .....   | 126      |
| 7.10 Women in labor force, ratio to men* .....              | 0.82 .....  | 67       |
| <b>8th pillar: Financial market development</b>             |             |          |
| 8.01 Availability of financial services .....               | 4.9 .....   | 43       |
| 8.02 Affordability of financial services .....              | 4.8 .....   | 43       |
| 8.03 Financing through local equity market .....            | 3.6 .....   | 68       |
| 8.04 Ease of access to loans .....                          | 2.6 .....   | 89       |
| 8.05 Venture capital availability .....                     | 2.5 .....   | 96       |
| 8.06 Soundness of banks .....                               | 5.4 .....   | 48       |
| 8.07 Regulation of securities exchanges .....               | 4.6 .....   | 48       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 7 .....     | 24       |
| <b>9th pillar: Technological readiness</b>                  |             |          |
| 9.01 Availability of latest technologies .....              | 4.6 .....   | 72       |
| 9.02 Firm-level technology absorption .....                 | 4.2 .....   | 101      |
| 9.03 FDI and technology transfer .....                      | 4.5 .....   | 63       |
| 9.04 Individuals using Internet, %* .....                   | 66.6 .....  | 46       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 23.8 .....  | 36       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 90.4 .....  | 33       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 62.3 .....  | 40       |
| <b>10th pillar: Market size</b>                             |             |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.0 .....   | 26       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.7 .....   | 24       |
| 10.03 GDP (PPP\$ billions)* .....                           | 954.5 ..... | 23       |
| 10.04 Exports as a percentage of GDP* .....                 | 48.4 .....  | 45       |
| <b>11th pillar: Business sophistication</b>                 |             |          |
| 11.01 Local supplier quantity .....                         | 5.1 .....   | 22       |
| 11.02 Local supplier quality .....                          | 4.9 .....   | 36       |
| 11.03 State of cluster development .....                    | 3.6 .....   | 81       |
| 11.04 Nature of competitive advantage .....                 | 3.0 .....   | 100      |
| 11.05 Value chain breadth .....                             | 3.9 .....   | 59       |
| 11.06 Control of international distribution .....           | 3.6 .....   | 87       |
| 11.07 Production process sophistication .....               | 4.2 .....   | 45       |
| 11.08 Extent of marketing .....                             | 4.5 .....   | 47       |
| 11.09 Willingness to delegate authority .....               | 3.8 .....   | 59       |
| <b>12th pillar: Innovation</b>                              |             |          |
| 12.01 Capacity for innovation .....                         | 3.9 .....   | 72       |
| 12.02 Quality of scientific research institutions .....     | 3.9 .....   | 63       |
| 12.03 Company spending on R&D .....                         | 3.1 .....   | 84       |
| 12.04 University-industry collaboration in R&D .....        | 3.5 .....   | 73       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.1 .....   | 91       |
| 12.06 Availability of scientists and engineers .....        | 4.2 .....   | 53       |
| 12.07 PCT patents, applications/million pop.* .....         | 8.6 .....   | 40       |

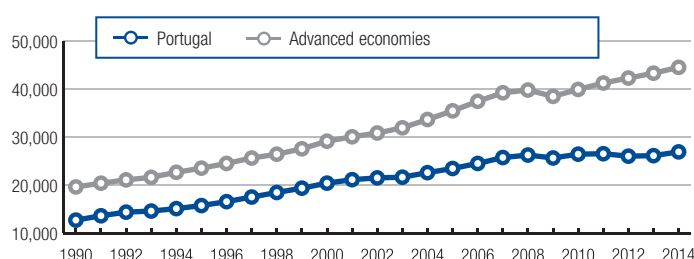
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Portugal

## Key indicators, 2014

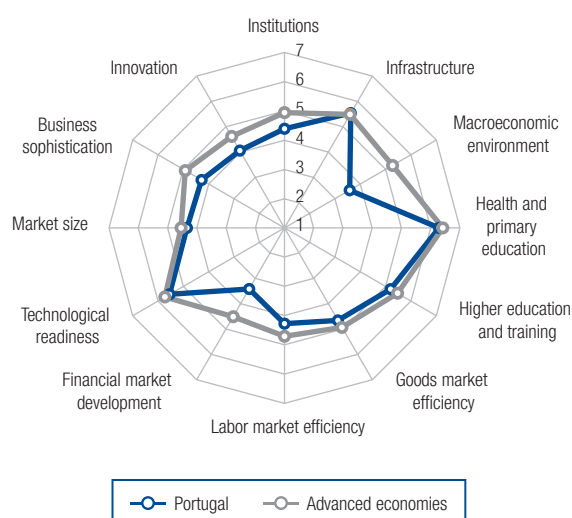
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 10.4   |
| GDP (US\$ billions).....                   | 230.0  |
| GDP per capita (US\$).....                 | 22,130 |
| GDP (PPP) as share (%) of world total..... | 0.26   |

GDP (PPP) per capita (int'l \$), 1990–2014

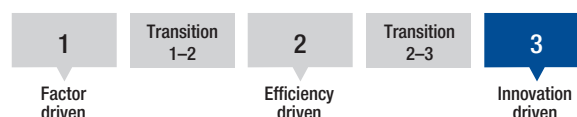


## Global Competitiveness Index

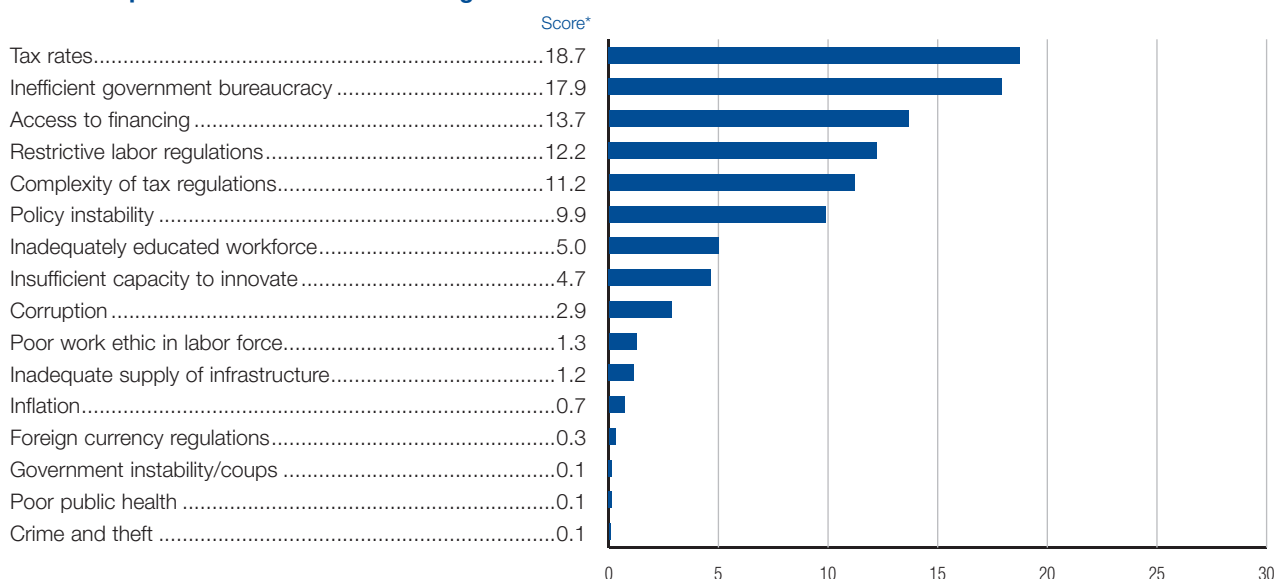
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>38</b>            | <b>4.5</b>     |
| GCI 2014–2015 (out of 144).....                            | 36                   | 4.5            |
| GCI 2013–2014 (out of 148).....                            | 51                   | 4.4            |
| GCI 2012–2013 (out of 144).....                            | 49                   | 4.4            |
| <b>Basic requirements (20.0%)</b> .....                    | <b>41</b>            | <b>4.9</b>     |
| 1st pillar: Institutions.....                              | 39                   | 4.4            |
| 2nd pillar: Infrastructure.....                            | 23                   | 5.5            |
| 3rd pillar: Macroeconomic environment.....                 | 127                  | 3.6            |
| 4th pillar: Health and primary education.....              | 31                   | 6.3            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>37</b>            | <b>4.6</b>     |
| 5th pillar: Higher education and training.....             | 26                   | 5.2            |
| 6th pillar: Goods market efficiency.....                   | 32                   | 4.6            |
| 7th pillar: Labor market efficiency.....                   | 66                   | 4.3            |
| 8th pillar: Financial market development.....              | 107                  | 3.4            |
| 9th pillar: Technological readiness.....                   | 26                   | 5.5            |
| 10th pillar: Market size.....                              | 50                   | 4.3            |
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>30</b>            | <b>4.2</b>     |
| 11th pillar: Business sophistication.....                  | 41                   | 4.3            |
| 12th pillar: Innovation.....                               | 28                   | 4.0            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Portugal

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.7    | 41       |
| 1.02 Intellectual property protection .....                   | 4.7    | 32       |
| 1.03 Diversion of public funds .....                          | 4.0    | 43       |
| 1.04 Public trust in politicians .....                        | 3.1    | 59       |
| 1.05 Irregular payments and bribes .....                      | 5.2    | 31       |
| 1.06 Judicial independence .....                              | 4.6    | 43       |
| 1.07 Favoritism in decisions of government officials .....    | 3.3    | 54       |
| 1.08 Wastefulness of government spending .....                | 2.8    | 90       |
| 1.09 Burden of government regulation .....                    | 2.9    | 112      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.0    | 114      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.4    | 71       |
| 1.12 Transparency of government policymaking .....            | 4.0    | 74       |
| 1.13 Business costs of terrorism .....                        | 6.3    | 10       |
| 1.14 Business costs of crime and violence .....               | 6.0    | 9        |
| 1.15 Organized crime .....                                    | 6.3    | 13       |
| 1.16 Reliability of police services .....                     | 5.3    | 29       |
| 1.17 Ethical behavior of firms .....                          | 4.3    | 41       |
| 1.18 Strength of auditing and reporting standards .....       | 4.4    | 79       |
| 1.19 Efficacy of corporate boards .....                       | 4.5    | 85       |
| 1.20 Protection of minority shareholders' interests .....     | 4.1    | 75       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.9    | 50       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 5.7    | 15       |
| 2.02 Quality of roads .....                                   | 6.2    | 4        |
| 2.03 Quality of railroad infrastructure .....                 | 4.3    | 25       |
| 2.04 Quality of port infrastructure .....                     | 5.3    | 25       |
| 2.05 Quality of air transport infrastructure .....            | 5.6    | 24       |
| 2.06 Available airline seat km/week, millions* .....          | 847.3  | 32       |
| 2.07 Quality of electricity supply .....                      | 6.1    | 31       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 111.8  | 75       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 43.2   | 14       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –4.5   | 103      |
| 3.02 Gross national savings, % GDP* .....                     | 15.5   | 98       |
| 3.03 Inflation, annual % change* .....                        | –0.2   | 70       |
| 3.04 General government debt, % GDP* .....                    | 130.2  | 135      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 54.7   | 63       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 26.0   | 54       |
| 4.04 Business impact of tuberculosis .....                    | 6.5    | 28       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.7    | 98       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.2    | 33       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.1    | 15       |
| 4.08 Life expectancy, years* .....                            | 80.4   | 26       |
| 4.09 Quality of primary education .....                       | 4.8    | 33       |
| 4.10 Primary education enrollment, net %* .....               | 95.7   | 52       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 112.9  | 8        |
| 5.02 Tertiary education enrollment, gross %* .....            | 68.9   | 28       |
| 5.03 Quality of the education system .....                    | 4.3    | 40       |
| 5.04 Quality of math and science education .....              | 4.5    | 45       |
| 5.05 Quality of management schools .....                      | 5.2    | 26       |
| 5.06 Internet access in schools .....                         | 5.4    | 30       |
| 5.07 Availability of specialized training services .....      | 4.7    | 38       |
| 5.08 Extent of staff training .....                           | 4.1    | 54       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.3    | 54       |
| 6.02 Extent of market dominance .....                         | 4.1    | 35       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.0    | 47       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.0    | 117      |
| 6.05 Total tax rate, % profits* .....                         | 42.4   | 89       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 3     | 9        |
| 6.07 No. days to start a business* .....                    | 2.5   | 4        |
| 6.08 Agricultural policy costs .....                        | 4.0   | 55       |
| 6.09 Prevalence of non-tariff barriers .....                | 5.3   | 4        |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 4.6   | 65       |
| 6.12 Business impact of rules on FDI .....                  | 5.1   | 27       |
| 6.13 Burden of customs procedures .....                     | 5.0   | 25       |
| 6.14 Imports as a percentage of GDP* .....                  | 40.7  | 84       |
| 6.15 Degree of customer orientation .....                   | 5.1   | 33       |
| 6.16 Buyer sophistication .....                             | 3.5   | 54       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.5   | 50       |
| 7.02 Flexibility of wage determination .....                | 4.8   | 88       |
| 7.03 Hiring and firing practices .....                      | 3.3   | 114      |
| 7.04 Redundancy costs, weeks of salary* .....               | 17.0  | 76       |
| 7.05 Effect of taxation on incentives to work .....         | 2.9   | 127      |
| 7.06 Pay and productivity .....                             | 3.8   | 89       |
| 7.07 Reliance on professional management .....              | 4.1   | 76       |
| 7.08 Country capacity to retain talent .....                | 3.4   | 77       |
| 7.09 Country capacity to attract talent .....               | 3.3   | 75       |
| 7.10 Women in labor force, ratio to men* .....              | 0.91  | 28       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.9   | 42       |
| 8.02 Affordability of financial services .....              | 4.2   | 59       |
| 8.03 Financing through local equity market .....            | 3.2   | 87       |
| 8.04 Ease of access to loans .....                          | 2.4   | 107      |
| 8.05 Venture capital availability .....                     | 2.8   | 61       |
| 8.06 Soundness of banks .....                               | 3.9   | 120      |
| 8.07 Regulation of securities exchanges .....               | 4.1   | 77       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 2     | 106      |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 6.1   | 18       |
| 9.02 Firm-level technology absorption .....                 | 5.6   | 21       |
| 9.03 FDI and technology transfer .....                      | 5.2   | 15       |
| 9.04 Individuals using Internet, %* .....                   | 64.6  | 49       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 26.7  | 30       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 218.9 | 13       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 45.3  | 65       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.1   | 51       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.0   | 53       |
| 10.03 GDP (PPP\$ billions)* .....                           | 280.4 | 53       |
| 10.04 Exports as a percentage of GDP* .....                 | 40.9  | 62       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.8   | 38       |
| 11.02 Local supplier quality .....                          | 4.9   | 35       |
| 11.03 State of cluster development .....                    | 4.2   | 35       |
| 11.04 Nature of competitive advantage .....                 | 3.9   | 43       |
| 11.05 Value chain breadth .....                             | 4.2   | 35       |
| 11.06 Control of international distribution .....           | 3.9   | 61       |
| 11.07 Production process sophistication .....               | 4.6   | 35       |
| 11.08 Extent of marketing .....                             | 4.5   | 54       |
| 11.09 Willingness to delegate authority .....               | 3.6   | 78       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 4.5   | 35       |
| 12.02 Quality of scientific research institutions .....     | 5.2   | 21       |
| 12.03 Company spending on R&D .....                         | 3.7   | 40       |
| 12.04 University-industry collaboration in R&D .....        | 4.7   | 23       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.6   | 48       |
| 12.06 Availability of scientists and engineers .....        | 4.9   | 21       |
| 12.07 PCT patents, applications/million pop.* .....         | 13.7  | 31       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

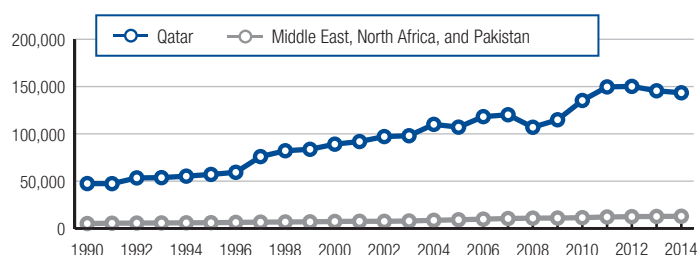


# Qatar

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 2.2    |
| GDP (US\$ billions).....                   | 210.0  |
| GDP per capita (US\$).....                 | 93,965 |
| GDP (PPP) as share (%) of world total..... | 0.30   |

GDP (PPP) per capita (int'l \$), 1990–2014



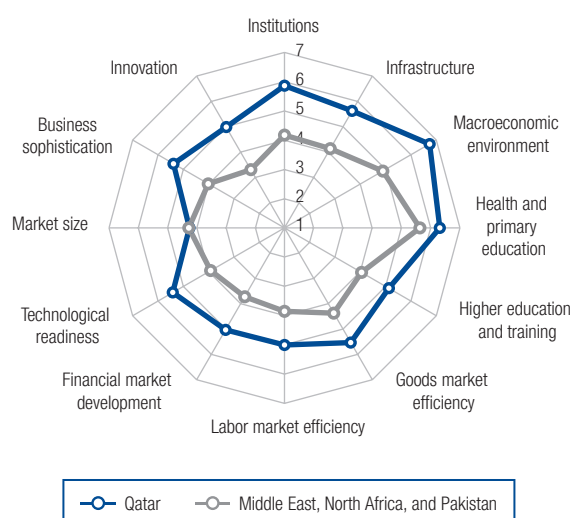
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>14</b>            | <b>5.3</b>     |
| GCI 2014–2015 (out of 144)..... | 16                   | 5.2            |
| GCI 2013–2014 (out of 148)..... | 13                   | 5.2            |
| GCI 2012–2013 (out of 144)..... | 11                   | 5.4            |

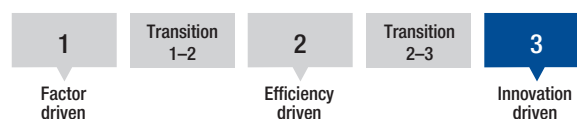
|                                               |          |            |
|-----------------------------------------------|----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>5</b> | <b>6.1</b> |
| 1st pillar: Institutions.....                 | 4        | 5.9        |
| 2nd pillar: Infrastructure.....               | 18       | 5.6        |
| 3rd pillar: Macroeconomic environment.....    | 2        | 6.7        |
| 4th pillar: Health and primary education..... | 28       | 6.3        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>21</b> | <b>5.1</b> |
| 5th pillar: Higher education and training..... | 27        | 5.1        |
| 6th pillar: Goods market efficiency.....       | 5         | 5.5        |
| 7th pillar: Labor market efficiency.....       | 14        | 5.0        |
| 8th pillar: Financial market development.....  | 13        | 5.0        |
| 9th pillar: Technological readiness.....       | 31        | 5.4        |
| 10th pillar: Market size.....                  | 56        | 4.2        |

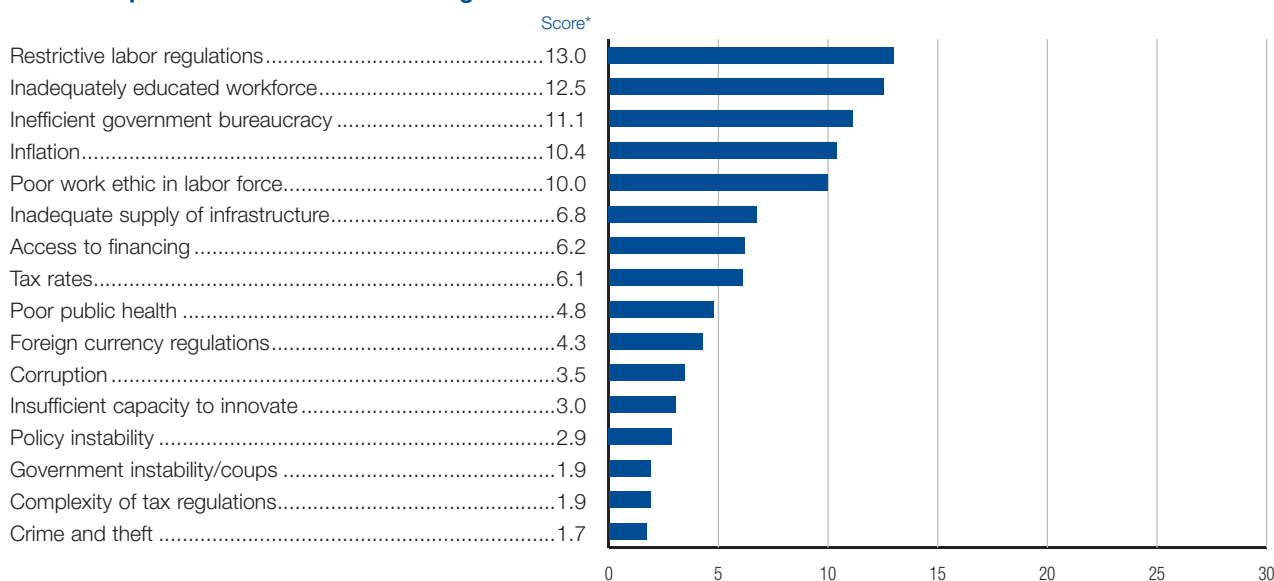
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>12</b> | <b>5.2</b> |
| 11th pillar: Business sophistication.....                  | 10        | 5.4        |
| 12th pillar: Innovation.....                               | 14        | 5.0        |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 6.0     | 13       |
| 1.02 Intellectual property protection .....                   | 5.9     | 11       |
| 1.03 Diversion of public funds .....                          | 6.1     | 5        |
| 1.04 Public trust in politicians .....                        | 6.0     | 3        |
| 1.05 Irregular payments and bribes .....                      | 6.1     | 13       |
| 1.06 Judicial independence .....                              | 5.9     | 15       |
| 1.07 Favoritism in decisions of government officials .....    | 5.6     | 1        |
| 1.08 Wastefulness of government spending .....                | 6.0     | 1        |
| 1.09 Burden of government regulation .....                    | 5.3     | 2        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.7     | 4        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.7     | 2        |
| 1.12 Transparency of government policymaking .....            | 5.7     | 8        |
| 1.13 Business costs of terrorism .....                        | 6.1     | 22       |
| 1.14 Business costs of crime and violence .....               | 6.3     | 3        |
| 1.15 Organized crime .....                                    | 6.4     | 7        |
| 1.16 Reliability of police services .....                     | 6.3     | 3        |
| 1.17 Ethical behavior of firms .....                          | 5.8     | 12       |
| 1.18 Strength of auditing and reporting standards .....       | 6.0     | 10       |
| 1.19 Efficacy of corporate boards .....                       | 5.7     | 17       |
| 1.20 Protection of minority shareholders' interests .....     | 6.0     | 4        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.6     | 105      |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 5.6     | 18       |
| 2.02 Quality of roads .....                                   | 5.4     | 21       |
| 2.03 Quality of railroad infrastructure .....                 | N/Apl.  | n/a      |
| 2.04 Quality of port infrastructure .....                     | 5.6     | 15       |
| 2.05 Quality of air transport infrastructure .....            | 6.2     | 7        |
| 2.06 Available airline seat km/week, millions* .....          | 1,387.6 | 25       |
| 2.07 Quality of electricity supply .....                      | 6.4     | 18       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 145.8   | 30       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 18.4    | 62       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | 14.5    | 2        |
| 3.02 Gross national savings, % GDP* .....                     | 59.4    | 1        |
| 3.03 Inflation, annual % change* .....                        | 3.0     | 51       |
| 3.04 General government debt, % GDP* .....                    | 31.5    | 38       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 77.8    | 23       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.    | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl.  | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 40.0    | 62       |
| 4.04 Business impact of tuberculosis .....                    | 6.5     | 27       |
| 4.05 HIV prevalence, % adult pop.* .....                      | <0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.5     | 19       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 7.0     | 44       |
| 4.08 Life expectancy, years* .....                            | 78.6    | 35       |
| 4.09 Quality of primary education .....                       | 5.7     | 9        |
| 4.10 Primary education enrollment, net %* .....               | 92.4    | 78       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 111.6   | 10       |
| 5.02 Tertiary education enrollment, gross %* .....            | 14.3    | 103      |
| 5.03 Quality of the education system .....                    | 5.9     | 2        |
| 5.04 Quality of math and science education .....              | 5.7     | 5        |
| 5.05 Quality of management schools .....                      | 5.7     | 7        |
| 5.06 Internet access in schools .....                         | 5.9     | 18       |
| 5.07 Availability of specialized training services .....      | 5.5     | 17       |
| 5.08 Extent of staff training .....                           | 5.4     | 5        |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.5     | 25       |
| 6.02 Extent of market dominance .....                         | 5.2     | 7        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.3     | 6        |
| 6.04 Effect of taxation on incentives to invest .....         | 6.1     | 3        |
| 6.05 Total tax rate, % profits* .....                         | 11.3    | 2        |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 8     | 93       |
| 6.07 No. days to start a business* .....                 | 8.5   | 49       |
| 6.08 Agricultural policy costs .....                     | 5.3   | 2        |
| 6.09 Prevalence of non-tariff barriers .....             | 4.7   | 23       |
| 6.10 Trade tariffs, % duty* .....                        | 4.1   | 59       |
| 6.11 Prevalence of foreign ownership .....               | 5.0   | 42       |
| 6.12 Business impact of rules on FDI .....               | 5.3   | 16       |
| 6.13 Burden of customs procedures .....                  | 5.4   | 10       |
| 6.14 Imports as a percentage of GDP* .....               | 30.8  | 112      |
| 6.15 Degree of customer orientation .....                | 5.7   | 6        |
| 6.16 Buyer sophistication .....                          | 5.2   | 1        |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 5.6   | 9        |
| 7.02 Flexibility of wage determination .....             | 5.9   | 8        |
| 7.03 Hiring and firing practices .....                   | 5.3   | 7        |
| 7.04 Redundancy costs, weeks of salary* .....            | 23.2  | 106      |
| 7.05 Effect of taxation on incentives to work .....      | 6.1   | 2        |
| 7.06 Pay and productivity .....                          | 5.5   | 1        |
| 7.07 Reliance on professional management .....           | 5.6   | 19       |
| 7.08 Country capacity to retain talent .....             | 5.7   | 3        |
| 7.09 Country capacity to attract talent .....            | 5.9   | 5        |
| 7.10 Women in labor force, ratio to men* .....           | 0.54  | 122      |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 5.8   | 13       |
| 8.02 Affordability of financial services .....           | 5.9   | 6        |
| 8.03 Financing through local equity market .....         | 5.5   | 4        |
| 8.04 Ease of access to loans .....                       | 5.1   | 1        |
| 8.05 Venture capital availability .....                  | 5.1   | 1        |
| 8.06 Soundness of banks .....                            | 6.3   | 10       |
| 8.07 Regulation of securities exchanges .....            | 5.9   | 7        |
| 8.08 Legal rights index, 0–12 (best)* .....              | 1     | 129      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 6.1   | 20       |
| 9.02 Firm-level technology absorption .....              | 5.8   | 12       |
| 9.03 FDI and technology transfer .....                   | 5.7   | 4        |
| 9.04 Individuals using Internet, %* .....                | 91.5  | 9        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 9.9   | 69       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 67.5  | 43       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 106.3 | 13       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.9   | 59       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 5.3   | 35       |
| 10.03 GDP (PPP\$ billions)* .....                        | 320.5 | 49       |
| 10.04 Exports as a percentage of GDP* .....              | 68.8  | 24       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 5.5   | 5        |
| 11.02 Local supplier quality .....                       | 5.3   | 21       |
| 11.03 State of cluster development .....                 | 5.3   | 9        |
| 11.04 Nature of competitive advantage .....              | 5.1   | 21       |
| 11.05 Value chain breadth .....                          | 5.4   | 9        |
| 11.06 Control of international distribution .....        | 5.5   | 1        |
| 11.07 Production process sophistication .....            | 5.5   | 19       |
| 11.08 Extent of marketing .....                          | 5.5   | 9        |
| 11.09 Willingness to delegate authority .....            | 5.3   | 7        |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 5.3   | 12       |
| 12.02 Quality of scientific research institutions .....  | 5.6   | 14       |
| 12.03 Company spending on R&D .....                      | 5.3   | 9        |
| 12.04 University-industry collaboration in R&D .....     | 5.4   | 8        |
| 12.05 Gov't procurement of advanced tech products .....  | 5.6   | 1        |
| 12.06 Availability of scientists and engineers .....     | 5.6   | 2        |
| 12.07 PCT patents, applications/million pop.* .....      | 17.7  | 29       |

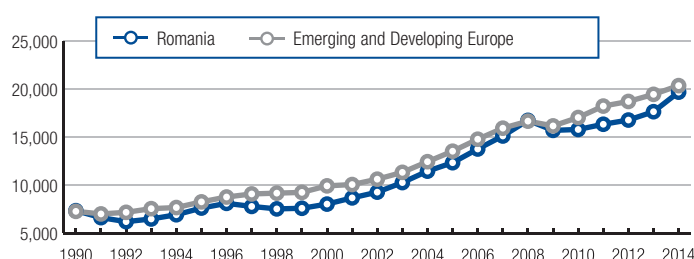
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Romania

## Key indicators, 2014

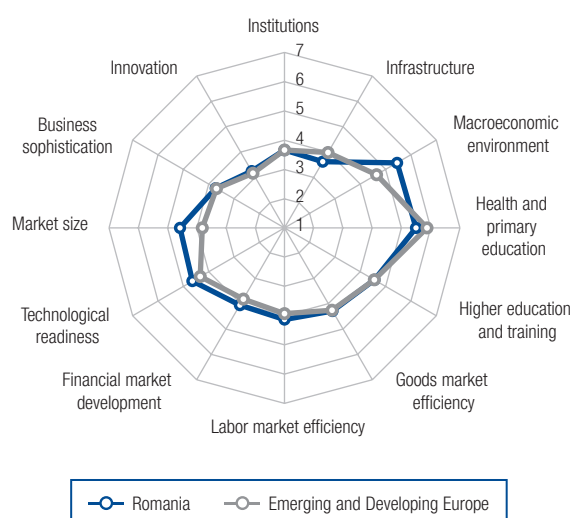
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 19.9   |
| GDP (US\$ billions).....                   | 200.0  |
| GDP per capita (US\$).....                 | 10,035 |
| GDP (PPP) as share (%) of world total..... | 0.36   |

GDP (PPP) per capita (int'l \$), 1990–2014

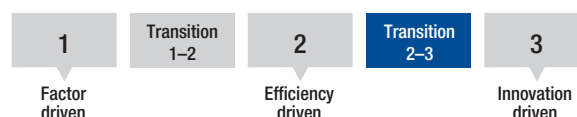


## Global Competitiveness Index

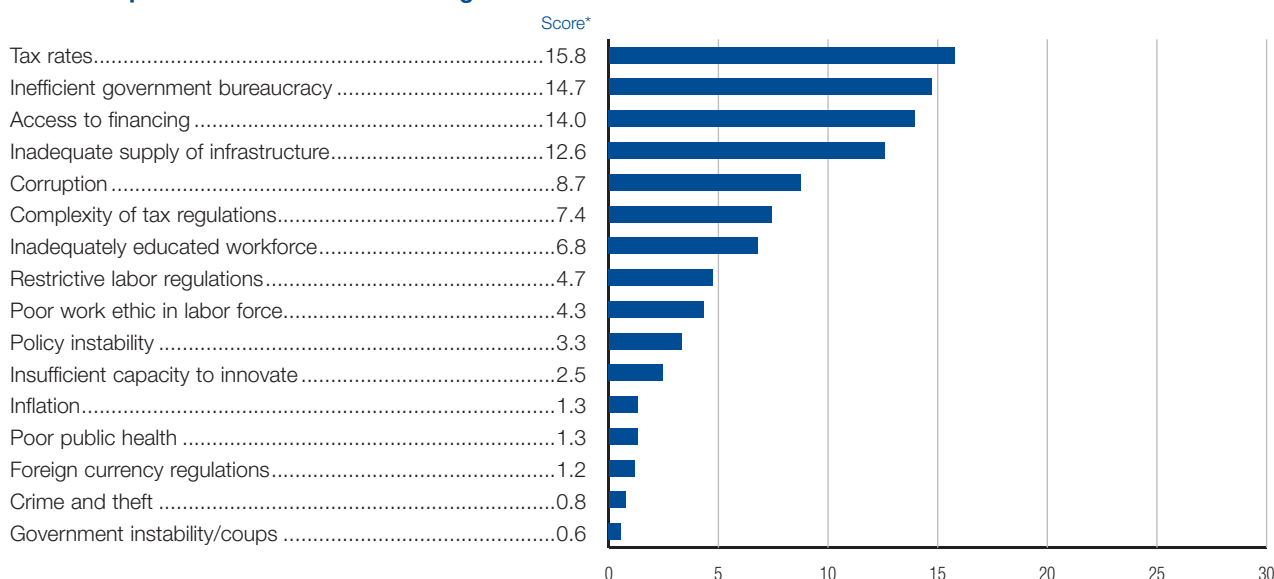
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>53</b>            | <b>4.3</b>     |
| GCI 2014–2015 (out of 144).....                            | 59                   | 4.3            |
| GCI 2013–2014 (out of 148).....                            | 76                   | 4.1            |
| GCI 2012–2013 (out of 144).....                            | 78                   | 4.1            |
| <b>Basic requirements (37.4%)</b> .....                    | <b>70</b>            | <b>4.6</b>     |
| 1st pillar: Institutions.....                              | 86                   | 3.7            |
| 2nd pillar: Infrastructure.....                            | 86                   | 3.6            |
| 3rd pillar: Macroeconomic environment.....                 | 34                   | 5.4            |
| 4th pillar: Health and primary education.....              | 83                   | 5.5            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>44</b>            | <b>4.4</b>     |
| 5th pillar: Higher education and training.....             | 59                   | 4.5            |
| 6th pillar: Goods market efficiency.....                   | 73                   | 4.3            |
| 7th pillar: Labor market efficiency.....                   | 78                   | 4.1            |
| 8th pillar: Financial market development.....              | 55                   | 4.0            |
| 9th pillar: Technological readiness.....                   | 46                   | 4.6            |
| 10th pillar: Market size.....                              | 43                   | 4.6            |
| <b>Innovation and sophistication factors (12.6%)</b> ..... | <b>84</b>            | <b>3.5</b>     |
| 11th pillar: Business sophistication.....                  | 88                   | 3.7            |
| 12th pillar: Innovation.....                               | 75                   | 3.2            |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Romania

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 3.9    | 98       |
| 1.02 Intellectual property protection .....                   | 3.9    | 72       |
| 1.03 Diversion of public funds .....                          | 2.9    | 97       |
| 1.04 Public trust in politicians .....                        | 2.2    | 112      |
| 1.05 Irregular payments and bribes .....                      | 3.6    | 90       |
| 1.06 Judicial independence .....                              | 4.0    | 66       |
| 1.07 Favoritism in decisions of government officials .....    | 2.4    | 111      |
| 1.08 Wastefulness of government spending .....                | 2.5    | 114      |
| 1.09 Burden of government regulation .....                    | 3.1    | 99       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.3    | 91       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.3    | 83       |
| 1.12 Transparency of government policymaking .....            | 3.9    | 84       |
| 1.13 Business costs of terrorism .....                        | 5.2    | 76       |
| 1.14 Business costs of crime and violence .....               | 4.9    | 56       |
| 1.15 Organized crime .....                                    | 4.6    | 80       |
| 1.16 Reliability of police services .....                     | 4.2    | 64       |
| 1.17 Ethical behavior of firms .....                          | 3.4    | 112      |
| 1.18 Strength of auditing and reporting standards .....       | 4.3    | 86       |
| 1.19 Efficacy of corporate boards .....                       | 4.3    | 100      |
| 1.20 Protection of minority shareholders' interests .....     | 3.7    | 93       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.2    | 39       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 3.6    | 91       |
| 2.02 Quality of roads .....                                   | 2.8    | 120      |
| 2.03 Quality of railroad infrastructure .....                 | 2.8    | 62       |
| 2.04 Quality of port infrastructure .....                     | 3.4    | 96       |
| 2.05 Quality of air transport infrastructure .....            | 3.6    | 106      |
| 2.06 Available airline seat km/week, millions* .....          | 219.6  | 62       |
| 2.07 Quality of electricity supply .....                      | 4.5    | 78       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 105.9  | 84       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 21.3   | 52       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –1.9   | 48       |
| 3.02 Gross national savings, % GDP* .....                     | 22.5   | 55       |
| 3.03 Inflation, annual % change* .....                        | 1.1    | 1        |
| 3.04 General government debt, % GDP* .....                    | 40.4   | 65       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 55.3   | 61       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 87.0   | 86       |
| 4.04 Business impact of tuberculosis .....                    | 5.1    | 88       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 4.9    | 88       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 10.5   | 58       |
| 4.08 Life expectancy, years* .....                            | 74.5   | 66       |
| 4.09 Quality of primary education .....                       | 4.1    | 62       |
| 4.10 Primary education enrollment, net %* .....               | 85.8   | 117      |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 95.0   | 57       |
| 5.02 Tertiary education enrollment, gross %* .....            | 51.6   | 51       |
| 5.03 Quality of the education system .....                    | 3.3    | 90       |
| 5.04 Quality of math and science education .....              | 4.8    | 26       |
| 5.05 Quality of management schools .....                      | 3.9    | 94       |
| 5.06 Internet access in schools .....                         | 4.8    | 48       |
| 5.07 Availability of specialized training services .....      | 3.9    | 87       |
| 5.08 Extent of staff training .....                           | 3.8    | 89       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 4.5    | 112      |
| 6.02 Extent of market dominance .....                         | 3.6    | 71       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.7    | 82       |
| 6.04 Effect of taxation on incentives to invest .....         | 2.9    | 126      |
| 6.05 Total tax rate, % profits* .....                         | 43.2   | 93       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 5     | 38       |
| 6.07 No. days to start a business* .....                    | 8.0   | 42       |
| 6.08 Agricultural policy costs .....                        | 4.0   | 54       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.5   | 47       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 4.3   | 86       |
| 6.12 Business impact of rules on FDI .....                  | 4.7   | 55       |
| 6.13 Burden of customs procedures .....                     | 4.0   | 65       |
| 6.14 Imports as a percentage of GDP* .....                  | 44.9  | 75       |
| 6.15 Degree of customer orientation .....                   | 4.8   | 54       |
| 6.16 Buyer sophistication .....                             | 3.0   | 106      |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.1   | 90       |
| 7.02 Flexibility of wage determination .....                | 5.1   | 59       |
| 7.03 Hiring and firing practices .....                      | 3.7   | 77       |
| 7.04 Redundancy costs, weeks of salary* .....               | 4.0   | 6        |
| 7.05 Effect of taxation on incentives to work .....         | 3.1   | 118      |
| 7.06 Pay and productivity .....                             | 4.1   | 67       |
| 7.07 Reliance on professional management .....              | 3.8   | 96       |
| 7.08 Country capacity to retain talent .....                | 2.3   | 131      |
| 7.09 Country capacity to attract talent .....               | 2.6   | 113      |
| 7.10 Women in labor force, ratio to men* .....              | 0.78  | 78       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.1   | 92       |
| 8.02 Affordability of financial services .....              | 4.2   | 64       |
| 8.03 Financing through local equity market .....            | 3.0   | 100      |
| 8.04 Ease of access to loans .....                          | 2.9   | 60       |
| 8.05 Venture capital availability .....                     | 2.4   | 103      |
| 8.06 Soundness of banks .....                               | 4.6   | 82       |
| 8.07 Regulation of securities exchanges .....               | 3.7   | 99       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 10    | 8        |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 4.6   | 71       |
| 9.02 Firm-level technology absorption .....                 | 4.4   | 80       |
| 9.03 FDI and technology transfer .....                      | 4.7   | 44       |
| 9.04 Individuals using Internet, %* .....                   | 54.1  | 64       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 18.5  | 46       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 153.8 | 17       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 49.4  | 58       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.4   | 42       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.2   | 43       |
| 10.03 GDP (PPP\$ billions)* .....                           | 392.8 | 45       |
| 10.04 Exports as a percentage of GDP* .....                 | 44.8  | 52       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.1   | 103      |
| 11.02 Local supplier quality .....                          | 4.2   | 78       |
| 11.03 State of cluster development .....                    | 3.6   | 74       |
| 11.04 Nature of competitive advantage .....                 | 3.1   | 92       |
| 11.05 Value chain breadth .....                             | 3.5   | 93       |
| 11.06 Control of international distribution .....           | 3.6   | 93       |
| 11.07 Production process sophistication .....               | 3.7   | 80       |
| 11.08 Extent of marketing .....                             | 4.0   | 93       |
| 11.09 Willingness to delegate authority .....               | 3.6   | 80       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 4.0   | 63       |
| 12.02 Quality of scientific research institutions .....     | 3.7   | 70       |
| 12.03 Company spending on R&D .....                         | 2.9   | 94       |
| 12.04 University-industry collaboration in R&D .....        | 3.6   | 71       |
| 12.05 Gov't procurement of advanced tech products .....     | 2.9   | 105      |
| 12.06 Availability of scientists and engineers .....        | 4.1   | 57       |
| 12.07 PCT patents, applications/million pop.* .....         | 2.7   | 54       |

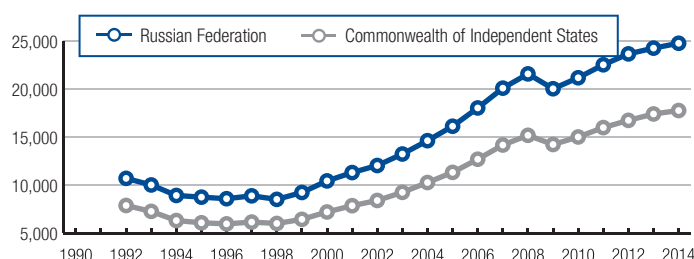
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Russian Federation

## Key indicators, 2014

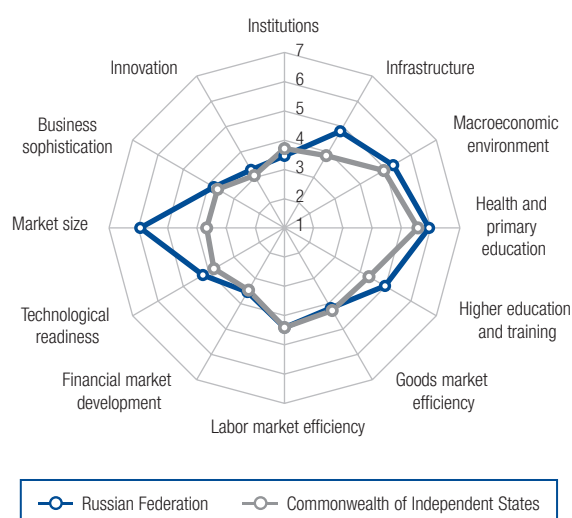
|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 143.7   |
| GDP (US\$ billions).....                   | 1,857.5 |
| GDP per capita (US\$).....                 | 12,926  |
| GDP (PPP) as share (%) of world total..... | 3.30    |

GDP (PPP) per capita (int'l \$), 1990–2014

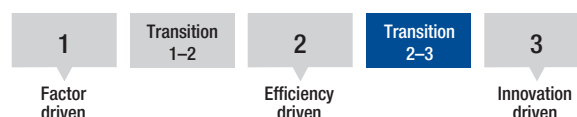


## Global Competitiveness Index

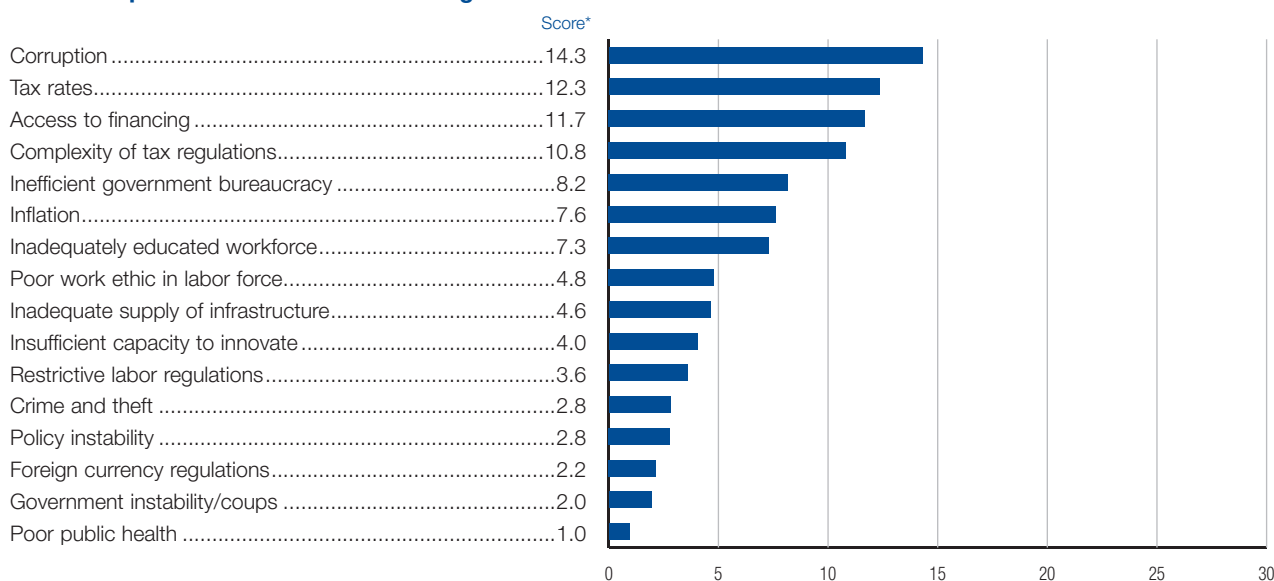
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>45</b>            | <b>4.4</b>     |
| GCI 2014–2015 (out of 144).....                            | 53                   | 4.4            |
| GCI 2013–2014 (out of 148).....                            | 64                   | 4.2            |
| GCI 2012–2013 (out of 144).....                            | 67                   | 4.2            |
| <b>Basic requirements (30.2%)</b> .....                    | <b>47</b>            | <b>4.9</b>     |
| 1st pillar: Institutions.....                              | 100                  | 3.5            |
| 2nd pillar: Infrastructure.....                            | 35                   | 4.8            |
| 3rd pillar: Macroeconomic environment.....                 | 40                   | 5.3            |
| 4th pillar: Health and primary education.....              | 56                   | 5.9            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>40</b>            | <b>4.5</b>     |
| 5th pillar: Higher education and training.....             | 38                   | 5.0            |
| 6th pillar: Goods market efficiency.....                   | 92                   | 4.2            |
| 7th pillar: Labor market efficiency.....                   | 50                   | 4.4            |
| 8th pillar: Financial market development.....              | 95                   | 3.5            |
| 9th pillar: Technological readiness.....                   | 60                   | 4.2            |
| 10th pillar: Market size.....                              | 6                    | 5.9            |
| <b>Innovation and sophistication factors (19.8%)</b> ..... | <b>76</b>            | <b>3.5</b>     |
| 11th pillar: Business sophistication.....                  | 80                   | 3.8            |
| 12th pillar: Innovation.....                               | 68                   | 3.3            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Russian Federation

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE         | RANK/140 |
|---------------------------------------------------------------|---------------|----------|
| <b>1st pillar: Institutions</b>                               |               |          |
| 1.01 Property rights .....                                    | 3.3 .....     | 122      |
| 1.02 Intellectual property protection .....                   | 3.0 .....     | 124      |
| 1.03 Diversion of public funds .....                          | 2.7 .....     | 110      |
| 1.04 Public trust in politicians .....                        | 3.0 .....     | 70       |
| 1.05 Irregular payments and bribes .....                      | 3.4 .....     | 98       |
| 1.06 Judicial independence .....                              | 2.9 .....     | 108      |
| 1.07 Favoritism in decisions of government officials .....    | 2.8 .....     | 90       |
| 1.08 Wastefulness of government spending .....                | 2.8 .....     | 89       |
| 1.09 Burden of government regulation .....                    | 2.9 .....     | 116      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.2 .....     | 102      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.9 .....     | 109      |
| 1.12 Transparency of government policymaking .....            | 4.0 .....     | 77       |
| 1.13 Business costs of terrorism .....                        | 4.6 .....     | 102      |
| 1.14 Business costs of crime and violence .....               | 4.5 .....     | 76       |
| 1.15 Organized crime .....                                    | 4.2 .....     | 102      |
| 1.16 Reliability of police services .....                     | 3.2 .....     | 113      |
| 1.17 Ethical behavior of firms .....                          | 3.9 .....     | 66       |
| 1.18 Strength of auditing and reporting standards .....       | 4.1 .....     | 102      |
| 1.19 Efficacy of corporate boards .....                       | 4.6 .....     | 78       |
| 1.20 Protection of minority shareholders' interests .....     | 3.5 .....     | 116      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.1 .....     | 88       |
| <b>2nd pillar: Infrastructure</b>                             |               |          |
| 2.01 Quality of overall infrastructure .....                  | 4.1 .....     | 64       |
| 2.02 Quality of roads .....                                   | 2.7 .....     | 123      |
| 2.03 Quality of railroad infrastructure .....                 | 4.3 .....     | 24       |
| 2.04 Quality of port infrastructure .....                     | 3.9 .....     | 75       |
| 2.05 Quality of air transport infrastructure .....            | 4.1 .....     | 77       |
| 2.06 Available airline seat km/week, millions* .....          | 3,650.1 ..... | 12       |
| 2.07 Quality of electricity supply .....                      | 4.8 .....     | 67       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 155.1 .....   | 18       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 27.7 .....    | 38       |
| <b>3rd pillar: Macroeconomic environment</b>                  |               |          |
| 3.01 Government budget balance, % GDP* .....                  | –1.2 .....    | 35       |
| 3.02 Gross national savings, % GDP* .....                     | 23.0 .....    | 52       |
| 3.03 Inflation, annual % change* .....                        | 7.8 .....     | 123      |
| 3.04 General government debt, % GDP* .....                    | 17.9 .....    | 15       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 59.8 .....    | 49       |
| <b>4th pillar: Health and primary education</b>               |               |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L. ....     | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. ....   | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 89.0 .....    | 87       |
| 4.04 Business impact of tuberculosis .....                    | 5.5 .....     | 74       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.1 .....     | 108      |
| 4.06 Business impact of HIV/AIDS .....                        | 5.8 .....     | 60       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 8.6 .....     | 53       |
| 4.08 Life expectancy, years* .....                            | 71.1 .....    | 89       |
| 4.09 Quality of primary education .....                       | 4.2 .....     | 56       |
| 4.10 Primary education enrollment, net %* .....               | 96.1 .....    | 51       |
| <b>5th pillar: Higher education and training</b>              |               |          |
| 5.01 Secondary education enrollment, gross %* .....           | 95.3 .....    | 56       |
| 5.02 Tertiary education enrollment, gross %* .....            | 76.1 .....    | 18       |
| 5.03 Quality of the education system .....                    | 3.5 .....     | 82       |
| 5.04 Quality of math and science education .....              | 4.3 .....     | 58       |
| 5.05 Quality of management schools .....                      | 3.7 .....     | 100      |
| 5.06 Internet access in schools .....                         | 5.1 .....     | 36       |
| 5.07 Availability of specialized training services .....      | 4.3 .....     | 56       |
| 5.08 Extent of staff training .....                           | 3.8 .....     | 83       |
| <b>6th pillar: Goods market efficiency</b>                    |               |          |
| 6.01 Intensity of local competition .....                     | 5.0 .....     | 77       |
| 6.02 Extent of market dominance .....                         | 3.7 .....     | 69       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.7 .....     | 83       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.1 .....     | 111      |
| 6.05 Total tax rate, % profits* .....                         | 48.9 .....    | 109      |

| INDICATOR                                                   | VALUE         | RANK/140 |
|-------------------------------------------------------------|---------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |               |          |
| 6.06 No. procedures to start a business* .....              | 4 .....       | 37       |
| 6.07 No. days to start a business* .....                    | 11.2 .....    | 65       |
| 6.08 Agricultural policy costs .....                        | 3.1 .....     | 123      |
| 6.09 Prevalence of non-tariff barriers .....                | 4.0 .....     | 108      |
| 6.10 Trade tariffs, % duty* .....                           | 5.7 .....     | 76       |
| 6.11 Prevalence of foreign ownership .....                  | 3.4 .....     | 123      |
| 6.12 Business impact of rules on FDI .....                  | 3.7 .....     | 116      |
| 6.13 Burden of customs procedures .....                     | 3.6 .....     | 88       |
| 6.14 Imports as a percentage of GDP* .....                  | 23.0 .....    | 130      |
| 6.15 Degree of customer orientation .....                   | 4.4 .....     | 84       |
| 6.16 Buyer sophistication .....                             | 3.7 .....     | 38       |
| <b>7th pillar: Labor market efficiency</b>                  |               |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.1 .....     | 95       |
| 7.02 Flexibility of wage determination .....                | 5.6 .....     | 27       |
| 7.03 Hiring and firing practices .....                      | 4.2 .....     | 42       |
| 7.04 Redundancy costs, weeks of salary* .....               | 17.4 .....    | 80       |
| 7.05 Effect of taxation on incentives to work .....         | 3.0 .....     | 120      |
| 7.06 Pay and productivity .....                             | 4.6 .....     | 25       |
| 7.07 Reliance on professional management .....              | 4.0 .....     | 85       |
| 7.08 Country capacity to retain talent .....                | 2.9 .....     | 99       |
| 7.09 Country capacity to attract talent .....               | 3.1 .....     | 89       |
| 7.10 Women in labor force, ratio to men* .....              | 0.87 .....    | 42       |
| <b>8th pillar: Financial market development</b>             |               |          |
| 8.01 Availability of financial services .....               | 4.4 .....     | 69       |
| 8.02 Affordability of financial services .....              | 4.1 .....     | 67       |
| 8.03 Financing through local equity market .....            | 3.1 .....     | 88       |
| 8.04 Ease of access to loans .....                          | 3.0 .....     | 57       |
| 8.05 Venture capital availability .....                     | 2.7 .....     | 66       |
| 8.06 Soundness of banks .....                               | 4.0 .....     | 115      |
| 8.07 Regulation of securities exchanges .....               | 3.7 .....     | 97       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 4 .....       | 80       |
| <b>9th pillar: Technological readiness</b>                  |               |          |
| 9.01 Availability of latest technologies .....              | 4.2 .....     | 100      |
| 9.02 Firm-level technology absorption .....                 | 4.2 .....     | 98       |
| 9.03 FDI and technology transfer .....                      | 3.8 .....     | 115      |
| 9.04 Individuals using Internet, %* .....                   | 70.5 .....    | 40       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 17.5 .....    | 48       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 29.9 .....    | 72       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 65.9 .....    | 37       |
| <b>10th pillar: Market size</b>                             |               |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.8 .....     | 7        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 6.2 .....     | 5        |
| 10.03 GDP (PPP\$ billions)* .....                           | 3,564.5 ..... | 6        |
| 10.04 Exports as a percentage of GDP* .....                 | 30.3 .....    | 97       |
| <b>11th pillar: Business sophistication</b>                 |               |          |
| 11.01 Local supplier quantity .....                         | 4.4 .....     | 81       |
| 11.02 Local supplier quality .....                          | 4.1 .....     | 81       |
| 11.03 State of cluster development .....                    | 3.1 .....     | 110      |
| 11.04 Nature of competitive advantage .....                 | 3.4 .....     | 74       |
| 11.05 Value chain breadth .....                             | 3.5 .....     | 94       |
| 11.06 Control of international distribution .....           | 4.0 .....     | 53       |
| 11.07 Production process sophistication .....               | 3.5 .....     | 93       |
| 11.08 Extent of marketing .....                             | 4.3 .....     | 74       |
| 11.09 Willingness to delegate authority .....               | 3.6 .....     | 79       |
| <b>12th pillar: Innovation</b>                              |               |          |
| 12.01 Capacity for innovation .....                         | 3.8 .....     | 84       |
| 12.02 Quality of scientific research institutions .....     | 4.0 .....     | 58       |
| 12.03 Company spending on R&D .....                         | 3.2 .....     | 75       |
| 12.04 University-industry collaboration in R&D .....        | 3.6 .....     | 67       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.3 .....     | 67       |
| 12.06 Availability of scientists and engineers .....        | 4.1 .....     | 64       |
| 12.07 PCT patents, applications/million pop.* .....         | 7.7 .....     | 41       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

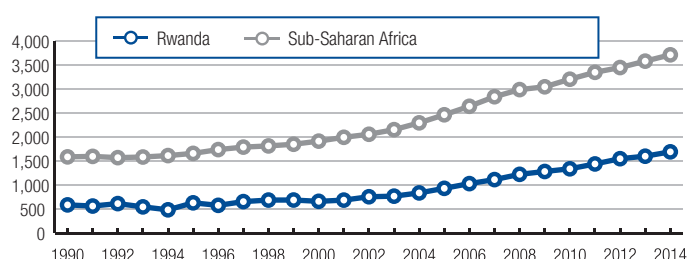


# Rwanda

## Key indicators, 2014

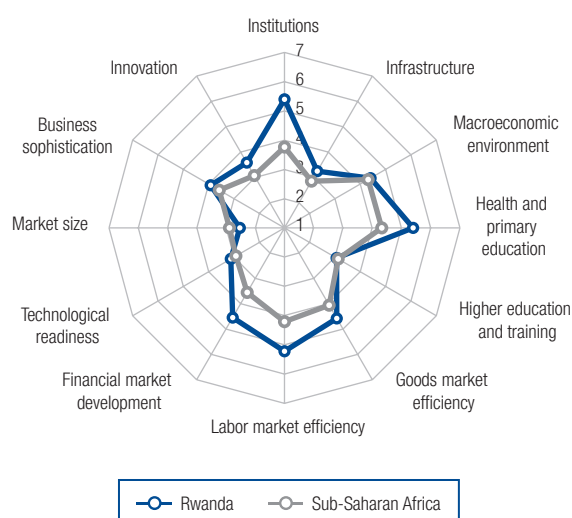
|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 11.1 |
| GDP (US\$ billions).....                   | 8.0  |
| GDP per capita (US\$).....                 | 722  |
| GDP (PPP) as share (%) of world total..... | 0.02 |

GDP (PPP) per capita (int'l \$), 1990–2014

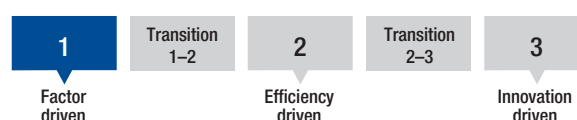


## Global Competitiveness Index

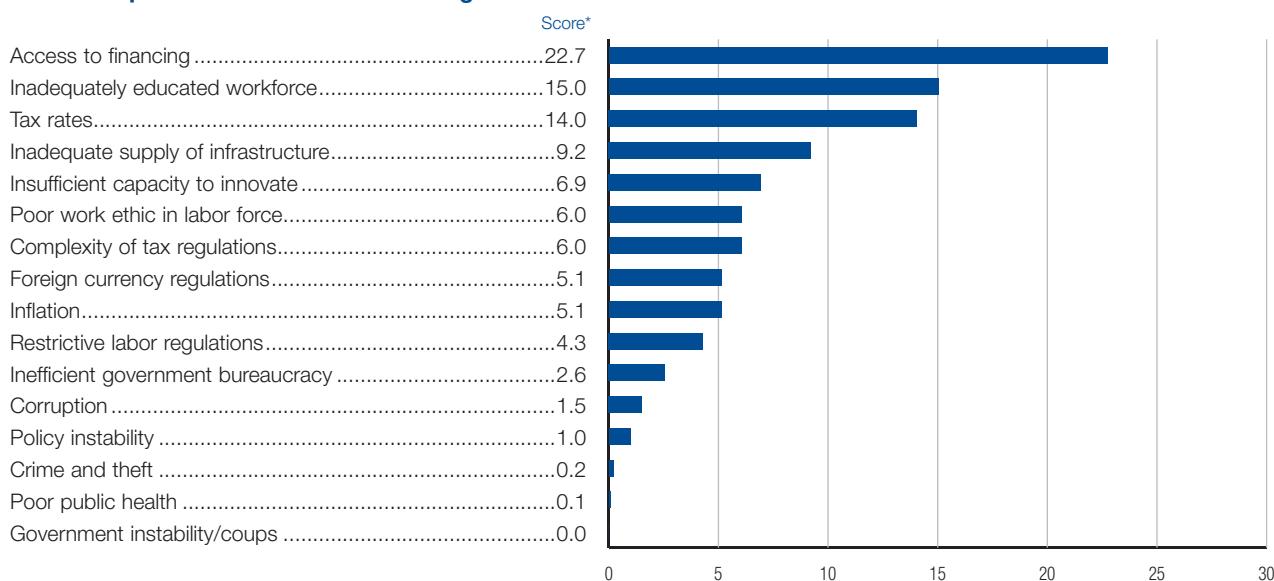
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>58</b>            | <b>4.3</b>     |
| GCI 2014–2015 (out of 144).....                           | 62                   | 4.3            |
| GCI 2013–2014 (out of 148).....                           | 66                   | 4.2            |
| GCI 2012–2013 (out of 144).....                           | 63                   | 4.2            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>65</b>            | <b>4.6</b>     |
| 1st pillar: Institutions.....                             | 17                   | 5.4            |
| 2nd pillar: Infrastructure.....                           | 97                   | 3.2            |
| 3rd pillar: Macroeconomic environment.....                | 92                   | 4.4            |
| 4th pillar: Health and primary education.....             | 88                   | 5.4            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>85</b>            | <b>3.8</b>     |
| 5th pillar: Higher education and training.....            | 120                  | 3.1            |
| 6th pillar: Goods market efficiency.....                  | 44                   | 4.6            |
| 7th pillar: Labor market efficiency.....                  | 8                    | 5.2            |
| 8th pillar: Financial market development.....             | 28                   | 4.5            |
| 9th pillar: Technological readiness.....                  | 103                  | 3.1            |
| 10th pillar: Market size.....                             | 126                  | 2.5            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>55</b>            | <b>3.7</b>     |
| 11th pillar: Business sophistication.....                 | 69                   | 3.9            |
| 12th pillar: Innovation.....                              | 46                   | 3.6            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Rwanda

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 5.6     | 20       |
| 1.02 Intellectual property protection .....                   | 5.1     | 28       |
| 1.03 Diversion of public funds .....                          | 5.4     | 18       |
| 1.04 Public trust in politicians .....                        | 5.5     | 8        |
| 1.05 Irregular payments and bribes .....                      | 5.7     | 24       |
| 1.06 Judicial independence .....                              | 5.2     | 26       |
| 1.07 Favoritism in decisions of government officials .....    | 5.0     | 10       |
| 1.08 Wastefulness of government spending .....                | 5.7     | 4        |
| 1.09 Burden of government regulation .....                    | 5.2     | 4        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.4     | 12       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.0     | 18       |
| 1.12 Transparency of government policymaking .....            | 5.6     | 9        |
| 1.13 Business costs of terrorism .....                        | 6.2     | 17       |
| 1.14 Business costs of crime and violence .....               | 6.3     | 4        |
| 1.15 Organized crime .....                                    | 6.5     | 6        |
| 1.16 Reliability of police services .....                     | 5.8     | 21       |
| 1.17 Ethical behavior of firms .....                          | 5.2     | 22       |
| 1.18 Strength of auditing and reporting standards .....       | 5.1     | 43       |
| 1.19 Efficacy of corporate boards .....                       | 5.2     | 37       |
| 1.20 Protection of minority shareholders' interests .....     | 4.9     | 25       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.7     | 100      |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 4.5     | 52       |
| 2.02 Quality of roads .....                                   | 4.9     | 37       |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. | n/a      |
| 2.04 Quality of port infrastructure .....                     | 3.3     | 100      |
| 2.05 Quality of air transport infrastructure .....            | 4.5     | 64       |
| 2.06 Available airline seat km/week, millions* .....          | 19.1    | 123      |
| 2.07 Quality of electricity supply .....                      | 4.0     | 88       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 64.0    | 132      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.4     | 129      |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.6    | 82       |
| 3.02 Gross national savings, % GDP* .....                     | 13.2    | 111      |
| 3.03 Inflation, annual % change* .....                        | 1.8     | 1        |
| 3.04 General government debt, % GDP* .....                    | 28.0    | 29       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 23.3    | 119      |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 5,673.0 | 50       |
| 4.02 Business impact of malaria .....                         | 4.8     | 38       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 69.0    | 80       |
| 4.04 Business impact of tuberculosis .....                    | 5.3     | 83       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 2.9     | 125      |
| 4.06 Business impact of HIV/AIDS .....                        | 4.7     | 96       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 37.1    | 109      |
| 4.08 Life expectancy, years* .....                            | 64.0    | 112      |
| 4.09 Quality of primary education .....                       | 4.1     | 64       |
| 4.10 Primary education enrollment, net %* .....               | 93.4    | 75       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 32.6    | 135      |
| 5.02 Tertiary education enrollment, gross %* .....            | 6.9     | 122      |
| 5.03 Quality of the education system .....                    | 4.2     | 45       |
| 5.04 Quality of math and science education .....              | 4.3     | 59       |
| 5.05 Quality of management schools .....                      | 4.1     | 74       |
| 5.06 Internet access in schools .....                         | 4.4     | 66       |
| 5.07 Availability of specialized training services .....      | 3.8     | 93       |
| 5.08 Extent of staff training .....                           | 4.1     | 57       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.0     | 70       |
| 6.02 Extent of market dominance .....                         | 4.1     | 37       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.6     | 26       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.1     | 27       |
| 6.05 Total tax rate, % profits* .....                         | 33.5    | 56       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 8     | 93       |
| 6.07 No. days to start a business* .....                 | 6.5   | 36       |
| 6.08 Agricultural policy costs .....                     | 4.9   | 9        |
| 6.09 Prevalence of non-tariff barriers .....             | 4.3   | 74       |
| 6.10 Trade tariffs, % duty* .....                        | 9.4   | 99       |
| 6.11 Prevalence of foreign ownership .....               | 4.3   | 82       |
| 6.12 Business impact of rules on FDI .....               | 5.8   | 6        |
| 6.13 Burden of customs procedures .....                  | 5.3   | 16       |
| 6.14 Imports as a percentage of GDP* .....               | 37.9  | 92       |
| 6.15 Degree of customer orientation .....                | 4.5   | 71       |
| 6.16 Buyer sophistication .....                          | 3.3   | 79       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 5.1   | 23       |
| 7.02 Flexibility of wage determination .....             | 5.4   | 36       |
| 7.03 Hiring and firing practices .....                   | 4.5   | 20       |
| 7.04 Redundancy costs, weeks of salary* .....            | 13.0  | 51       |
| 7.05 Effect of taxation on incentives to work .....      | 4.9   | 14       |
| 7.06 Pay and productivity .....                          | 4.2   | 60       |
| 7.07 Reliance on professional management .....           | 4.7   | 35       |
| 7.08 Country capacity to retain talent .....             | 4.5   | 23       |
| 7.09 Country capacity to attract talent .....            | 4.8   | 15       |
| 7.10 Women in labor force, ratio to men* .....           | 1.02  | 3        |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.4   | 67       |
| 8.02 Affordability of financial services .....           | 4.3   | 54       |
| 8.03 Financing through local equity market .....         | 3.5   | 72       |
| 8.04 Ease of access to loans .....                       | 3.2   | 42       |
| 8.05 Venture capital availability .....                  | 3.4   | 30       |
| 8.06 Soundness of banks .....                            | 4.7   | 75       |
| 8.07 Regulation of securities exchanges .....            | 4.7   | 46       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 11    | 4        |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 5.2   | 45       |
| 9.02 Firm-level technology absorption .....              | 5.0   | 47       |
| 9.03 FDI and technology transfer .....                   | 4.9   | 31       |
| 9.04 Individuals using Internet, %* .....                | 10.6  | 124      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.1   | 127      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 8.5   | 102      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 11.1  | 112      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.4   | 124      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 2.9   | 132      |
| 10.03 GDP (PPP\$ billions)* .....                        | 18.8  | 122      |
| 10.04 Exports as a percentage of GDP* .....              | 15.8  | 133      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.2   | 93       |
| 11.02 Local supplier quality .....                       | 4.2   | 76       |
| 11.03 State of cluster development .....                 | 4.0   | 43       |
| 11.04 Nature of competitive advantage .....              | 3.8   | 50       |
| 11.05 Value chain breadth .....                          | 3.8   | 65       |
| 11.06 Control of international distribution .....        | 3.6   | 89       |
| 11.07 Production process sophistication .....            | 3.5   | 95       |
| 11.08 Extent of marketing .....                          | 4.0   | 96       |
| 11.09 Willingness to delegate authority .....            | 3.8   | 63       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.0   | 62       |
| 12.02 Quality of scientific research institutions .....  | 3.8   | 68       |
| 12.03 Company spending on R&D .....                      | 3.3   | 65       |
| 12.04 University-industry collaboration in R&D .....     | 3.7   | 64       |
| 12.05 Gov't procurement of advanced tech products .....  | 4.6   | 6        |
| 12.06 Availability of scientists and engineers .....     | 4.0   | 71       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119      |

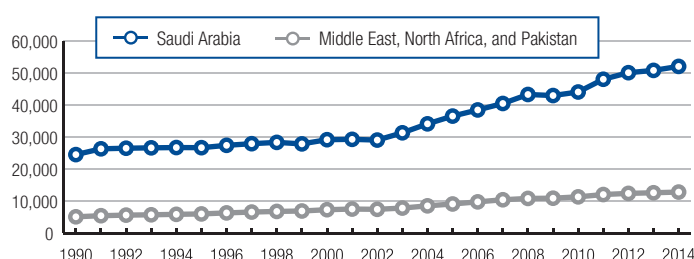
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Saudi Arabia

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 30.8   |
| GDP (US\$ billions).....                   | 752.5  |
| GDP per capita (US\$).....                 | 24,454 |
| GDP (PPP) as share (%) of world total..... | 1.49   |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>25</b>            | <b>5.1</b>     |
| GCI 2014–2015 (out of 144)..... | 24                   | 5.1            |
| GCI 2013–2014 (out of 148)..... | 20                   | 5.1            |
| GCI 2012–2013 (out of 144)..... | 18                   | 5.2            |

### Basic requirements (41.9%).....17.....5.7

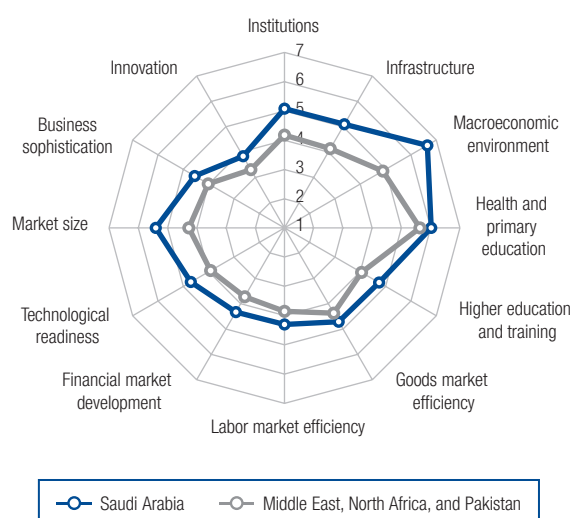
|                                               |    |     |
|-----------------------------------------------|----|-----|
| 1st pillar: Institutions.....                 | 24 | 5.1 |
| 2nd pillar: Infrastructure.....               | 30 | 5.1 |
| 3rd pillar: Macroeconomic environment.....    | 4  | 6.6 |
| 4th pillar: Health and primary education..... | 49 | 6.0 |

### Efficiency enhancers (48.5%).....30.....4.7

|                                                |    |     |
|------------------------------------------------|----|-----|
| 5th pillar: Higher education and training..... | 49 | 4.7 |
| 6th pillar: Goods market efficiency.....       | 29 | 4.7 |
| 7th pillar: Labor market efficiency.....       | 60 | 4.3 |
| 8th pillar: Financial market development.....  | 41 | 4.3 |
| 9th pillar: Technological readiness.....       | 42 | 4.7 |
| 10th pillar: Market size.....                  | 17 | 5.4 |

### Innovation and sophistication factors (9.5%).....29.....4.2

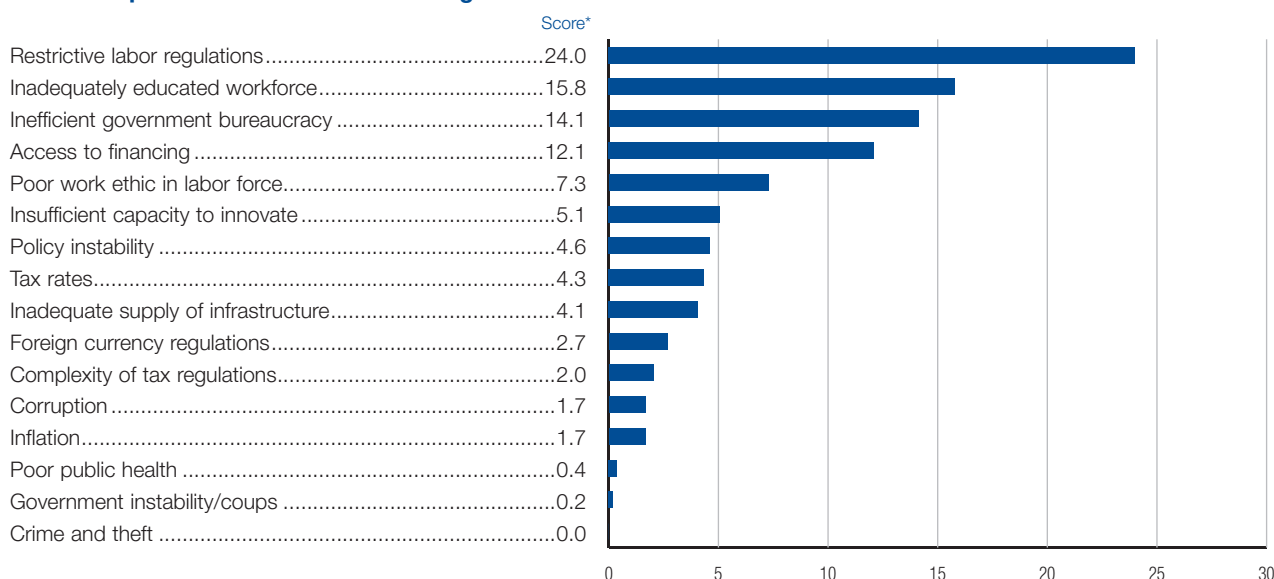
|                                           |    |     |
|-------------------------------------------|----|-----|
| 11th pillar: Business sophistication..... | 29 | 4.5 |
| 12th pillar: Innovation.....              | 34 | 3.8 |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Saudi Arabia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 5.3     | 30       |
| 1.02 Intellectual property protection .....                   | 5.0     | 30       |
| 1.03 Diversion of public funds .....                          | 5.2     | 21       |
| 1.04 Public trust in politicians .....                        | 5.2     | 12       |
| 1.05 Irregular payments and bribes .....                      | 5.6     | 25       |
| 1.06 Judicial independence .....                              | 5.3     | 25       |
| 1.07 Favoritism in decisions of government officials .....    | 4.4     | 19       |
| 1.08 Wastefulness of government spending .....                | 4.7     | 12       |
| 1.09 Burden of government regulation .....                    | 3.8     | 39       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.7     | 27       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.4     | 26       |
| 1.12 Transparency of government policymaking .....            | 4.5     | 37       |
| 1.13 Business costs of terrorism .....                        | 5.6     | 54       |
| 1.14 Business costs of crime and violence .....               | 5.8     | 14       |
| 1.15 Organized crime .....                                    | 6.3     | 10       |
| 1.16 Reliability of police services .....                     | 5.2     | 34       |
| 1.17 Ethical behavior of firms .....                          | 5.0     | 25       |
| 1.18 Strength of auditing and reporting standards .....       | 5.4     | 29       |
| 1.19 Efficacy of corporate boards .....                       | 4.9     | 55       |
| 1.20 Protection of minority shareholders' interests .....     | 5.0     | 21       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8     | 55       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 4.9     | 31       |
| 2.02 Quality of roads .....                                   | 5.0     | 32       |
| 2.03 Quality of railroad infrastructure .....                 | 3.0     | 56       |
| 2.04 Quality of port infrastructure .....                     | 4.8     | 39       |
| 2.05 Quality of air transport infrastructure .....            | 5.0     | 43       |
| 2.06 Available airline seat km/week, millions* .....          | 1,552.9 | 24       |
| 2.07 Quality of electricity supply .....                      | 6.2     | 23       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 179.6   | 4        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 13.4    | 76       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | −0.5    | 26       |
| 3.02 Gross national savings, % GDP* .....                     | 40.8    | 6        |
| 3.03 Inflation, annual % change* .....                        | 2.7     | 1        |
| 3.04 General government debt, % GDP* .....                    | 1.6     | 1        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 76.0    | 29       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.4     | 13       |
| 4.02 Business impact of malaria .....                         | 5.7     | 16       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 14.0    | 34       |
| 4.04 Business impact of tuberculosis .....                    | 5.7     | 69       |
| 4.05 HIV prevalence, % adult pop.* .....                      | <0.2    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.6     | 71       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 13.4    | 72       |
| 4.08 Life expectancy, years* .....                            | 75.7    | 52       |
| 4.09 Quality of primary education .....                       | 4.0     | 72       |
| 4.10 Primary education enrollment, net %* .....               | 97.4    | 35       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 116.2   | 7        |
| 5.02 Tertiary education enrollment, gross %* .....            | 57.5    | 44       |
| 5.03 Quality of the education system .....                    | 4.1     | 47       |
| 5.04 Quality of math and science education .....              | 4.1     | 69       |
| 5.05 Quality of management schools .....                      | 4.3     | 62       |
| 5.06 Internet access in schools .....                         | 4.4     | 63       |
| 5.07 Availability of specialized training services .....      | 4.1     | 74       |
| 5.08 Extent of staff training .....                           | 4.1     | 53       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.4     | 40       |
| 6.02 Extent of market dominance .....                         | 4.4     | 23       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.5     | 27       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.9     | 12       |
| 6.05 Total tax rate, % profits* .....                         | 14.5    | 6        |

| INDICATOR                                                   | VALUE   | RANK/140 |
|-------------------------------------------------------------|---------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |          |
| 6.06 No. procedures to start a business* .....              | 9       | 104      |
| 6.07 No. days to start a business* .....                    | 20.5    | 100      |
| 6.08 Agricultural policy costs .....                        | 4.6     | 17       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.5     | 51       |
| 6.10 Trade tariffs, % duty* .....                           | 4.2     | 61       |
| 6.11 Prevalence of foreign ownership .....                  | 3.9     | 107      |
| 6.12 Business impact of rules on FDI .....                  | 3.9     | 107      |
| 6.13 Burden of customs procedures .....                     | 4.4     | 47       |
| 6.14 Imports as a percentage of GDP* .....                  | 29.5    | 118      |
| 6.15 Degree of customer orientation .....                   | 4.6     | 66       |
| 6.16 Buyer sophistication .....                             | 3.8     | 36       |
| <b>7th pillar: Labor market efficiency</b>                  |         |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.8     | 36       |
| 7.02 Flexibility of wage determination .....                | 5.7     | 20       |
| 7.03 Hiring and firing practices .....                      | 4.4     | 32       |
| 7.04 Redundancy costs, weeks of salary* .....               | 19.5    | 88       |
| 7.05 Effect of taxation on incentives to work .....         | 4.9     | 11       |
| 7.06 Pay and productivity .....                             | 4.5     | 29       |
| 7.07 Reliance on professional management .....              | 4.7     | 41       |
| 7.08 Country capacity to retain talent .....                | 4.6     | 21       |
| 7.09 Country capacity to attract talent .....               | 4.7     | 18       |
| 7.10 Women in labor force, ratio to men* .....              | 0.27    | 137      |
| <b>8th pillar: Financial market development</b>             |         |          |
| 8.01 Availability of financial services .....               | 4.9     | 47       |
| 8.02 Affordability of financial services .....              | 5.1     | 29       |
| 8.03 Financing through local equity market .....            | 4.5     | 25       |
| 8.04 Ease of access to loans .....                          | 3.6     | 27       |
| 8.05 Venture capital availability .....                     | 3.5     | 27       |
| 8.06 Soundness of banks .....                               | 6.0     | 18       |
| 8.07 Regulation of securities exchanges .....               | 5.0     | 30       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 2       | 106      |
| <b>9th pillar: Technological readiness</b>                  |         |          |
| 9.01 Availability of latest technologies .....              | 5.4     | 39       |
| 9.02 Firm-level technology absorption .....                 | 5.4     | 30       |
| 9.03 FDI and technology transfer .....                      | 5.1     | 18       |
| 9.04 Individuals using Internet, %* .....                   | 63.7    | 50       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 10.4    | 66       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 30.5    | 71       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 99.0    | 15       |
| <b>10th pillar: Market size</b>                             |         |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.2     | 17       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 6.0     | 11       |
| 10.03 GDP (PPP\$ billions)* .....                           | 1,605.7 | 14       |
| 10.04 Exports as a percentage of GDP* .....                 | 48.6    | 44       |
| <b>11th pillar: Business sophistication</b>                 |         |          |
| 11.01 Local supplier quantity .....                         | 5.0     | 24       |
| 11.02 Local supplier quality .....                          | 4.5     | 54       |
| 11.03 State of cluster development .....                    | 4.6     | 21       |
| 11.04 Nature of competitive advantage .....                 | 4.1     | 38       |
| 11.05 Value chain breadth .....                             | 4.4     | 27       |
| 11.06 Control of international distribution .....           | 4.6     | 19       |
| 11.07 Production process sophistication .....               | 4.7     | 31       |
| 11.08 Extent of marketing .....                             | 4.6     | 43       |
| 11.09 Willingness to delegate authority .....               | 4.4     | 29       |
| <b>12th pillar: Innovation</b>                              |         |          |
| 12.01 Capacity for innovation .....                         | 4.1     | 57       |
| 12.02 Quality of scientific research institutions .....     | 4.1     | 49       |
| 12.03 Company spending on R&D .....                         | 3.7     | 38       |
| 12.04 University-industry collaboration in R&D .....        | 4.2     | 38       |
| 12.05 Gov't procurement of advanced tech products .....     | 4.5     | 7        |
| 12.06 Availability of scientists and engineers .....        | 4.5     | 38       |
| 12.07 PCT patents, applications/million pop.* .....         | 7.0     | 44       |

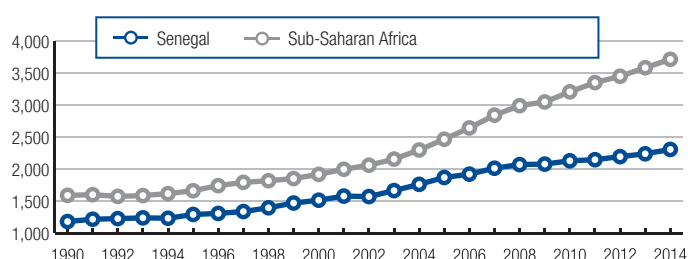
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Senegal

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 14.5  |
| GDP (US\$ billions).....                   | 15.6  |
| GDP per capita (US\$).....                 | 1,072 |
| GDP (PPP) as share (%) of world total..... | 0.03  |

GDP (PPP) per capita (int'l \$), 1990–2014



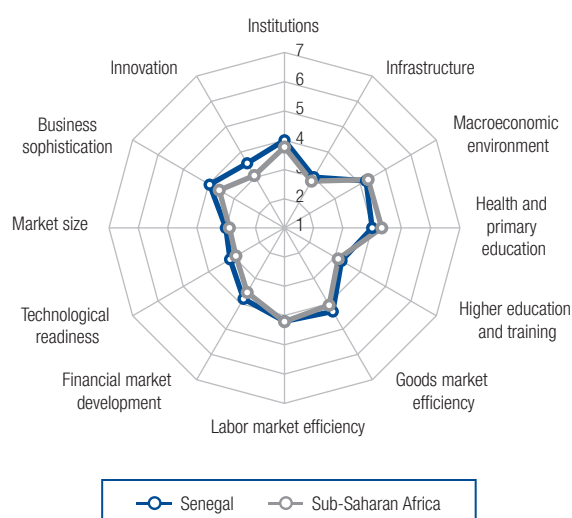
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>110</b>           | <b>3.7</b>     |
| GCI 2014–2015 (out of 144)..... | 112                  | 3.7            |
| GCI 2013–2014 (out of 148)..... | 113                  | 3.7            |
| GCI 2012–2013 (out of 144)..... | 117                  | 3.7            |

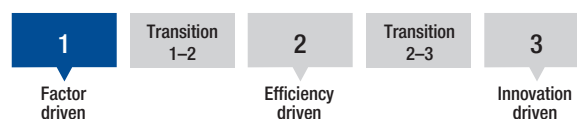
|                                               |            |            |
|-----------------------------------------------|------------|------------|
| <b>Basic requirements (60.0%)</b> .....       | <b>114</b> | <b>3.8</b> |
| 1st pillar: Institutions.....                 | 63         | 4.0        |
| 2nd pillar: Infrastructure.....               | 109        | 3.0        |
| 3rd pillar: Macroeconomic environment.....    | 103        | 4.2        |
| 4th pillar: Health and primary education..... | 128        | 4.0        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (35.0%)</b> .....      | <b>103</b> | <b>3.6</b> |
| 5th pillar: Higher education and training..... | 110        | 3.3        |
| 6th pillar: Goods market efficiency.....       | 69         | 4.3        |
| 7th pillar: Labor market efficiency.....       | 72         | 4.2        |
| 8th pillar: Financial market development.....  | 75         | 3.8        |
| 9th pillar: Technological readiness.....       | 100        | 3.1        |
| 10th pillar: Market size.....                  | 103        | 3.0        |

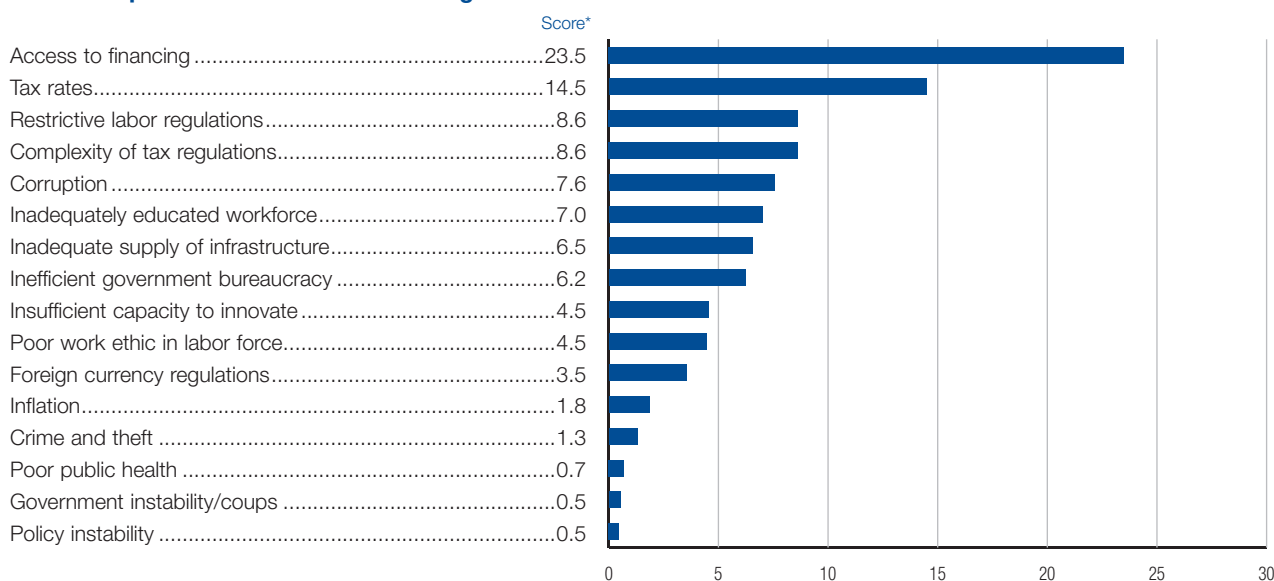
|                                                           |           |            |
|-----------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>54</b> | <b>3.8</b> |
| 11th pillar: Business sophistication.....                 | 65        | 4.0        |
| 12th pillar: Innovation.....                              | 47        | 3.5        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Senegal

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 4.2      | 74       |
| 1.02 Intellectual property protection .....                   | 3.9      | 68       |
| 1.03 Diversion of public funds .....                          | 3.5      | 62       |
| 1.04 Public trust in politicians .....                        | 3.2      | 57       |
| 1.05 Irregular payments and bribes .....                      | 3.6      | 91       |
| 1.06 Judicial independence .....                              | 3.8      | 74       |
| 1.07 Favoritism in decisions of government officials .....    | 3.4      | 52       |
| 1.08 Wastefulness of government spending .....                | 3.6      | 47       |
| 1.09 Burden of government regulation .....                    | 3.8      | 40       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.3      | 38       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.1      | 40       |
| 1.12 Transparency of government policymaking .....            | 4.2      | 59       |
| 1.13 Business costs of terrorism .....                        | 4.9      | 91       |
| 1.14 Business costs of crime and violence .....               | 4.7      | 64       |
| 1.15 Organized crime .....                                    | 4.8      | 73       |
| 1.16 Reliability of police services .....                     | 4.6      | 46       |
| 1.17 Ethical behavior of firms .....                          | 4.0      | 62       |
| 1.18 Strength of auditing and reporting standards .....       | 4.1      | 100      |
| 1.19 Efficacy of corporate boards .....                       | 4.6      | 76       |
| 1.20 Protection of minority shareholders' interests .....     | 4.1      | 72       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.6      | 105      |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 3.8      | 86       |
| 2.02 Quality of roads .....                                   | 3.7      | 78       |
| 2.03 Quality of railroad infrastructure .....                 | 2.3      | 81       |
| 2.04 Quality of port infrastructure .....                     | 4.1      | 64       |
| 2.05 Quality of air transport infrastructure .....            | 3.6      | 101      |
| 2.06 Available airline seat km/week, millions* .....          | 88.7     | 86       |
| 2.07 Quality of electricity supply .....                      | 3.1      | 107      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 98.8     | 98       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 2.1      | 115      |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | –5.1     | 109      |
| 3.02 Gross national savings, % GDP* .....                     | 17.4     | 92       |
| 3.03 Inflation, annual % change* .....                        | –0.5     | 82       |
| 3.04 General government debt, % GDP* .....                    | 50.7     | 85       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 32.4     | 94       |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 27,684.6 | 68       |
| 4.02 Business impact of malaria .....                         | 3.9      | 54       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 136.0    | 100      |
| 4.04 Business impact of tuberculosis .....                    | 4.6      | 98       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.5      | 86       |
| 4.06 Business impact of HIV/AIDS .....                        | 4.6      | 102      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 43.9     | 116      |
| 4.08 Life expectancy, years* .....                            | 63.4     | 115      |
| 4.09 Quality of primary education .....                       | 3.6      | 87       |
| 4.10 Primary education enrollment, net %* .....               | 73.4     | 132      |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 41.0     | 126      |
| 5.02 Tertiary education enrollment, gross %* .....            | 7.6      | 120      |
| 5.03 Quality of the education system .....                    | 3.8      | 63       |
| 5.04 Quality of math and science education .....              | 3.9      | 82       |
| 5.05 Quality of management schools .....                      | 4.7      | 38       |
| 5.06 Internet access in schools .....                         | 4.4      | 65       |
| 5.07 Availability of specialized training services .....      | 4.6      | 44       |
| 5.08 Extent of staff training .....                           | 3.9      | 77       |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 4.9      | 80       |
| 6.02 Extent of market dominance .....                         | 4.0      | 39       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.8      | 72       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.5      | 86       |
| 6.05 Total tax rate, % profits* .....                         | 45.1     | 99       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 4     | 22       |
| 6.07 No. days to start a business* .....                 | 6.0   | 28       |
| 6.08 Agricultural policy costs .....                     | 3.7   | 78       |
| 6.09 Prevalence of non-tariff barriers .....             | 3.7   | 122      |
| 6.10 Trade tariffs, % duty* .....                        | 10.4  | 111      |
| 6.11 Prevalence of foreign ownership .....               | 4.6   | 62       |
| 6.12 Business impact of rules on FDI .....               | 4.1   | 97       |
| 6.13 Burden of customs procedures .....                  | 4.1   | 60       |
| 6.14 Imports as a percentage of GDP* .....               | 54.5  | 53       |
| 6.15 Degree of customer orientation .....                | 4.7   | 63       |
| 6.16 Buyer sophistication .....                          | 3.1   | 95       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.4   | 64       |
| 7.02 Flexibility of wage determination .....             | 4.6   | 99       |
| 7.03 Hiring and firing practices .....                   | 3.8   | 66       |
| 7.04 Redundancy costs, weeks of salary* .....            | 14.8  | 63       |
| 7.05 Effect of taxation on incentives to work .....      | 4.0   | 50       |
| 7.06 Pay and productivity .....                          | 3.9   | 76       |
| 7.07 Reliance on professional management .....           | 4.2   | 72       |
| 7.08 Country capacity to retain talent .....             | 3.2   | 86       |
| 7.09 Country capacity to attract talent .....            | 3.5   | 64       |
| 7.10 Women in labor force, ratio to men* .....           | 0.75  | 90       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.7   | 115      |
| 8.02 Affordability of financial services .....           | 3.7   | 101      |
| 8.03 Financing through local equity market .....         | 3.7   | 61       |
| 8.04 Ease of access to loans .....                       | 2.9   | 62       |
| 8.05 Venture capital availability .....                  | 2.9   | 50       |
| 8.06 Soundness of banks .....                            | 4.6   | 81       |
| 8.07 Regulation of securities exchanges .....            | 3.9   | 86       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 6     | 44       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.6   | 77       |
| 9.02 Firm-level technology absorption .....              | 5.0   | 42       |
| 9.03 FDI and technology transfer .....                   | 4.1   | 94       |
| 9.04 Individuals using Internet, %* .....                | 17.7  | 109      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.7   | 110      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 8.3   | 103      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 23.7  | 96       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.8   | 99       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.5   | 115      |
| 10.03 GDP (PPP\$ billions)* .....                        | 33.6  | 106      |
| 10.04 Exports as a percentage of GDP* .....              | 26.0  | 108      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.5   | 75       |
| 11.02 Local supplier quality .....                       | 4.3   | 65       |
| 11.03 State of cluster development .....                 | 3.6   | 77       |
| 11.04 Nature of competitive advantage .....              | 3.6   | 61       |
| 11.05 Value chain breadth .....                          | 4.0   | 53       |
| 11.06 Control of international distribution .....        | 3.7   | 84       |
| 11.07 Production process sophistication .....            | 3.8   | 69       |
| 11.08 Extent of marketing .....                          | 4.5   | 52       |
| 11.09 Willingness to delegate authority .....            | 3.6   | 88       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.4   | 38       |
| 12.02 Quality of scientific research institutions .....  | 4.3   | 40       |
| 12.03 Company spending on R&D .....                      | 3.6   | 43       |
| 12.04 University-industry collaboration in R&D .....     | 3.6   | 65       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.8   | 35       |
| 12.06 Availability of scientists and engineers .....     | 4.0   | 72       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 105      |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

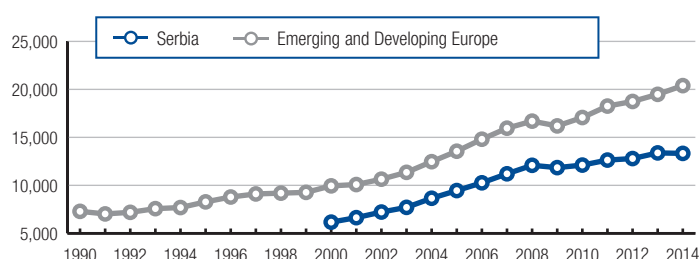


# Serbia

## Key indicators, 2014

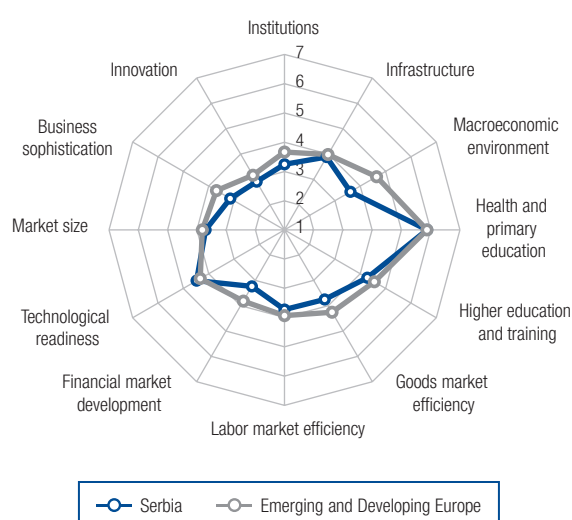
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 7.2   |
| GDP (US\$ billions).....                   | 43.9  |
| GDP per capita (US\$).....                 | 6,123 |
| GDP (PPP) as share (%) of world total..... | 0.09  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

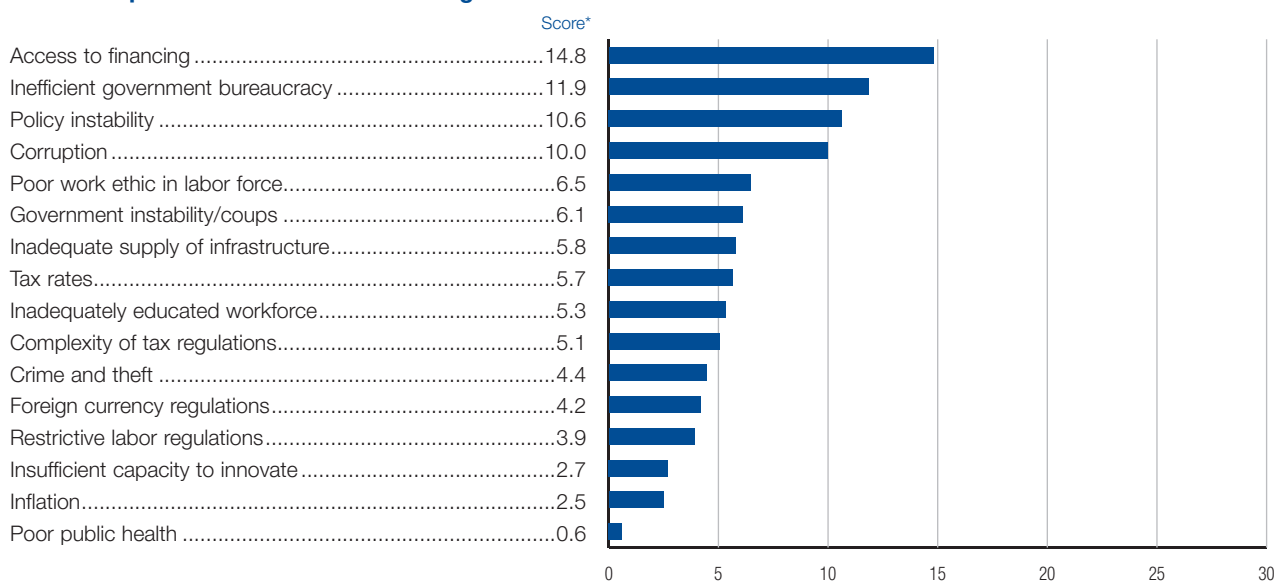
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>94</b>            | <b>3.9</b>     |
| GCI 2014–2015 (out of 144).....                            | 94                   | 3.9            |
| GCI 2013–2014 (out of 148).....                            | 101                  | 3.8            |
| GCI 2012–2013 (out of 144).....                            | 95                   | 3.9            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>96</b>            | <b>4.1</b>     |
| 1st pillar: Institutions.....                              | 120                  | 3.2            |
| 2nd pillar: Infrastructure.....                            | 75                   | 3.9            |
| 3rd pillar: Macroeconomic environment.....                 | 125                  | 3.6            |
| 4th pillar: Health and primary education.....              | 62                   | 5.9            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>83</b>            | <b>3.9</b>     |
| 5th pillar: Higher education and training.....             | 71                   | 4.3            |
| 6th pillar: Goods market efficiency.....                   | 127                  | 3.7            |
| 7th pillar: Labor market efficiency.....                   | 118                  | 3.7            |
| 8th pillar: Financial market development.....              | 120                  | 3.2            |
| 9th pillar: Technological readiness.....                   | 51                   | 4.5            |
| 10th pillar: Market size.....                              | 75                   | 3.7            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>125</b>           | <b>3.0</b>     |
| 11th pillar: Business sophistication.....                  | 132                  | 3.1            |
| 12th pillar: Innovation.....                               | 113                  | 2.9            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Serbia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140  |
|---------------------------------------------------------------|--------|-----------|
| <b>1st pillar: Institutions</b>                               |        |           |
| 1.01 Property rights .....                                    | 3.1    | 128       |
| 1.02 Intellectual property protection .....                   | 3.0    | 129       |
| 1.03 Diversion of public funds .....                          | 2.7    | 107       |
| 1.04 Public trust in politicians .....                        | 2.1    | 115       |
| 1.05 Irregular payments and bribes .....                      | 3.7    | 85        |
| 1.06 Judicial independence .....                              | 2.6    | 123       |
| 1.07 Favoritism in decisions of government officials .....    | 2.4    | 112       |
| 1.08 Wastefulness of government spending .....                | 2.2    | 129       |
| 1.09 Burden of government regulation .....                    | 2.2    | 136       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.7    | 125       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.6    | 127       |
| 1.12 Transparency of government policymaking .....            | 3.6    | 108       |
| 1.13 Business costs of terrorism .....                        | 5.4    | 71        |
| 1.14 Business costs of crime and violence .....               | 4.4    | 80        |
| 1.15 Organized crime .....                                    | 4.3    | 100       |
| 1.16 Reliability of police services .....                     | 3.8    | 87        |
| 1.17 Ethical behavior of firms .....                          | 3.4    | 115       |
| 1.18 Strength of auditing and reporting standards .....       | 4.0    | 107       |
| 1.19 Efficacy of corporate boards .....                       | 4.2    | 111       |
| 1.20 Protection of minority shareholders' interests .....     | 2.8    | 138       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.3    | <b>32</b> |
| <b>2nd pillar: Infrastructure</b>                             |        |           |
| 2.01 Quality of overall infrastructure .....                  | 3.1    | 113       |
| 2.02 Quality of roads .....                                   | 2.9    | 114       |
| 2.03 Quality of railroad infrastructure .....                 | 2.1    | 90        |
| 2.04 Quality of port infrastructure .....                     | 2.7    | 122       |
| 2.05 Quality of air transport infrastructure .....            | 3.7    | 99        |
| 2.06 Available airline seat km/week, millions* .....          | 73.4   | 90        |
| 2.07 Quality of electricity supply .....                      | 4.6    | 76        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 122.1  | 54        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 37.3   | <b>25</b> |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |           |
| 3.01 Government budget balance, % GDP* .....                  | –6.3   | 127       |
| 3.02 Gross national savings, % GDP* .....                     | 9.5    | 129       |
| 3.03 Inflation, annual % change* .....                        | 2.1    | <b>1</b>  |
| 3.04 General government debt, % GDP* .....                    | 72.4   | 111       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 38.9   | 79        |
| <b>4th pillar: Health and primary education</b>               |        |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.   | n/a       |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 18.0   | <b>39</b> |
| 4.04 Business impact of tuberculosis .....                    | 6.4    | <b>31</b> |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 6.5    | <b>15</b> |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 5.8    | <b>40</b> |
| 4.08 Life expectancy, years* .....                            | 75.1   | 57        |
| 4.09 Quality of primary education .....                       | 3.7    | 81        |
| 4.10 Primary education enrollment, net %* .....               | 94.8   | 66        |
| <b>5th pillar: Higher education and training</b>              |        |           |
| 5.01 Secondary education enrollment, gross %* .....           | 94.4   | 58        |
| 5.02 Tertiary education enrollment, gross %* .....            | 56.4   | <b>45</b> |
| 5.03 Quality of the education system .....                    | 3.1    | 110       |
| 5.04 Quality of math and science education .....              | 4.4    | <b>48</b> |
| 5.05 Quality of management schools .....                      | 3.4    | 116       |
| 5.06 Internet access in schools .....                         | 3.9    | 89        |
| 5.07 Availability of specialized training services .....      | 3.6    | 107       |
| 5.08 Extent of staff training .....                           | 3.0    | 135       |
| <b>6th pillar: Goods market efficiency</b>                    |        |           |
| 6.01 Intensity of local competition .....                     | 4.3    | 125       |
| 6.02 Extent of market dominance .....                         | 2.7    | 134       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.1    | 121       |
| 6.04 Effect of taxation on incentives to invest .....         | 2.9    | 124       |
| 6.05 Total tax rate, % profits* .....                         | 38.6   | 71        |

| INDICATOR                                                   | VALUE | RANK/140  |
|-------------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |           |
| 6.06 No. procedures to start a business* .....              | 6     | 57        |
| 6.07 No. days to start a business* .....                    | 12.0  | 68        |
| 6.08 Agricultural policy costs .....                        | 2.9   | 132       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.2   | 81        |
| 6.10 Trade tariffs, % duty* .....                           | 5.0   | 70        |
| 6.11 Prevalence of foreign ownership .....                  | 4.1   | 99        |
| 6.12 Business impact of rules on FDI .....                  | 3.6   | 121       |
| 6.13 Burden of customs procedures .....                     | 3.5   | 94        |
| 6.14 Imports as a percentage of GDP* .....                  | 56.9  | <b>50</b> |
| 6.15 Degree of customer orientation .....                   | 3.8   | 120       |
| 6.16 Buyer sophistication .....                             | 2.3   | 133       |
| <b>7th pillar: Labor market efficiency</b>                  |       |           |
| 7.01 Cooperation in labor-employer relations .....          | 3.4   | 136       |
| 7.02 Flexibility of wage determination .....                | 5.3   | <b>50</b> |
| 7.03 Hiring and firing practices .....                      | 3.3   | 111       |
| 7.04 Redundancy costs, weeks of salary* .....               | 7.7   | <b>17</b> |
| 7.05 Effect of taxation on incentives to work .....         | 2.8   | 129       |
| 7.06 Pay and productivity .....                             | 3.4   | 117       |
| 7.07 Reliance on professional management .....              | 3.2   | 131       |
| 7.08 Country capacity to retain talent .....                | 1.7   | 140       |
| 7.09 Country capacity to attract talent .....               | 1.6   | 139       |
| 7.10 Women in labor force, ratio to men* .....              | 0.77  | 81        |
| <b>8th pillar: Financial market development</b>             |       |           |
| 8.01 Availability of financial services .....               | 4.0   | 97        |
| 8.02 Affordability of financial services .....              | 3.7   | 111       |
| 8.03 Financing through local equity market .....            | 2.4   | 126       |
| 8.04 Ease of access to loans .....                          | 2.2   | 120       |
| 8.05 Venture capital availability .....                     | 1.9   | 130       |
| 8.06 Soundness of banks .....                               | 4.1   | 112       |
| 8.07 Regulation of securities exchanges .....               | 3.2   | 121       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 5     | 63        |
| <b>9th pillar: Technological readiness</b>                  |       |           |
| 9.01 Availability of latest technologies .....              | 4.0   | 107       |
| 9.02 Firm-level technology absorption .....                 | 3.8   | 127       |
| 9.03 FDI and technology transfer .....                      | 3.8   | 110       |
| 9.04 Individuals using Internet, %* .....                   | 53.5  | 65        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 15.6  | <b>50</b> |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 112.4 | <b>26</b> |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 61.1  | <b>41</b> |
| <b>10th pillar: Market size</b>                             |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 3.5   | 77        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.4   | 74        |
| 10.03 GDP (PPP\$ billions)* .....                           | 95.5  | 75        |
| 10.04 Exports as a percentage of GDP* .....                 | 45.3  | <b>50</b> |
| <b>11th pillar: Business sophistication</b>                 |       |           |
| 11.01 Local supplier quantity .....                         | 3.9   | 116       |
| 11.02 Local supplier quality .....                          | 3.8   | 100       |
| 11.03 State of cluster development .....                    | 3.1   | 112       |
| 11.04 Nature of competitive advantage .....                 | 2.2   | 138       |
| 11.05 Value chain breadth .....                             | 3.1   | 127       |
| 11.06 Control of international distribution .....           | 3.1   | 126       |
| 11.07 Production process sophistication .....               | 2.7   | 133       |
| 11.08 Extent of marketing .....                             | 3.4   | 135       |
| 11.09 Willingness to delegate authority .....               | 2.9   | 134       |
| <b>12th pillar: Innovation</b>                              |       |           |
| 12.01 Capacity for innovation .....                         | 3.1   | 132       |
| 12.02 Quality of scientific research institutions .....     | 3.8   | 67        |
| 12.03 Company spending on R&D .....                         | 2.4   | 129       |
| 12.04 University-industry collaboration in R&D .....        | 3.2   | 95        |
| 12.05 Gov't procurement of advanced tech products .....     | 2.8   | 110       |
| 12.06 Availability of scientists and engineers .....        | 3.8   | 82        |
| 12.07 PCT patents, applications/million pop.* .....         | 3.0   | 53        |

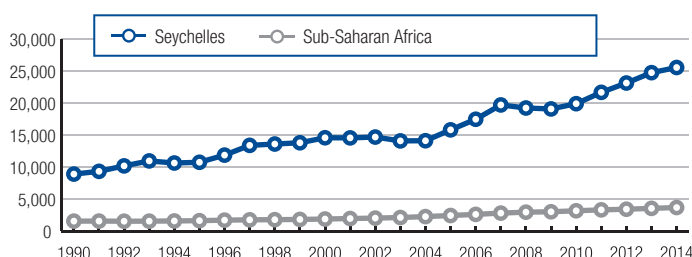
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Seychelles

## Key indicators, 2014

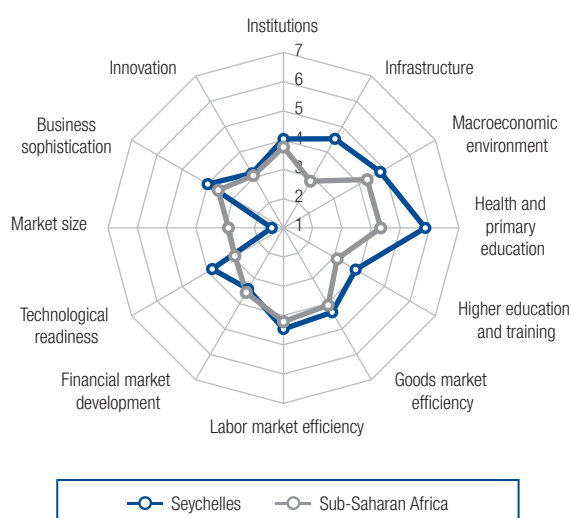
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 0.1    |
| GDP (US\$ billions).....                   | 1.4    |
| GDP per capita (US\$).....                 | 15,115 |
| GDP (PPP) as share (%) of world total..... | 0.00   |

GDP (PPP) per capita (int'l \$), 1990–2014

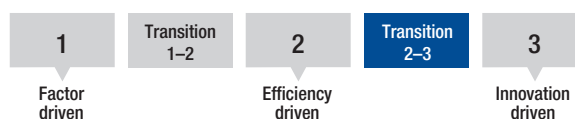


## Global Competitiveness Index

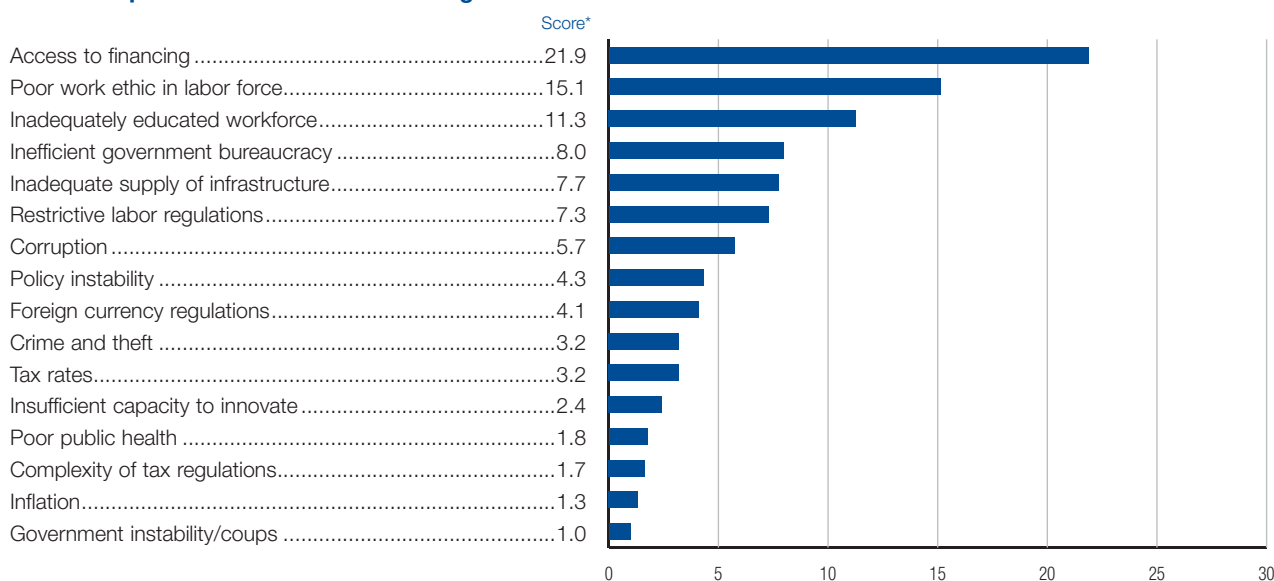
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>97</b>            | <b>3.9</b>     |
| GCI 2014–2015 (out of 144).....                            | 92                   | 3.9            |
| GCI 2013–2014 (out of 148).....                            | 80                   | 4.1            |
| GCI 2012–2013 (out of 144).....                            | 76                   | 4.1            |
| <b>Basic requirements (24.7%)</b> .....                    | <b>52</b>            | <b>4.8</b>     |
| 1st pillar: Institutions.....                              | 61                   | 4.0            |
| 2nd pillar: Infrastructure.....                            | 47                   | 4.5            |
| 3rd pillar: Macroeconomic environment.....                 | 61                   | 4.8            |
| 4th pillar: Health and primary education.....              | 64                   | 5.8            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>108</b>           | <b>3.5</b>     |
| 5th pillar: Higher education and training.....             | 92                   | 3.8            |
| 6th pillar: Goods market efficiency.....                   | 65                   | 4.3            |
| 7th pillar: Labor market efficiency.....                   | 43                   | 4.5            |
| 8th pillar: Financial market development.....              | 106                  | 3.4            |
| 9th pillar: Technological readiness.....                   | 71                   | 3.8            |
| 10th pillar: Market size.....                              | 140                  | 1.4            |
| <b>Innovation and sophistication factors (25.3%)</b> ..... | <b>70</b>            | <b>3.6</b>     |
| 11th pillar: Business sophistication.....                  | 62                   | 4.0            |
| 12th pillar: Innovation.....                               | 87                   | 3.2            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Seychelles

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140  |
|---------------------------------------------------------------|--------|-----------|
| <b>1st pillar: Institutions</b>                               |        |           |
| 1.01 Property rights .....                                    | 4.2    | 75        |
| 1.02 Intellectual property protection .....                   | 3.8    | 75        |
| 1.03 Diversion of public funds .....                          | 3.7    | 53        |
| 1.04 Public trust in politicians .....                        | 3.4    | <b>46</b> |
| 1.05 Irregular payments and bribes .....                      | 4.1    | 61        |
| 1.06 Judicial independence .....                              | 4.1    | 57        |
| 1.07 Favoritism in decisions of government officials .....    | 3.2    | 61        |
| 1.08 Wastefulness of government spending .....                | 3.5    | <b>50</b> |
| 1.09 Burden of government regulation .....                    | 4.2    | <b>16</b> |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.0    | <b>49</b> |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.4    | 75        |
| 1.12 Transparency of government policymaking .....            | 4.1    | 70        |
| 1.13 Business costs of terrorism .....                        | 4.6    | 105       |
| 1.14 Business costs of crime and violence .....               | 4.2    | 88        |
| 1.15 Organized crime .....                                    | 4.9    | 65        |
| 1.16 Reliability of police services .....                     | 4.1    | 67        |
| 1.17 Ethical behavior of firms .....                          | 4.1    | 54        |
| 1.18 Strength of auditing and reporting standards .....       | 4.3    | 89        |
| 1.19 Efficacy of corporate boards .....                       | 4.9    | 57        |
| 1.20 Protection of minority shareholders' interests .....     | 4.4    | <b>43</b> |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8    | 55        |
| <b>2nd pillar: Infrastructure</b>                             |        |           |
| 2.01 Quality of overall infrastructure .....                  | 4.7    | <b>43</b> |
| 2.02 Quality of roads .....                                   | 4.2    | 59        |
| 2.03 Quality of railroad infrastructure .....                 | N/Apl. | n/a       |
| 2.04 Quality of port infrastructure .....                     | 5.0    | <b>34</b> |
| 2.05 Quality of air transport infrastructure .....            | 4.9    | <b>47</b> |
| 2.06 Available airline seat km/week, millions* .....          | 37.8   | 105       |
| 2.07 Quality of electricity supply .....                      | 4.8    | 68        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 162.2  | <b>10</b> |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 22.7   | <b>45</b> |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |           |
| 3.01 Government budget balance, % GDP* .....                  | 3.3    | <b>7</b>  |
| 3.02 Gross national savings, % GDP* .....                     | 15.0   | 100       |
| 3.03 Inflation, annual % change* .....                        | 1.4    | <b>1</b>  |
| 3.04 General government debt, % GDP* .....                    | 64.6   | 102       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 26.3   | 113       |
| <b>4th pillar: Health and primary education</b>               |        |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a       |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 30.0   | 56        |
| 4.04 Business impact of tuberculosis .....                    | 4.4    | 105       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.8    | 105       |
| 4.06 Business impact of HIV/AIDS .....                        | 4.1    | 120       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 12.2   | 63        |
| 4.08 Life expectancy, years* .....                            | 74.2   | 71        |
| 4.09 Quality of primary education .....                       | 4.6    | <b>42</b> |
| 4.10 Primary education enrollment, net %* .....               | 91.1   | 95        |
| <b>5th pillar: Higher education and training</b>              |        |           |
| 5.01 Secondary education enrollment, gross %* .....           | 79.5   | 92        |
| 5.02 Tertiary education enrollment, gross %* .....            | 1.3    | 136       |
| 5.03 Quality of the education system .....                    | 4.3    | <b>38</b> |
| 5.04 Quality of math and science education .....              | 4.3    | 56        |
| 5.05 Quality of management schools .....                      | 4.3    | 60        |
| 5.06 Internet access in schools .....                         | 4.2    | 72        |
| 5.07 Availability of specialized training services .....      | 3.6    | 105       |
| 5.08 Extent of staff training .....                           | 4.0    | 60        |
| <b>6th pillar: Goods market efficiency</b>                    |        |           |
| 6.01 Intensity of local competition .....                     | 4.2    | 129       |
| 6.02 Extent of market dominance .....                         | 3.9    | <b>48</b> |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.1    | <b>43</b> |
| 6.04 Effect of taxation on incentives to invest .....         | 3.9    | <b>39</b> |
| 6.05 Total tax rate, % profits* .....                         | 31.7   | <b>43</b> |

| INDICATOR                                                   | VALUE | RANK/140  |
|-------------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |           |
| 6.06 No. procedures to start a business* .....              | 9     | 104       |
| 6.07 No. days to start a business* .....                    | 38.0  | 124       |
| 6.08 Agricultural policy costs .....                        | 3.9   | 63        |
| 6.09 Prevalence of non-tariff barriers .....                | 4.4   | 57        |
| 6.10 Trade tariffs, % duty* .....                           | 2.6   | <b>39</b> |
| 6.11 Prevalence of foreign ownership .....                  | 4.4   | 78        |
| 6.12 Business impact of rules on FDI .....                  | 4.1   | 101       |
| 6.13 Burden of customs procedures .....                     | 3.8   | 75        |
| 6.14 Imports as a percentage of GDP* .....                  | 97.9  | <b>7</b>  |
| 6.15 Degree of customer orientation .....                   | 3.9   | 115       |
| 6.16 Buyer sophistication .....                             | 3.6   | 52        |
| <b>7th pillar: Labor market efficiency</b>                  |       |           |
| 7.01 Cooperation in labor-employer relations .....          | 4.0   | 104       |
| 7.02 Flexibility of wage determination .....                | 4.9   | 78        |
| 7.03 Hiring and firing practices .....                      | 3.6   | 85        |
| 7.04 Redundancy costs, weeks of salary* .....               | 11.9  | <b>47</b> |
| 7.05 Effect of taxation on incentives to work .....         | 3.9   | 59        |
| 7.06 Pay and productivity .....                             | 3.5   | 104       |
| 7.07 Reliance on professional management .....              | 4.4   | 56        |
| 7.08 Country capacity to retain talent .....                | 3.1   | 95        |
| 7.09 Country capacity to attract talent .....               | 4.0   | <b>29</b> |
| 7.10 Women in labor force, ratio to men* .....              | 0.91  | <b>30</b> |
| <b>8th pillar: Financial market development</b>             |       |           |
| 8.01 Availability of financial services .....               | 3.9   | 102       |
| 8.02 Affordability of financial services .....              | 3.9   | 94        |
| 8.03 Financing through local equity market .....            | 3.1   | 93        |
| 8.04 Ease of access to loans .....                          | 3.0   | 51        |
| 8.05 Venture capital availability .....                     | 2.7   | 67        |
| 8.06 Soundness of banks .....                               | 4.5   | 90        |
| 8.07 Regulation of securities exchanges .....               | 4.0   | 79        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 2     | 106       |
| <b>9th pillar: Technological readiness</b>                  |       |           |
| 9.01 Availability of latest technologies .....              | 4.9   | 60        |
| 9.02 Firm-level technology absorption .....                 | 4.7   | 61        |
| 9.03 FDI and technology transfer .....                      | 4.2   | 87        |
| 9.04 Individuals using Internet, %* .....                   | 54.3  | 63        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 12.7  | 59        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 28.9  | 73        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 12.7  | 109       |
| <b>10th pillar: Market size</b>                             |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 1.0   | 140       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 2.6   | 137       |
| 10.03 GDP (PPP\$ billions)* .....                           | 2.4   | 140       |
| 10.04 Exports as a percentage of GDP* .....                 | 71.6  | <b>21</b> |
| <b>11th pillar: Business sophistication</b>                 |       |           |
| 11.01 Local supplier quantity .....                         | 4.0   | 112       |
| 11.02 Local supplier quality .....                          | 3.8   | 101       |
| 11.03 State of cluster development .....                    | 3.9   | 54        |
| 11.04 Nature of competitive advantage .....                 | 4.7   | <b>25</b> |
| 11.05 Value chain breadth .....                             | 3.9   | 55        |
| 11.06 Control of international distribution .....           | 3.8   | 65        |
| 11.07 Production process sophistication .....               | 3.9   | 64        |
| 11.08 Extent of marketing .....                             | 3.9   | 97        |
| 11.09 Willingness to delegate authority .....               | 3.7   | 69        |
| <b>12th pillar: Innovation</b>                              |       |           |
| 12.01 Capacity for innovation .....                         | 3.9   | 75        |
| 12.02 Quality of scientific research institutions .....     | 3.6   | 78        |
| 12.03 Company spending on R&D .....                         | 3.1   | 76        |
| 12.04 University-industry collaboration in R&D .....        | 3.4   | 80        |
| 12.05 Gov't procurement of advanced tech products .....     | 3.7   | <b>40</b> |
| 12.06 Availability of scientists and engineers .....        | 2.8   | 136       |
| 12.07 PCT patents, applications/million pop.* .....         | 5.4   | <b>47</b> |

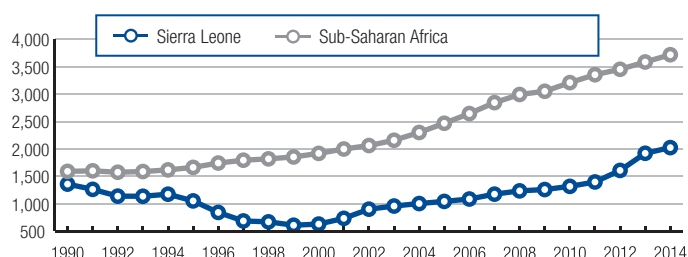
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Sierra Leone

## Key indicators, 2014

|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 6.2  |
| GDP (US\$ billions).....                   | 5.0  |
| GDP per capita (US\$).....                 | 808  |
| GDP (PPP) as share (%) of world total..... | 0.01 |

GDP (PPP) per capita (int'l \$), 1990–2014



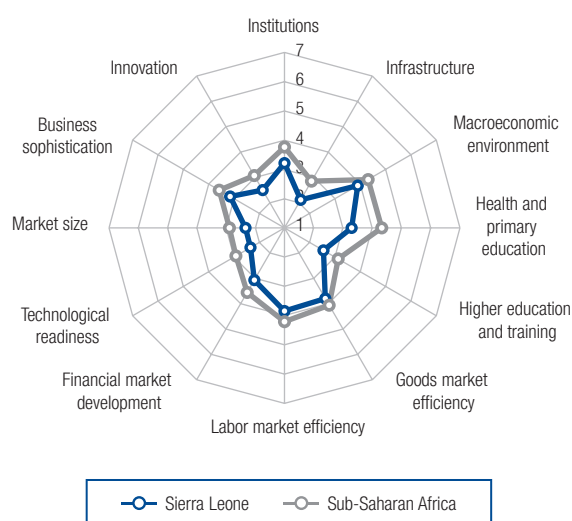
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>137</b>           | <b>3.1</b>     |
| GCI 2014–2015 (out of 144)..... | 138                  | 3.1            |
| GCI 2013–2014 (out of 148)..... | 144                  | 3.0            |
| GCI 2012–2013 (out of 144)..... | 143                  | 2.8            |

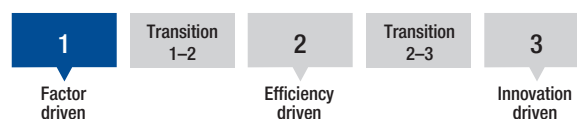
|                                               |            |            |
|-----------------------------------------------|------------|------------|
| <b>Basic requirements (60.0%)</b> .....       | <b>137</b> | <b>3.1</b> |
| 1st pillar: Institutions.....                 | 122        | 3.2        |
| 2nd pillar: Infrastructure.....               | 132        | 2.1        |
| 3rd pillar: Macroeconomic environment.....    | 119        | 3.9        |
| 4th pillar: Health and primary education..... | 137        | 3.3        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (35.0%)</b> .....      | <b>136</b> | <b>3.0</b> |
| 5th pillar: Higher education and training..... | 132        | 2.5        |
| 6th pillar: Goods market efficiency.....       | 123        | 3.8        |
| 7th pillar: Labor market efficiency.....       | 104        | 3.8        |
| 8th pillar: Financial market development.....  | 123        | 3.1        |
| 9th pillar: Technological readiness.....       | 137        | 2.3        |
| 10th pillar: Market size.....                  | 130        | 2.3        |

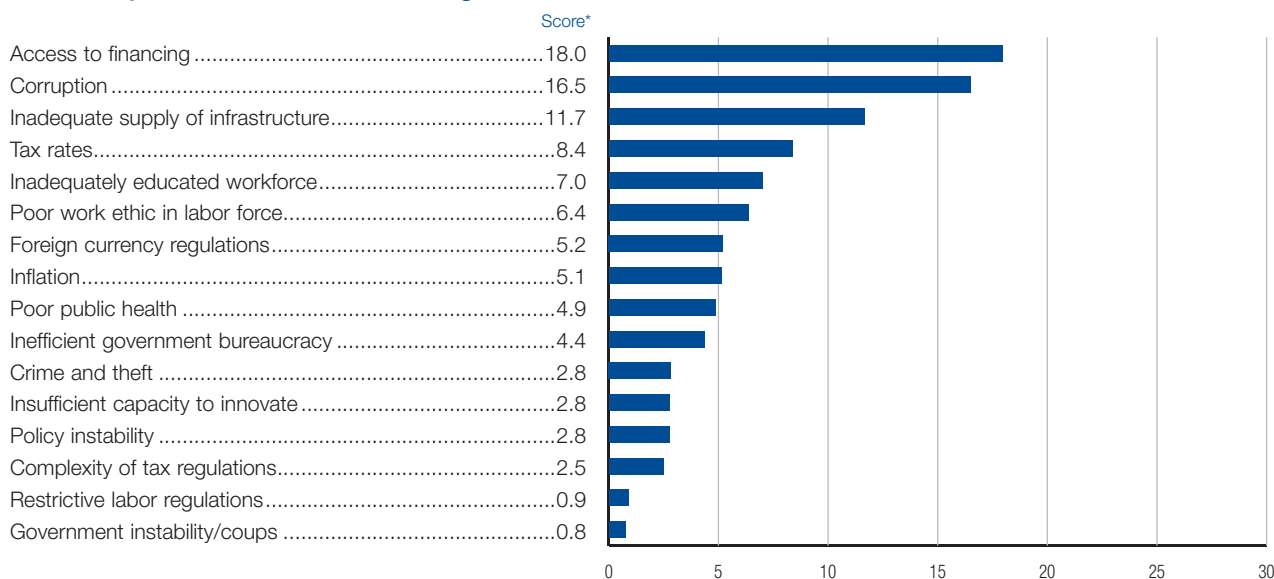
|                                                           |            |            |
|-----------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>132</b> | <b>2.8</b> |
| 11th pillar: Business sophistication.....                 | 131        | 3.1        |
| 12th pillar: Innovation.....                              | 131        | 2.5        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Sierra Leone

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE          | RANK/140 |
|---------------------------------------------------------------|----------------|----------|
| <b>1st pillar: Institutions</b>                               |                |          |
| 1.01 Property rights .....                                    | 3.3 .....      | 123      |
| 1.02 Intellectual property protection .....                   | 3.1 .....      | 121      |
| 1.03 Diversion of public funds .....                          | 2.5 .....      | 115      |
| 1.04 Public trust in politicians .....                        | 2.5 .....      | 96       |
| 1.05 Irregular payments and bribes .....                      | 2.3 .....      | 137      |
| 1.06 Judicial independence .....                              | 2.7 .....      | 117      |
| 1.07 Favoritism in decisions of government officials .....    | 2.3 .....      | 118      |
| 1.08 Wastefulness of government spending .....                | 3.0 .....      | 77       |
| 1.09 Burden of government regulation .....                    | 3.6 .....      | 55       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.2 .....      | 99       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.5 .....      | 128      |
| 1.12 Transparency of government policymaking .....            | 3.6 .....      | 109      |
| 1.13 Business costs of terrorism .....                        | 4.9 .....      | 89       |
| 1.14 Business costs of crime and violence .....               | 3.8 .....      | 105      |
| 1.15 Organized crime .....                                    | 4.1 .....      | 108      |
| 1.16 Reliability of police services .....                     | 3.4 .....      | 109      |
| 1.17 Ethical behavior of firms .....                          | 3.2 .....      | 127      |
| 1.18 Strength of auditing and reporting standards .....       | 3.9 .....      | 112      |
| 1.19 Efficacy of corporate boards .....                       | 4.3 .....      | 98       |
| 1.20 Protection of minority shareholders' interests .....     | 3.3 .....      | 124      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8 .....      | 55       |
| <b>2nd pillar: Infrastructure</b>                             |                |          |
| 2.01 Quality of overall infrastructure .....                  | 2.4 .....      | 137      |
| 2.02 Quality of roads .....                                   | 2.7 .....      | 122      |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. ....   | n/a      |
| 2.04 Quality of port infrastructure .....                     | 2.8 .....      | 116      |
| 2.05 Quality of air transport infrastructure .....            | 2.4 .....      | 139      |
| 2.06 Available airline seat km/week, millions* .....          | 4.3 .....      | 136      |
| 2.07 Quality of electricity supply .....                      | 1.9 .....      | 133      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 76.7 .....     | 118      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.3 .....      | 134      |
| <b>3rd pillar: Macroeconomic environment</b>                  |                |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.1 .....     | 71       |
| 3.02 Gross national savings, % GDP* .....                     | 3.8 .....      | 132      |
| 3.03 Inflation, annual % change* .....                        | 8.3 .....      | 126      |
| 3.04 General government debt, % GDP* .....                    | 38.8 .....     | 62       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 16.8 .....     | 135      |
| <b>4th pillar: Health and primary education</b>               |                |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 18,398.6 ..... | 59       |
| 4.02 Business impact of malaria .....                         | 2.9 .....      | 73       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 313.0 .....    | 128      |
| 4.04 Business impact of tuberculosis .....                    | 4.2 .....      | 117      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.6 .....      | 118      |
| 4.06 Business impact of HIV/AIDS .....                        | 4.3 .....      | 112      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 107.2 .....    | 140      |
| 4.08 Life expectancy, years* .....                            | 45.6 .....     | 140      |
| 4.09 Quality of primary education .....                       | 2.8 .....      | 122      |
| 4.10 Primary education enrollment, net %* .....               | n/a .....      | n/a      |
| <b>5th pillar: Higher education and training</b>              |                |          |
| 5.01 Secondary education enrollment, gross %* .....           | 44.7 .....     | 124      |
| 5.02 Tertiary education enrollment, gross %* .....            | 2.0 .....      | 135      |
| 5.03 Quality of the education system .....                    | 2.8 .....      | 118      |
| 5.04 Quality of math and science education .....              | 2.6 .....      | 129      |
| 5.05 Quality of management schools .....                      | 3.0 .....      | 132      |
| 5.06 Internet access in schools .....                         | 2.3 .....      | 136      |
| 5.07 Availability of specialized training services .....      | 3.2 .....      | 127      |
| 5.08 Extent of staff training .....                           | 3.6 .....      | 109      |
| <b>6th pillar: Goods market efficiency</b>                    |                |          |
| 6.01 Intensity of local competition .....                     | 4.3 .....      | 124      |
| 6.02 Extent of market dominance .....                         | 2.9 .....      | 128      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 2.9 .....      | 133      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.4 .....      | 94       |
| 6.05 Total tax rate, % profits* .....                         | 31.0 .....     | 41       |

| INDICATOR                                                | VALUE      | RANK/140 |
|----------------------------------------------------------|------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |            |          |
| 6.06 No. procedures to start a business* .....           | 6 .....    | 57       |
| 6.07 No. days to start a business* .....                 | 12.0 ..... | 68       |
| 6.08 Agricultural policy costs .....                     | 3.4 .....  | 105      |
| 6.09 Prevalence of non-tariff barriers .....             | 4.0 .....  | 110      |
| 6.10 Trade tariffs, % duty* .....                        | 13.9 ..... | 131      |
| 6.11 Prevalence of foreign ownership .....               | 5.0 .....  | 39       |
| 6.12 Business impact of rules on FDI .....               | 4.4 .....  | 77       |
| 6.13 Burden of customs procedures .....                  | 3.2 .....  | 121      |
| 6.14 Imports as a percentage of GDP* .....               | 49.4 ..... | 62       |
| 6.15 Degree of customer orientation .....                | 3.6 .....  | 132      |
| 6.16 Buyer sophistication .....                          | 2.5 .....  | 128      |
| <b>7th pillar: Labor market efficiency</b>               |            |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.0 .....  | 108      |
| 7.02 Flexibility of wage determination .....             | 4.8 .....  | 87       |
| 7.03 Hiring and firing practices .....                   | 4.1 .....  | 52       |
| 7.04 Redundancy costs, weeks of salary* .....            | 78.3 ..... | 137      |
| 7.05 Effect of taxation on incentives to work .....      | 3.7 .....  | 87       |
| 7.06 Pay and productivity .....                          | 3.2 .....  | 125      |
| 7.07 Reliance on professional management .....           | 3.6 .....  | 105      |
| 7.08 Country capacity to retain talent .....             | 2.7 .....  | 117      |
| 7.09 Country capacity to attract talent .....            | 3.3 .....  | 76       |
| 7.10 Women in labor force, ratio to men* .....           | 0.97 ..... | 7        |
| <b>8th pillar: Financial market development</b>          |            |          |
| 8.01 Availability of financial services .....            | 3.6 .....  | 124      |
| 8.02 Affordability of financial services .....           | 3.4 .....  | 124      |
| 8.03 Financing through local equity market .....         | 2.5 .....  | 123      |
| 8.04 Ease of access to loans .....                       | 1.8 .....  | 129      |
| 8.05 Venture capital availability .....                  | 2.0 .....  | 129      |
| 8.06 Soundness of banks .....                            | 3.7 .....  | 123      |
| 8.07 Regulation of securities exchanges .....            | 3.2 .....  | 123      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 5 .....    | 63       |
| <b>9th pillar: Technological readiness</b>               |            |          |
| 9.01 Availability of latest technologies .....           | 3.0 .....  | 138      |
| 9.02 Firm-level technology absorption .....              | 3.5 .....  | 136      |
| 9.03 FDI and technology transfer .....                   | 3.6 .....  | 121      |
| 9.04 Individuals using Internet, %* .....                | 2.1 .....  | 137      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | n/a .....  | n/a      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 2.0 .....  | 133      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 13.0 ..... | 107      |
| <b>10th pillar: Market size</b>                          |            |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.0 .....  | 130      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.2 .....  | 125      |
| 10.03 GDP (PPP\$ billions)* .....                        | 12.6 ..... | 130      |
| 10.04 Exports as a percentage of GDP* .....              | 43.0 ..... | 57       |
| <b>11th pillar: Business sophistication</b>              |            |          |
| 11.01 Local supplier quantity .....                      | 4.0 .....  | 107      |
| 11.02 Local supplier quality .....                       | 3.3 .....  | 134      |
| 11.03 State of cluster development .....                 | 3.0 .....  | 117      |
| 11.04 Nature of competitive advantage .....              | 2.8 .....  | 118      |
| 11.05 Value chain breadth .....                          | 2.9 .....  | 134      |
| 11.06 Control of international distribution .....        | 2.7 .....  | 138      |
| 11.07 Production process sophistication .....            | 2.5 .....  | 135      |
| 11.08 Extent of marketing .....                          | 3.4 .....  | 136      |
| 11.09 Willingness to delegate authority .....            | 3.3 .....  | 111      |
| <b>12th pillar: Innovation</b>                           |            |          |
| 12.01 Capacity for innovation .....                      | 3.3 .....  | 127      |
| 12.02 Quality of scientific research institutions .....  | 2.2 .....  | 138      |
| 12.03 Company spending on R&D .....                      | 2.3 .....  | 134      |
| 12.04 University-industry collaboration in R&D .....     | 2.4 .....  | 133      |
| 12.05 Gov't procurement of advanced tech products .....  | 3.0 .....  | 101      |
| 12.06 Availability of scientists and engineers .....     | 3.0 .....  | 130      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0 .....  | 107      |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

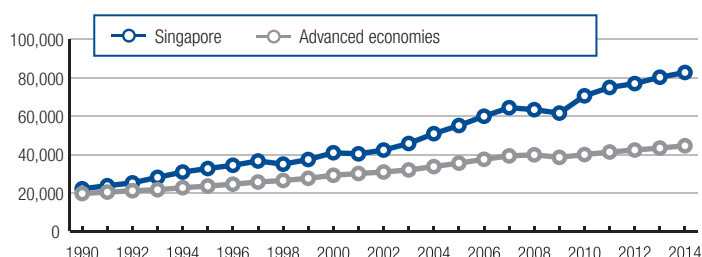


# Singapore

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 5.5    |
| GDP (US\$ billions).....                   | 308.1  |
| GDP per capita (US\$).....                 | 56,319 |
| GDP (PPP) as share (%) of world total..... | 0.42   |

GDP (PPP) per capita (int'l \$), 1990–2014



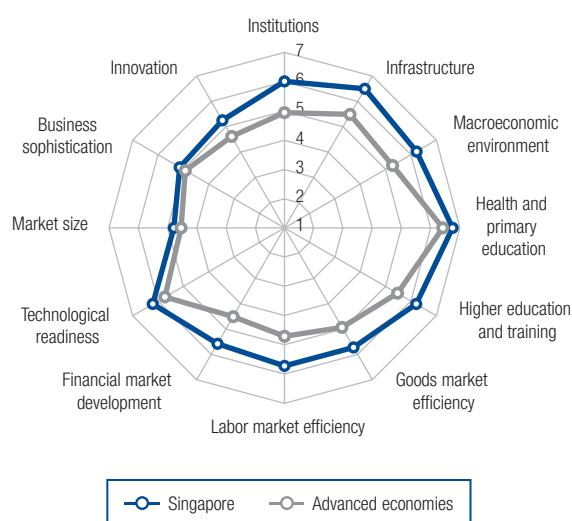
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>2</b>             | <b>5.7</b>     |
| GCI 2014–2015 (out of 144)..... | 2                    | 5.6            |
| GCI 2013–2014 (out of 148)..... | 2                    | 5.6            |
| GCI 2012–2013 (out of 144)..... | 2                    | 5.7            |

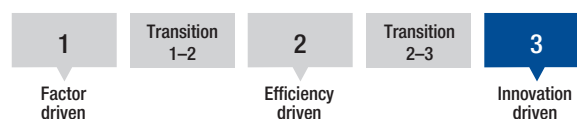
|                                               |          |            |
|-----------------------------------------------|----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>1</b> | <b>6.4</b> |
| 1st pillar: Institutions.....                 | 2        | 6.0        |
| 2nd pillar: Infrastructure.....               | 2        | 6.5        |
| 3rd pillar: Macroeconomic environment.....    | 12       | 6.2        |
| 4th pillar: Health and primary education..... | 2        | 6.7        |

|                                                |          |            |
|------------------------------------------------|----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>2</b> | <b>5.7</b> |
| 5th pillar: Higher education and training..... | 1        | 6.2        |
| 6th pillar: Goods market efficiency.....       | 1        | 5.7        |
| 7th pillar: Labor market efficiency.....       | 2        | 5.7        |
| 8th pillar: Financial market development.....  | 2        | 5.6        |
| 9th pillar: Technological readiness.....       | 5        | 6.2        |
| 10th pillar: Market size.....                  | 35       | 4.8        |

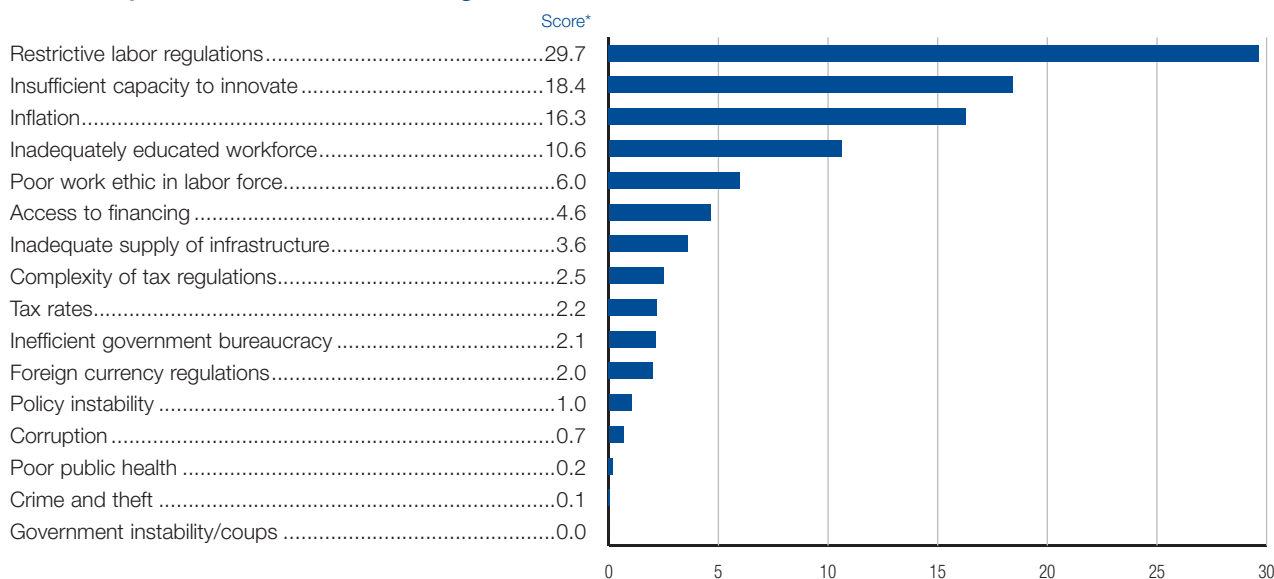
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>11</b> | <b>5.2</b> |
| 11th pillar: Business sophistication.....                  | 18        | 5.1        |
| 12th pillar: Innovation.....                               | 9         | 5.2        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Singapore

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 6.3     | 4        |
| 1.02 Intellectual property protection .....                   | 6.2     | 4        |
| 1.03 Diversion of public funds .....                          | 6.1     | 4        |
| 1.04 Public trust in politicians .....                        | 6.3     | 1        |
| 1.05 Irregular payments and bribes .....                      | 6.6     | 3        |
| 1.06 Judicial independence .....                              | 5.5     | 23       |
| 1.07 Favoritism in decisions of government officials .....    | 5.5     | 2        |
| 1.08 Wastefulness of government spending .....                | 5.9     | 3        |
| 1.09 Burden of government regulation .....                    | 5.4     | 1        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 6.2     | 1        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.2     | 10       |
| 1.12 Transparency of government policymaking .....            | 6.2     | 1        |
| 1.13 Business costs of terrorism .....                        | 5.7     | 41       |
| 1.14 Business costs of crime and violence .....               | 6.2     | 7        |
| 1.15 Organized crime .....                                    | 6.5     | 5        |
| 1.16 Reliability of police services .....                     | 6.2     | 8        |
| 1.17 Ethical behavior of firms .....                          | 6.1     | 4        |
| 1.18 Strength of auditing and reporting standards .....       | 6.2     | 7        |
| 1.19 Efficacy of corporate boards .....                       | 6.0     | 6        |
| 1.20 Protection of minority shareholders' interests .....     | 5.6     | 6        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 8.0     | 3        |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 6.4     | 4        |
| 2.02 Quality of roads .....                                   | 6.2     | 3        |
| 2.03 Quality of railroad infrastructure .....                 | 5.7     | 8        |
| 2.04 Quality of port infrastructure .....                     | 6.7     | 2        |
| 2.05 Quality of air transport infrastructure .....            | 6.8     | 1        |
| 2.06 Available airline seat km/week, millions* .....          | 2,349.1 | 20       |
| 2.07 Quality of electricity supply .....                      | 6.7     | 3        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 158.1   | 14       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 35.5    | 29       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | 4.2     | 6        |
| 3.02 Gross national savings, % GDP* .....                     | 46.7    | 5        |
| 3.03 Inflation, annual % change* .....                        | 1.0     | 1        |
| 3.04 General government debt, % GDP* .....                    | 98.8    | 127      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 93.1    | 7        |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.    | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl.  | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 47.0    | 66       |
| 4.04 Business impact of tuberculosis .....                    | 6.1     | 48       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1     | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.1     | 39       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 2.2     | 6        |
| 4.08 Life expectancy, years* .....                            | 82.3    | 6        |
| 4.09 Quality of primary education .....                       | 6.1     | 3        |
| 4.10 Primary education enrollment, net %* .....               | 100.0   | 1        |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 107.6   | 17       |
| 5.02 Tertiary education enrollment, gross %* .....            | 82.7    | 9        |
| 5.03 Quality of the education system .....                    | 5.8     | 3        |
| 5.04 Quality of math and science education .....              | 6.4     | 1        |
| 5.05 Quality of management schools .....                      | 5.9     | 4        |
| 5.06 Internet access in schools .....                         | 6.3     | 2        |
| 5.07 Availability of specialized training services .....      | 5.7     | 8        |
| 5.08 Extent of staff training .....                           | 5.4     | 4        |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.6     | 21       |
| 6.02 Extent of market dominance .....                         | 5.1     | 13       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.4     | 5        |
| 6.04 Effect of taxation on incentives to invest .....         | 5.8     | 5        |
| 6.05 Total tax rate, % profits* .....                         | 18.4    | 10       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 3     | 9        |
| 6.07 No. days to start a business* .....                    | 2.5   | 4        |
| 6.08 Agricultural policy costs .....                        | 5.0   | 6        |
| 6.09 Prevalence of non-tariff barriers .....                | 5.6   | 1        |
| 6.10 Trade tariffs, % duty* .....                           | 0.0   | 2        |
| 6.11 Prevalence of foreign ownership .....                  | 6.1   | 4        |
| 6.12 Business impact of rules on FDI .....                  | 6.2   | 3        |
| 6.13 Burden of customs procedures .....                     | 6.2   | 2        |
| 6.14 Imports as a percentage of GDP* .....                  | 164.8 | 2        |
| 6.15 Degree of customer orientation .....                   | 5.7   | 9        |
| 6.16 Buyer sophistication .....                             | 4.6   | 7        |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 6.0   | 3        |
| 7.02 Flexibility of wage determination .....                | 6.0   | 6        |
| 7.03 Hiring and firing practices .....                      | 5.4   | 4        |
| 7.04 Redundancy costs, weeks of salary* .....               | 3.0   | 5        |
| 7.05 Effect of taxation on incentives to work .....         | 6.0   | 3        |
| 7.06 Pay and productivity .....                             | 5.4   | 3        |
| 7.07 Reliance on professional management .....              | 6.1   | 5        |
| 7.08 Country capacity to retain talent .....                | 5.4   | 6        |
| 7.09 Country capacity to attract talent .....               | 6.0   | 2        |
| 7.10 Women in labor force, ratio to men* .....              | 0.79  | 75       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 6.1   | 8        |
| 8.02 Affordability of financial services .....              | 5.9   | 7        |
| 8.03 Financing through local equity market .....            | 5.3   | 8        |
| 8.04 Ease of access to loans .....                          | 4.5   | 4        |
| 8.05 Venture capital availability .....                     | 4.6   | 3        |
| 8.06 Soundness of banks .....                               | 6.5   | 5        |
| 8.07 Regulation of securities exchanges .....               | 6.1   | 3        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 8     | 17       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 6.2   | 13       |
| 9.02 Firm-level technology absorption .....                 | 5.7   | 16       |
| 9.03 FDI and technology transfer .....                      | 6.0   | 2        |
| 9.04 Individuals using Internet, %* .....                   | 82.0  | 24       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 27.8  | 23       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 616.5 | 4        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 156.1 | 1        |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.4   | 43       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 6.1   | 9        |
| 10.03 GDP (PPP\$ billions)* .....                           | 452.7 | 39       |
| 10.04 Exports as a percentage of GDP* .....                 | 178.5 | 3        |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.5   | 71       |
| 11.02 Local supplier quality .....                          | 5.1   | 26       |
| 11.03 State of cluster development .....                    | 5.1   | 13       |
| 11.04 Nature of competitive advantage .....                 | 5.6   | 15       |
| 11.05 Value chain breadth .....                             | 5.2   | 12       |
| 11.06 Control of international distribution .....           | 4.4   | 24       |
| 11.07 Production process sophistication .....               | 5.7   | 14       |
| 11.08 Extent of marketing .....                             | 5.3   | 18       |
| 11.09 Willingness to delegate authority .....               | 4.7   | 21       |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 5.1   | 19       |
| 12.02 Quality of scientific research institutions .....     | 5.6   | 12       |
| 12.03 Company spending on R&D .....                         | 5.0   | 11       |
| 12.04 University-industry collaboration in R&D .....        | 5.6   | 5        |
| 12.05 Gov't procurement of advanced tech products .....     | 5.0   | 4        |
| 12.06 Availability of scientists and engineers .....        | 5.1   | 11       |
| 12.07 PCT patents, applications/million pop.* .....         | 127.0 | 14       |

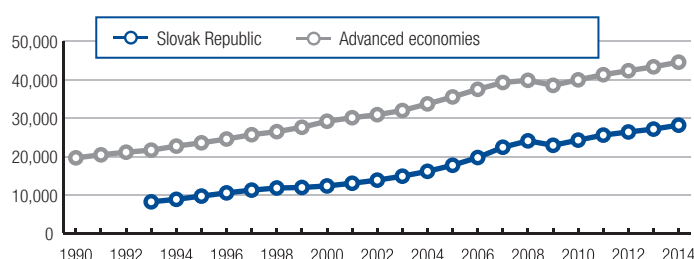
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Slovak Republic

## Key indicators, 2014

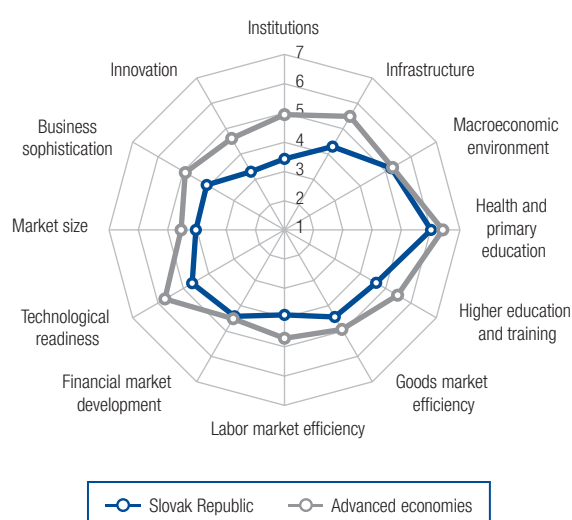
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 5.4    |
| GDP (US\$ billions).....                   | 100.0  |
| GDP per capita (US\$).....                 | 18,454 |
| GDP (PPP) as share (%) of world total..... | 0.14   |

GDP (PPP) per capita (int'l \$), 1990–2014

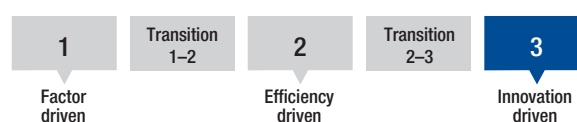


## Global Competitiveness Index

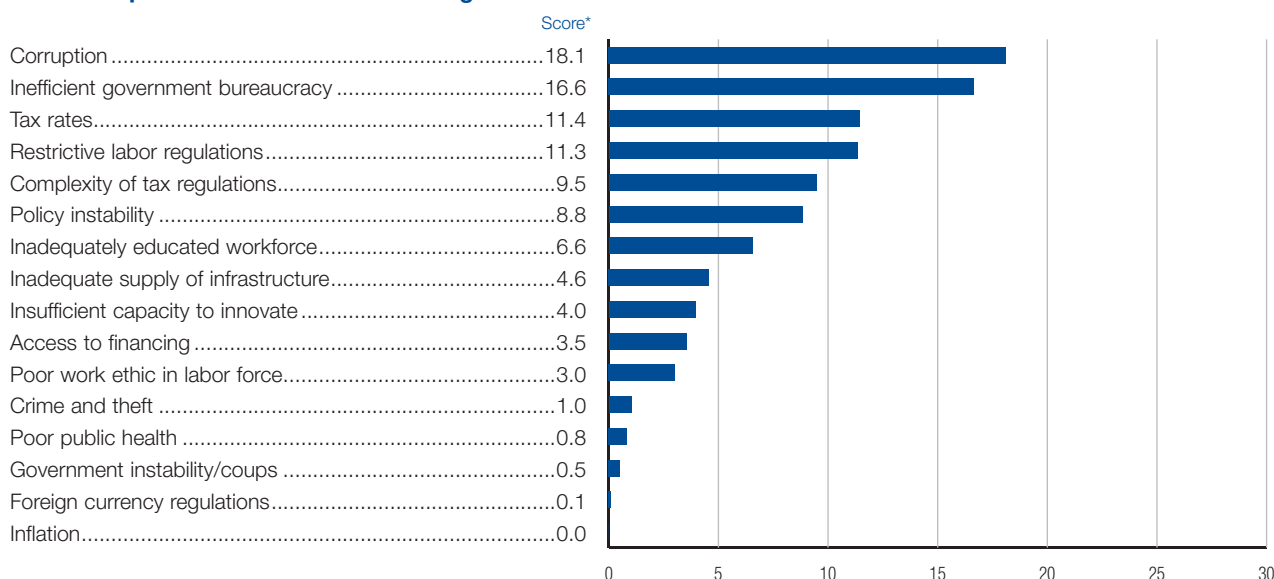
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>67</b>            | <b>4.2</b>     |
| GCI 2014–2015 (out of 144).....                            | 75                   | 4.1            |
| GCI 2013–2014 (out of 148).....                            | 78                   | 4.1            |
| GCI 2012–2013 (out of 144).....                            | 71                   | 4.1            |
| <b>Basic requirements (20.0%)</b> .....                    | <b>56</b>            | <b>4.7</b>     |
| 1st pillar: Institutions.....                              | 104                  | 3.4            |
| 2nd pillar: Infrastructure.....                            | 57                   | 4.3            |
| 3rd pillar: Macroeconomic environment.....                 | 41                   | 5.2            |
| 4th pillar: Health and primary education.....              | 50                   | 6.0            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>47</b>            | <b>4.3</b>     |
| 5th pillar: Higher education and training.....             | 53                   | 4.6            |
| 6th pillar: Goods market efficiency.....                   | 54                   | 4.4            |
| 7th pillar: Labor market efficiency.....                   | 100                  | 3.9            |
| 8th pillar: Financial market development.....              | 35                   | 4.4            |
| 9th pillar: Technological readiness.....                   | 44                   | 4.6            |
| 10th pillar: Market size.....                              | 62                   | 4.0            |
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>59</b>            | <b>3.7</b>     |
| 11th pillar: Business sophistication.....                  | 57                   | 4.1            |
| 12th pillar: Innovation.....                               | 66                   | 3.3            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Slovak Republic

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140  |
|---------------------------------------------------------------|--------|-----------|
| <b>1st pillar: Institutions</b>                               |        |           |
| 1.01 Property rights .....                                    | 4.0    | 89        |
| 1.02 Intellectual property protection .....                   | 4.1    | 56        |
| 1.03 Diversion of public funds .....                          | 2.3    | 127       |
| 1.04 Public trust in politicians .....                        | 2.2    | 113       |
| 1.05 Irregular payments and bribes .....                      | 3.5    | 94        |
| 1.06 Judicial independence .....                              | 2.6    | 125       |
| 1.07 Favoritism in decisions of government officials .....    | 1.9    | 138       |
| 1.08 Wastefulness of government spending .....                | 2.3    | 123       |
| 1.09 Burden of government regulation .....                    | 2.4    | 132       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.2    | 138       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.4    | 132       |
| 1.12 Transparency of government policymaking .....            | 3.9    | 79        |
| 1.13 Business costs of terrorism .....                        | 5.8    | <b>38</b> |
| 1.14 Business costs of crime and violence .....               | 4.8    | 62        |
| 1.15 Organized crime .....                                    | 4.8    | 70        |
| 1.16 Reliability of police services .....                     | 3.6    | 105       |
| 1.17 Ethical behavior of firms .....                          | 3.3    | 117       |
| 1.18 Strength of auditing and reporting standards .....       | 5.3    | <b>32</b> |
| 1.19 Efficacy of corporate boards .....                       | 4.8    | 73        |
| 1.20 Protection of minority shareholders' interests .....     | 3.7    | 92        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.1    | 88        |
| <b>2nd pillar: Infrastructure</b>                             |        |           |
| 2.01 Quality of overall infrastructure .....                  | 4.5    | <b>49</b> |
| 2.02 Quality of roads .....                                   | 4.0    | 66        |
| 2.03 Quality of railroad infrastructure .....                 | 4.6    | 21        |
| 2.04 Quality of port infrastructure .....                     | 3.2    | 107       |
| 2.05 Quality of air transport infrastructure .....            | 3.5    | 108       |
| 2.06 Available airline seat km/week, millions* .....          | 30.2   | 112       |
| 2.07 Quality of electricity supply .....                      | 6.2    | <b>26</b> |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 116.9  | 61        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 16.8   | 67        |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |           |
| 3.01 Government budget balance, % GDP* .....                  | –3.0   | 67        |
| 3.02 Gross national savings, % GDP* .....                     | 21.2   | 64        |
| 3.03 Inflation, annual % change* .....                        | –0.1   | 67        |
| 3.04 General government debt, % GDP* .....                    | 54.0   | 89        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 74.7   | <b>30</b> |
| <b>4th pillar: Health and primary education</b>               |        |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a       |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 7.7    | <b>21</b> |
| 4.04 Business impact of tuberculosis .....                    | 6.5    | <b>23</b> |
| 4.05 HIV prevalence, % adult pop.* .....                      | <0.1   | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 6.6    | <b>13</b> |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 6.0    | <b>43</b> |
| 4.08 Life expectancy, years* .....                            | 76.3   | <b>49</b> |
| 4.09 Quality of primary education .....                       | 4.3    | 53        |
| 4.10 Primary education enrollment, net %* .....               | 94.5   | 69        |
| <b>5th pillar: Higher education and training</b>              |        |           |
| 5.01 Secondary education enrollment, gross %* .....           | 93.9   | 60        |
| 5.02 Tertiary education enrollment, gross %* .....            | 55.1   | <b>50</b> |
| 5.03 Quality of the education system .....                    | 2.8    | 121       |
| 5.04 Quality of math and science education .....              | 4.0    | 76        |
| 5.05 Quality of management schools .....                      | 3.8    | 95        |
| 5.06 Internet access in schools .....                         | 5.3    | <b>32</b> |
| 5.07 Availability of specialized training services .....      | 4.3    | 58        |
| 5.08 Extent of staff training .....                           | 3.9    | 82        |
| <b>6th pillar: Goods market efficiency</b>                    |        |           |
| 6.01 Intensity of local competition .....                     | 5.5    | <b>27</b> |
| 6.02 Extent of market dominance .....                         | 3.6    | 76        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.6    | 94        |
| 6.04 Effect of taxation on incentives to invest .....         | 3.2    | 107       |
| 6.05 Total tax rate, % profits* .....                         | 48.6   | 106       |

| INDICATOR                                                   | VALUE | RANK/140  |
|-------------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |           |
| 6.06 No. procedures to start a business* .....              | 7     | 76        |
| 6.07 No. days to start a business* .....                    | 11.5  | 66        |
| 6.08 Agricultural policy costs .....                        | 3.4   | 107       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.6   | <b>32</b> |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | <b>5</b>  |
| 6.11 Prevalence of foreign ownership .....                  | 6.0   | <b>5</b>  |
| 6.12 Business impact of rules on FDI .....                  | 5.0   | <b>30</b> |
| 6.13 Burden of customs procedures .....                     | 4.5   | <b>44</b> |
| 6.14 Imports as a percentage of GDP* .....                  | 90.7  | <b>10</b> |
| 6.15 Degree of customer orientation .....                   | 4.7   | 62        |
| 6.16 Buyer sophistication .....                             | 2.8   | 118       |
| <b>7th pillar: Labor market efficiency</b>                  |       |           |
| 7.01 Cooperation in labor-employer relations .....          | 4.1   | 98        |
| 7.02 Flexibility of wage determination .....                | 4.5   | 102       |
| 7.03 Hiring and firing practices .....                      | 2.9   | 128       |
| 7.04 Redundancy costs, weeks of salary* .....               | 18.8  | 85        |
| 7.05 Effect of taxation on incentives to work .....         | 2.7   | 132       |
| 7.06 Pay and productivity .....                             | 4.4   | <b>38</b> |
| 7.07 Reliance on professional management .....              | 4.3   | 62        |
| 7.08 Country capacity to retain talent .....                | 2.5   | 127       |
| 7.09 Country capacity to attract talent .....               | 2.3   | 129       |
| 7.10 Women in labor force, ratio to men* .....              | 0.80  | 73        |
| <b>8th pillar: Financial market development</b>             |       |           |
| 8.01 Availability of financial services .....               | 5.1   | <b>38</b> |
| 8.02 Affordability of financial services .....              | 5.2   | <b>25</b> |
| 8.03 Financing through local equity market .....            | 3.2   | 86        |
| 8.04 Ease of access to loans .....                          | 3.3   | <b>40</b> |
| 8.05 Venture capital availability .....                     | 2.9   | 57        |
| 8.06 Soundness of banks .....                               | 6.0   | <b>14</b> |
| 8.07 Regulation of securities exchanges .....               | 4.1   | 73        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 7     | <b>24</b> |
| <b>9th pillar: Technological readiness</b>                  |       |           |
| 9.01 Availability of latest technologies .....              | 5.5   | <b>37</b> |
| 9.02 Firm-level technology absorption .....                 | 4.8   | 55        |
| 9.03 FDI and technology transfer .....                      | 5.3   | <b>10</b> |
| 9.04 Individuals using Internet, %* .....                   | 80.0  | <b>26</b> |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 21.8  | <b>41</b> |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 11.5  | 96        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 59.5  | <b>46</b> |
| <b>10th pillar: Market size</b>                             |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 3.7   | 66        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.1   | <b>48</b> |
| 10.03 GDP (PPP\$ billions)* .....                           | 152.6 | 66        |
| 10.04 Exports as a percentage of GDP* .....                 | 95.2  | <b>10</b> |
| <b>11th pillar: Business sophistication</b>                 |       |           |
| 11.01 Local supplier quantity .....                         | 4.6   | 57        |
| 11.02 Local supplier quality .....                          | 4.8   | <b>40</b> |
| 11.03 State of cluster development .....                    | 3.9   | 56        |
| 11.04 Nature of competitive advantage .....                 | 3.1   | 98        |
| 11.05 Value chain breadth .....                             | 4.0   | <b>50</b> |
| 11.06 Control of international distribution .....           | 3.5   | 94        |
| 11.07 Production process sophistication .....               | 4.6   | <b>33</b> |
| 11.08 Extent of marketing .....                             | 4.5   | 53        |
| 11.09 Willingness to delegate authority .....               | 3.5   | 93        |
| <b>12th pillar: Innovation</b>                              |       |           |
| 12.01 Capacity for innovation .....                         | 3.8   | 77        |
| 12.02 Quality of scientific research institutions .....     | 3.9   | 62        |
| 12.03 Company spending on R&D .....                         | 3.3   | 63        |
| 12.04 University-industry collaboration in R&D .....        | 3.4   | 84        |
| 12.05 Gov't procurement of advanced tech products .....     | 3.1   | 87        |
| 12.06 Availability of scientists and engineers .....        | 3.8   | 80        |
| 12.07 PCT patents, applications/million pop.* .....         | 9.2   | <b>39</b> |

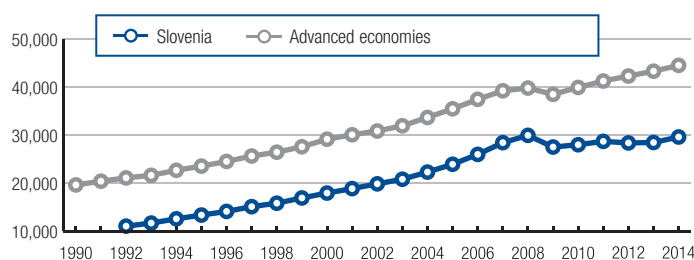
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Slovenia

## Key indicators, 2014

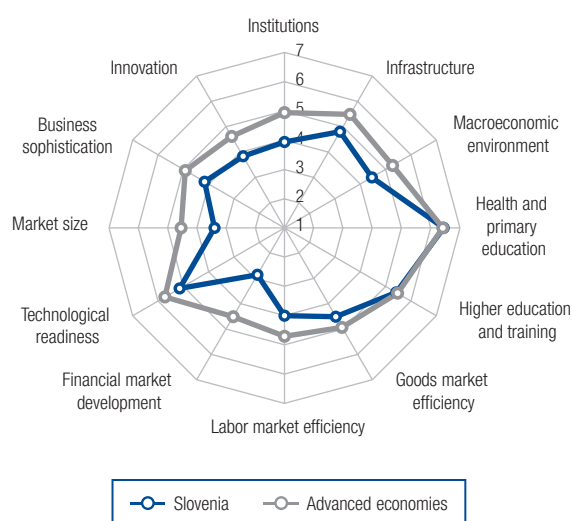
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 2.1    |
| GDP (US\$ billions).....                   | 49.5   |
| GDP per capita (US\$).....                 | 24,019 |
| GDP (PPP) as share (%) of world total..... | 0.06   |

GDP (PPP) per capita (int'l \$), 1990–2014

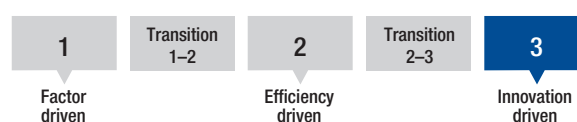


## Global Competitiveness Index

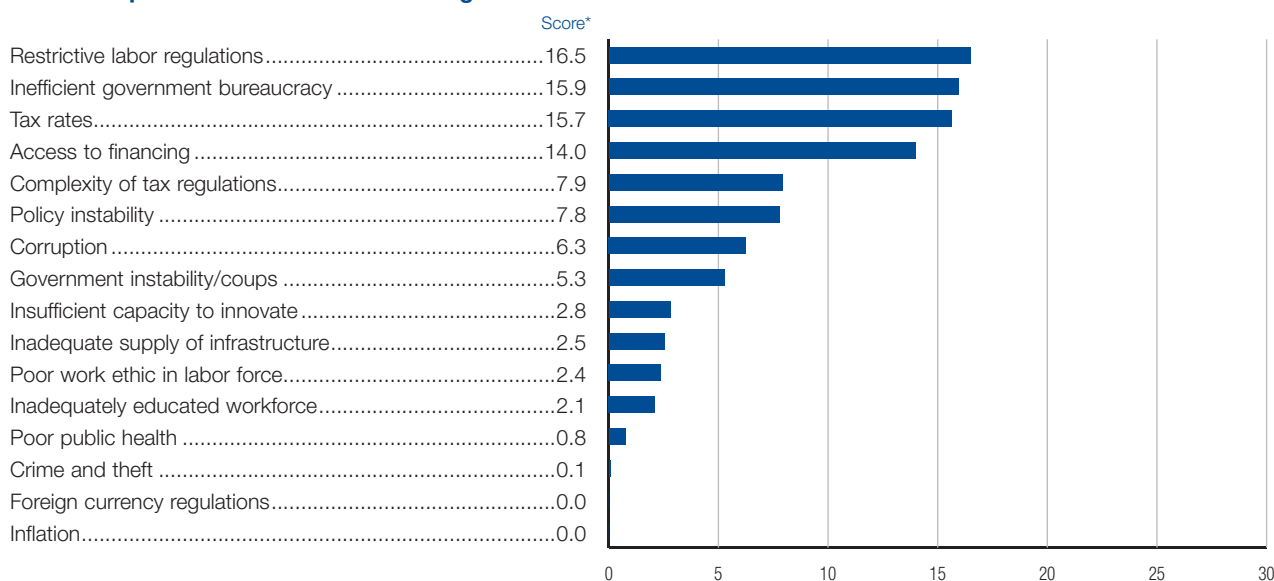
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>59</b>            | <b>4.3</b>     |
| GCI 2014–2015 (out of 144).....                            | 70                   | 4.2            |
| GCI 2013–2014 (out of 148).....                            | 62                   | 4.3            |
| GCI 2012–2013 (out of 144).....                            | 56                   | 4.3            |
| <b>Basic requirements (20.0%)</b> .....                    | <b>45</b>            | <b>4.9</b>     |
| 1st pillar: Institutions.....                              | 67                   | 3.9            |
| 2nd pillar: Infrastructure.....                            | 38                   | 4.8            |
| 3rd pillar: Macroeconomic environment.....                 | 89                   | 4.4            |
| 4th pillar: Health and primary education.....              | 15                   | 6.4            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>56</b>            | <b>4.2</b>     |
| 5th pillar: Higher education and training.....             | 22                   | 5.4            |
| 6th pillar: Goods market efficiency.....                   | 47                   | 4.5            |
| 7th pillar: Labor market efficiency.....                   | 95                   | 4.0            |
| 8th pillar: Financial market development.....              | 128                  | 2.8            |
| 9th pillar: Technological readiness.....                   | 35                   | 5.1            |
| 10th pillar: Market size.....                              | 85                   | 3.4            |
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>39</b>            | <b>4.0</b>     |
| 11th pillar: Business sophistication.....                  | 51                   | 4.2            |
| 12th pillar: Innovation.....                               | 33                   | 3.8            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Slovenia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE       | RANK/140 |
|---------------------------------------------------------------|-------------|----------|
| <b>1st pillar: Institutions</b>                               |             |          |
| 1.01 Property rights .....                                    | 4.3 .....   | 61       |
| 1.02 Intellectual property protection .....                   | 4.5 .....   | 39       |
| 1.03 Diversion of public funds .....                          | 3.3 .....   | 70       |
| 1.04 Public trust in politicians .....                        | 2.3 .....   | 105      |
| 1.05 Irregular payments and bribes .....                      | 5.0 .....   | 36       |
| 1.06 Judicial independence .....                              | 3.5 .....   | 85       |
| 1.07 Favoritism in decisions of government officials .....    | 2.7 .....   | 97       |
| 1.08 Wastefulness of government spending .....                | 2.2 .....   | 130      |
| 1.09 Burden of government regulation .....                    | 2.6 .....   | 127      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.9 .....   | 115      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.0 .....   | 105      |
| 1.12 Transparency of government policymaking .....            | 4.1 .....   | 71       |
| 1.13 Business costs of terrorism .....                        | 6.3 .....   | 8        |
| 1.14 Business costs of crime and violence .....               | 5.6 .....   | 22       |
| 1.15 Organized crime .....                                    | 5.5 .....   | 44       |
| 1.16 Reliability of police services .....                     | 4.9 .....   | 40       |
| 1.17 Ethical behavior of firms .....                          | 3.8 .....   | 82       |
| 1.18 Strength of auditing and reporting standards .....       | 4.3 .....   | 87       |
| 1.19 Efficacy of corporate boards .....                       | 4.2 .....   | 110      |
| 1.20 Protection of minority shareholders' interests .....     | 3.4 .....   | 121      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.8 .....   | 14       |
| <b>2nd pillar: Infrastructure</b>                             |             |          |
| 2.01 Quality of overall infrastructure .....                  | 4.9 .....   | 37       |
| 2.02 Quality of roads .....                                   | 4.7 .....   | 44       |
| 2.03 Quality of railroad infrastructure .....                 | 3.2 .....   | 47       |
| 2.04 Quality of port infrastructure .....                     | 5.0 .....   | 33       |
| 2.05 Quality of air transport infrastructure .....            | 4.4 .....   | 65       |
| 2.06 Available airline seat km/week, millions* .....          | 16.8 .....  | 126      |
| 2.07 Quality of electricity supply .....                      | 6.1 .....   | 32       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 112.1 ..... | 73       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 37.1 .....  | 26       |
| <b>3rd pillar: Macroeconomic environment</b>                  |             |          |
| 3.01 Government budget balance, % GDP* .....                  | –5.8 .....  | 121      |
| 3.02 Gross national savings, % GDP* .....                     | 25.5 .....  | 39       |
| 3.03 Inflation, annual % change* .....                        | 0.2 .....   | 60       |
| 3.04 General government debt, % GDP* .....                    | 82.9 .....  | 119      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 63.3 .....  | 45       |
| <b>4th pillar: Health and primary education</b>               |             |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F. ....   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. .... | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 7.5 .....   | 20       |
| 4.04 Business impact of tuberculosis .....                    | 6.7 .....   | 12       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1 .....   | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.6 .....   | 10       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 2.3 .....   | 7        |
| 4.08 Life expectancy, years* .....                            | 80.3 .....  | 28       |
| 4.09 Quality of primary education .....                       | 5.1 .....   | 21       |
| 4.10 Primary education enrollment, net %* .....               | 97.2 .....  | 38       |
| <b>5th pillar: Higher education and training</b>              |             |          |
| 5.01 Secondary education enrollment, gross %* .....           | 97.6 .....  | 47       |
| 5.02 Tertiary education enrollment, gross %* .....            | 86.0 .....  | 6        |
| 5.03 Quality of the education system .....                    | 4.1 .....   | 50       |
| 5.04 Quality of math and science education .....              | 5.3 .....   | 13       |
| 5.05 Quality of management schools .....                      | 4.5 .....   | 47       |
| 5.06 Internet access in schools .....                         | 5.7 .....   | 21       |
| 5.07 Availability of specialized training services .....      | 4.6 .....   | 40       |
| 5.08 Extent of staff training .....                           | 4.0 .....   | 58       |
| <b>6th pillar: Goods market efficiency</b>                    |             |          |
| 6.01 Intensity of local competition .....                     | 5.1 .....   | 64       |
| 6.02 Extent of market dominance .....                         | 3.9 .....   | 52       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.8 .....   | 66       |
| 6.04 Effect of taxation on incentives to invest .....         | 2.7 .....   | 130      |
| 6.05 Total tax rate, % profits* .....                         | 32.0 .....  | 45       |

| INDICATOR                                                   | VALUE       | RANK/140 |
|-------------------------------------------------------------|-------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |             |          |
| 6.06 No. procedures to start a business* .....              | 2 .....     | 3        |
| 6.07 No. days to start a business* .....                    | 6.0 .....   | 28       |
| 6.08 Agricultural policy costs .....                        | 3.4 .....   | 100      |
| 6.09 Prevalence of non-tariff barriers .....                | 4.5 .....   | 49       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2 .....   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 3.3 .....   | 130      |
| 6.12 Business impact of rules on FDI .....                  | 3.4 .....   | 125      |
| 6.13 Burden of customs procedures .....                     | 4.9 .....   | 28       |
| 6.14 Imports as a percentage of GDP* .....                  | 78.9 .....  | 22       |
| 6.15 Degree of customer orientation .....                   | 5.0 .....   | 40       |
| 6.16 Buyer sophistication .....                             | 3.3 .....   | 81       |
| <b>7th pillar: Labor market efficiency</b>                  |             |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.0 .....   | 105      |
| 7.02 Flexibility of wage determination .....                | 4.0 .....   | 124      |
| 7.03 Hiring and firing practices .....                      | 2.5 .....   | 136      |
| 7.04 Redundancy costs, weeks of salary* .....               | 10.7 .....  | 40       |
| 7.05 Effect of taxation on incentives to work .....         | 2.3 .....   | 139      |
| 7.06 Pay and productivity .....                             | 3.8 .....   | 81       |
| 7.07 Reliance on professional management .....              | 4.0 .....   | 81       |
| 7.08 Country capacity to retain talent .....                | 3.0 .....   | 98       |
| 7.09 Country capacity to attract talent .....               | 2.5 .....   | 118      |
| 7.10 Women in labor force, ratio to men* .....              | 0.91 .....  | 31       |
| <b>8th pillar: Financial market development</b>             |             |          |
| 8.01 Availability of financial services .....               | 3.6 .....   | 125      |
| 8.02 Affordability of financial services .....              | 3.5 .....   | 120      |
| 8.03 Financing through local equity market .....            | 2.7 .....   | 117      |
| 8.04 Ease of access to loans .....                          | 1.6 .....   | 137      |
| 8.05 Venture capital availability .....                     | 2.4 .....   | 104      |
| 8.06 Soundness of banks .....                               | 2.9 .....   | 137      |
| 8.07 Regulation of securities exchanges .....               | 3.5 .....   | 114      |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 3 .....     | 93       |
| <b>9th pillar: Technological readiness</b>                  |             |          |
| 9.01 Availability of latest technologies .....              | 5.5 .....   | 38       |
| 9.02 Firm-level technology absorption .....                 | 4.9 .....   | 49       |
| 9.03 FDI and technology transfer .....                      | 4.1 .....   | 93       |
| 9.04 Individuals using Internet, %* .....                   | 71.6 .....  | 38       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 26.6 .....  | 31       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 121.1 ..... | 24       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 46.7 .....  | 64       |
| <b>10th pillar: Market size</b>                             |             |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 3.0 .....   | 91       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.5 .....   | 68       |
| 10.03 GDP (PPP\$ billions)* .....                           | 61.1 .....  | 89       |
| 10.04 Exports as a percentage of GDP* .....                 | 87.8 .....  | 14       |
| <b>11th pillar: Business sophistication</b>                 |             |          |
| 11.01 Local supplier quantity .....                         | 4.5 .....   | 76       |
| 11.02 Local supplier quality .....                          | 4.9 .....   | 34       |
| 11.03 State of cluster development .....                    | 3.5 .....   | 94       |
| 11.04 Nature of competitive advantage .....                 | 4.2 .....   | 33       |
| 11.05 Value chain breadth .....                             | 3.8 .....   | 66       |
| 11.06 Control of international distribution .....           | 4.0 .....   | 51       |
| 11.07 Production process sophistication .....               | 4.4 .....   | 38       |
| 11.08 Extent of marketing .....                             | 4.3 .....   | 73       |
| 11.09 Willingness to delegate authority .....               | 3.9 .....   | 52       |
| <b>12th pillar: Innovation</b>                              |             |          |
| 12.01 Capacity for innovation .....                         | 4.4 .....   | 41       |
| 12.02 Quality of scientific research institutions .....     | 4.8 .....   | 31       |
| 12.03 Company spending on R&D .....                         | 3.7 .....   | 39       |
| 12.04 University-industry collaboration in R&D .....        | 4.0 .....   | 44       |
| 12.05 Gov't procurement of advanced tech products .....     | 2.7 .....   | 120      |
| 12.06 Availability of scientists and engineers .....        | 4.1 .....   | 62       |
| 12.07 PCT patents, applications/million pop.* .....         | 62.3 .....  | 23       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

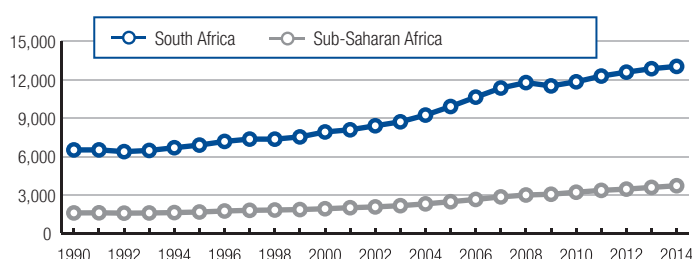


# South Africa

## Key indicators, 2014

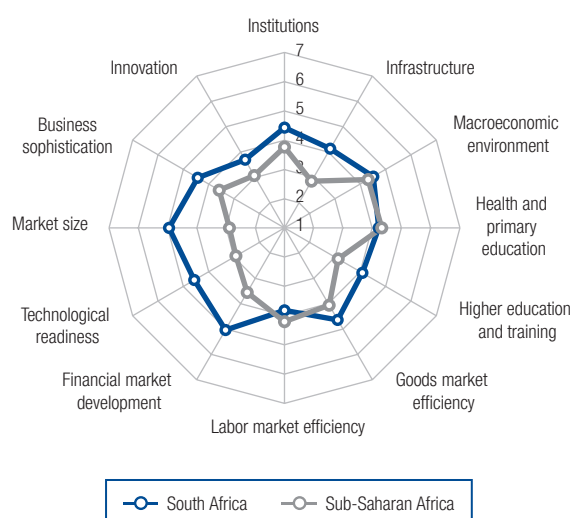
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 54.0  |
| GDP (US\$ billions).....                   | 350.1 |
| GDP per capita (US\$).....                 | 6,483 |
| GDP (PPP) as share (%) of world total..... | 0.65  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

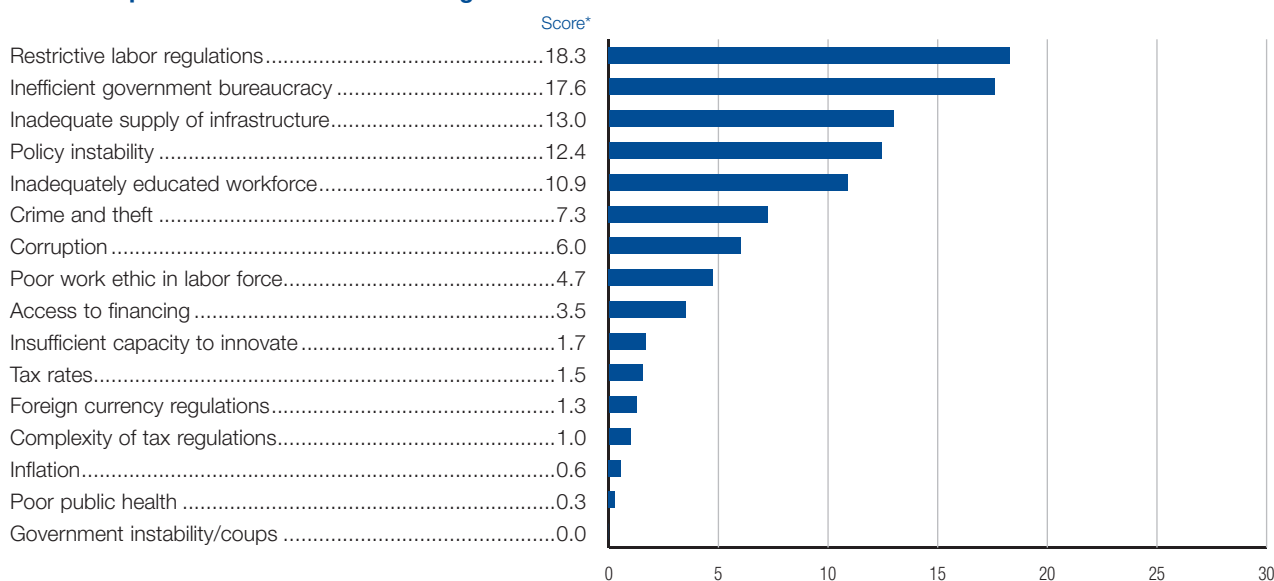
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>49</b>            | <b>4.4</b>     |
| GCI 2014–2015 (out of 144).....                            | 56                   | 4.4            |
| GCI 2013–2014 (out of 148).....                            | 53                   | 4.4            |
| GCI 2012–2013 (out of 144).....                            | 52                   | 4.4            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>85</b>            | <b>4.3</b>     |
| 1st pillar: Institutions.....                              | 38                   | 4.4            |
| 2nd pillar: Infrastructure.....                            | 68                   | 4.1            |
| 3rd pillar: Macroeconomic environment.....                 | 85                   | 4.5            |
| 4th pillar: Health and primary education.....              | 126                  | 4.2            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>41</b>            | <b>4.5</b>     |
| 5th pillar: Higher education and training.....             | 83                   | 4.1            |
| 6th pillar: Goods market efficiency.....                   | 38                   | 4.6            |
| 7th pillar: Labor market efficiency.....                   | 107                  | 3.8            |
| 8th pillar: Financial market development.....              | 12                   | 5.0            |
| 9th pillar: Technological readiness.....                   | 50                   | 4.6            |
| 10th pillar: Market size.....                              | 29                   | 4.9            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>36</b>            | <b>4.1</b>     |
| 11th pillar: Business sophistication.....                  | 33                   | 4.4            |
| 12th pillar: Innovation.....                               | 38                   | 3.7            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# South Africa

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 5.5     | 24       |
| 1.02 Intellectual property protection .....                   | 5.4     | 24       |
| 1.03 Diversion of public funds .....                          | 2.9     | 94       |
| 1.04 Public trust in politicians .....                        | 2.4     | 98       |
| 1.05 Irregular payments and bribes .....                      | 4.3     | 50       |
| 1.06 Judicial independence .....                              | 5.4     | 24       |
| 1.07 Favoritism in decisions of government officials .....    | 2.6     | 105      |
| 1.08 Wastefulness of government spending .....                | 2.8     | 91       |
| 1.09 Burden of government regulation .....                    | 2.9     | 117      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.3     | 14       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.0     | 17       |
| 1.12 Transparency of government policymaking .....            | 4.5     | 39       |
| 1.13 Business costs of terrorism .....                        | 5.7     | 50       |
| 1.14 Business costs of crime and violence .....               | 2.8     | 131      |
| 1.15 Organized crime .....                                    | 4.3     | 99       |
| 1.16 Reliability of police services .....                     | 3.6     | 102      |
| 1.17 Ethical behavior of firms .....                          | 4.4     | 38       |
| 1.18 Strength of auditing and reporting standards .....       | 6.6     | 1        |
| 1.19 Efficacy of corporate boards .....                       | 6.1     | 3        |
| 1.20 Protection of minority shareholders' interests .....     | 6.0     | 3        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.8     | 14       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 4.3     | 59       |
| 2.02 Quality of roads .....                                   | 5.0     | 34       |
| 2.03 Quality of railroad infrastructure .....                 | 3.6     | 42       |
| 2.04 Quality of port infrastructure .....                     | 4.9     | 36       |
| 2.05 Quality of air transport infrastructure .....            | 5.9     | 14       |
| 2.06 Available airline seat km/week, millions* .....          | 1,174.7 | 28       |
| 2.07 Quality of electricity supply .....                      | 2.9     | 116      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 149.7   | 22       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 8.1     | 90       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –4.1    | 94       |
| 3.02 Gross national savings, % GDP* .....                     | 14.9    | 101      |
| 3.03 Inflation, annual % change* .....                        | 6.1     | 108      |
| 3.04 General government debt, % GDP* .....                    | 45.9    | 75       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 58.5    | 51       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 32.5    | 28       |
| 4.02 Business impact of malaria .....                         | 5.1     | 30       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 860.0   | 138      |
| 4.04 Business impact of tuberculosis .....                    | 3.7     | 133      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 19.1    | 137      |
| 4.06 Business impact of HIV/AIDS .....                        | 3.4     | 133      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 32.8    | 104      |
| 4.08 Life expectancy, years* .....                            | 56.7    | 127      |
| 4.09 Quality of primary education .....                       | 2.5     | 127      |
| 4.10 Primary education enrollment, net %* .....               | 89.6    | 102      |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 110.8   | 12       |
| 5.02 Tertiary education enrollment, gross %* .....            | 19.7    | 93       |
| 5.03 Quality of the education system .....                    | 2.2     | 138      |
| 5.04 Quality of math and science education .....              | 2.0     | 140      |
| 5.05 Quality of management schools .....                      | 5.2     | 24       |
| 5.06 Internet access in schools .....                         | 3.2     | 119      |
| 5.07 Availability of specialized training services .....      | 4.6     | 41       |
| 5.08 Extent of staff training .....                           | 4.9     | 19       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.4     | 43       |
| 6.02 Extent of market dominance .....                         | 3.9     | 46       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.1     | 13       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.9     | 40       |
| 6.05 Total tax rate, % profits* .....                         | 28.8    | 32       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 5     | 38       |
| 6.07 No. days to start a business* .....                 | 19.0  | 94       |
| 6.08 Agricultural policy costs .....                     | 3.7   | 73       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.6   | 33       |
| 6.10 Trade tariffs, % duty* .....                        | 6.2   | 78       |
| 6.11 Prevalence of foreign ownership .....               | 5.0   | 47       |
| 6.12 Business impact of rules on FDI .....               | 4.1   | 99       |
| 6.13 Burden of customs procedures .....                  | 3.9   | 71       |
| 6.14 Imports as a percentage of GDP* .....               | 39.6  | 88       |
| 6.15 Degree of customer orientation .....                | 4.6   | 67       |
| 6.16 Buyer sophistication .....                          | 3.8   | 34       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 2.5   | 140      |
| 7.02 Flexibility of wage determination .....             | 2.7   | 137      |
| 7.03 Hiring and firing practices .....                   | 2.2   | 138      |
| 7.04 Redundancy costs, weeks of salary* .....            | 9.3   | 29       |
| 7.05 Effect of taxation on incentives to work .....      | 4.3   | 30       |
| 7.06 Pay and productivity .....                          | 3.2   | 127      |
| 7.07 Reliance on professional management .....           | 5.4   | 24       |
| 7.08 Country capacity to retain talent .....             | 3.6   | 61       |
| 7.09 Country capacity to attract talent .....            | 3.8   | 46       |
| 7.10 Women in labor force, ratio to men* .....           | 0.77  | 86       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 6.1   | 6        |
| 8.02 Affordability of financial services .....           | 5.3   | 21       |
| 8.03 Financing through local equity market .....         | 5.6   | 1        |
| 8.04 Ease of access to loans .....                       | 3.5   | 32       |
| 8.05 Venture capital availability .....                  | 3.0   | 47       |
| 8.06 Soundness of banks .....                            | 6.4   | 8        |
| 8.07 Regulation of securities exchanges .....            | 6.1   | 2        |
| 8.08 Legal rights index, 0–12 (best)* .....              | 5     | 63       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 5.3   | 41       |
| 9.02 Firm-level technology absorption .....              | 5.4   | 28       |
| 9.03 FDI and technology transfer .....                   | 4.5   | 64       |
| 9.04 Individuals using Internet, %* .....                | 49.0  | 71       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 3.2   | 93       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 149.5 | 19       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 46.7  | 63       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 4.8   | 27       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 5.3   | 36       |
| 10.03 GDP (PPP\$ billions)* .....                        | 704.5 | 29       |
| 10.04 Exports as a percentage of GDP* .....              | 30.7  | 94       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.6   | 51       |
| 11.02 Local supplier quality .....                       | 4.8   | 38       |
| 11.03 State of cluster development .....                 | 4.2   | 33       |
| 11.04 Nature of competitive advantage .....              | 3.4   | 70       |
| 11.05 Value chain breadth .....                          | 3.9   | 56       |
| 11.06 Control of international distribution .....        | 4.3   | 31       |
| 11.07 Production process sophistication .....            | 4.4   | 39       |
| 11.08 Extent of marketing .....                          | 5.1   | 24       |
| 11.09 Willingness to delegate authority .....            | 4.5   | 26       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.6   | 32       |
| 12.02 Quality of scientific research institutions .....  | 4.7   | 33       |
| 12.03 Company spending on R&D .....                      | 3.8   | 32       |
| 12.04 University-industry collaboration in R&D .....     | 4.5   | 31       |
| 12.05 Gov't procurement of advanced tech products .....  | 2.8   | 119      |
| 12.06 Availability of scientists and engineers .....     | 3.4   | 106      |
| 12.07 PCT patents, applications/million pop.* .....      | 6.9   | 46       |

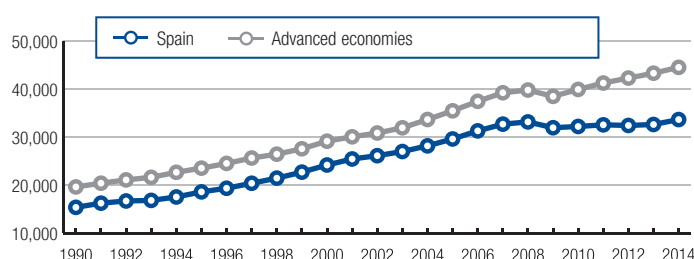
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Spain

## Key indicators, 2014

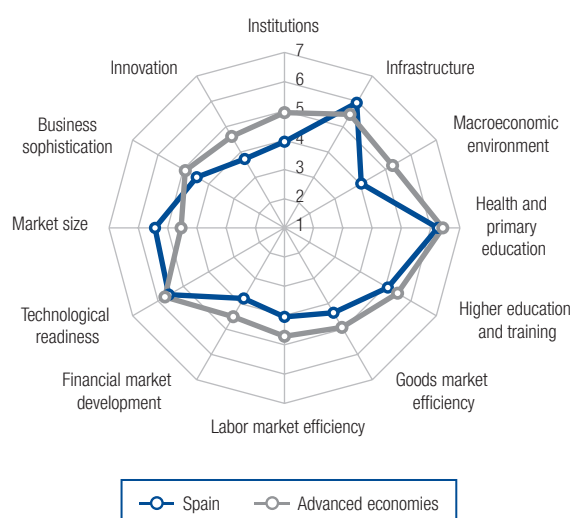
|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 46.5    |
| GDP (US\$ billions).....                   | 1,406.9 |
| GDP per capita (US\$).....                 | 30,278  |
| GDP (PPP) as share (%) of world total..... | 1.45    |

GDP (PPP) per capita (int'l \$), 1990–2014

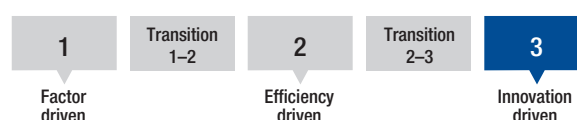


## Global Competitiveness Index

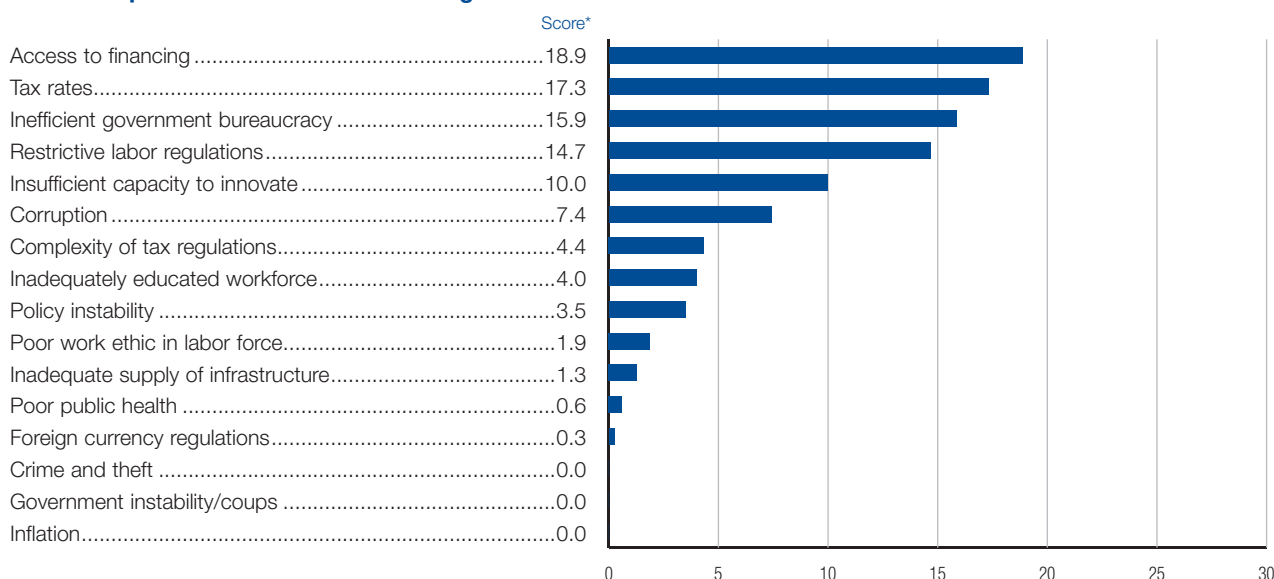
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016.....</b>                                 | <b>33</b>            | <b>4.6</b>     |
| GCI 2014–2015 (out of 144).....                           | 35                   | 4.5            |
| GCI 2013–2014 (out of 148).....                           | 35                   | 4.6            |
| GCI 2012–2013 (out of 144).....                           | 36                   | 4.6            |
| <b>Basic requirements (20.0%).....</b>                    | <b>40</b>            | <b>5.0</b>     |
| 1st pillar: Institutions.....                             | 65                   | 3.9            |
| 2nd pillar: Infrastructure.....                           | 10                   | 5.9            |
| 3rd pillar: Macroeconomic environment.....                | 116                  | 4.0            |
| 4th pillar: Health and primary education.....             | 32                   | 6.2            |
| <b>Efficiency enhancers (50.0%).....</b>                  | <b>29</b>            | <b>4.7</b>     |
| 5th pillar: Higher education and training.....            | 30                   | 5.1            |
| 6th pillar: Goods market efficiency.....                  | 62                   | 4.3            |
| 7th pillar: Labor market efficiency.....                  | 92                   | 4.0            |
| 8th pillar: Financial market development.....             | 77                   | 3.8            |
| 9th pillar: Technological readiness.....                  | 25                   | 5.6            |
| 10th pillar: Market size.....                             | 15                   | 5.4            |
| <b>Innovation and sophistication factors (30.0%).....</b> | <b>35</b>            | <b>4.1</b>     |
| 11th pillar: Business sophistication.....                 | 31                   | 4.5            |
| 12th pillar: Innovation.....                              | 37                   | 3.7            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Spain

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 4.3     | 60       |
| 1.02 Intellectual property protection .....                   | 4.0     | 62       |
| 1.03 Diversion of public funds .....                          | 2.9     | 98       |
| 1.04 Public trust in politicians .....                        | 2.3     | 108      |
| 1.05 Irregular payments and bribes .....                      | 4.5     | 45       |
| 1.06 Judicial independence .....                              | 3.5     | 84       |
| 1.07 Favoritism in decisions of government officials .....    | 2.9     | 78       |
| 1.08 Wastefulness of government spending .....                | 2.5     | 111      |
| 1.09 Burden of government regulation .....                    | 2.7     | 124      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.3     | 88       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.5     | 65       |
| 1.12 Transparency of government policymaking .....            | 4.0     | 76       |
| 1.13 Business costs of terrorism .....                        | 5.2     | 78       |
| 1.14 Business costs of crime and violence .....               | 5.2     | 38       |
| 1.15 Organized crime .....                                    | 5.6     | 39       |
| 1.16 Reliability of police services .....                     | 5.8     | 20       |
| 1.17 Ethical behavior of firms .....                          | 3.8     | 79       |
| 1.18 Strength of auditing and reporting standards .....       | 4.6     | 67       |
| 1.19 Efficacy of corporate boards .....                       | 4.9     | 54       |
| 1.20 Protection of minority shareholders' interests .....     | 3.7     | 94       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.4     | 30       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 5.7     | 14       |
| 2.02 Quality of roads .....                                   | 5.8     | 11       |
| 2.03 Quality of railroad infrastructure .....                 | 5.9     | 4        |
| 2.04 Quality of port infrastructure .....                     | 5.7     | 12       |
| 2.05 Quality of air transport infrastructure .....            | 5.9     | 12       |
| 2.06 Available airline seat km/week, millions* .....          | 3,880.3 | 9        |
| 2.07 Quality of electricity supply .....                      | 6.2     | 24       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 107.8   | 81       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 40.6    | 19       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –5.8    | 122      |
| 3.02 Gross national savings, % GDP* .....                     | 19.6    | 75       |
| 3.03 Inflation, annual % change* .....                        | –0.2    | 71       |
| 3.04 General government debt, % GDP* .....                    | 97.7    | 126      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 65.4    | 43       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.    | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl.  | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 13.0    | 31       |
| 4.04 Business impact of tuberculosis .....                    | 6.8     | 6        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.4     | 74       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.5     | 16       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.6     | 25       |
| 4.08 Life expectancy, years* .....                            | 82.4    | 5        |
| 4.09 Quality of primary education .....                       | 4.1     | 66       |
| 4.10 Primary education enrollment, net %* .....               | 98.4    | 15       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 130.8   | 2        |
| 5.02 Tertiary education enrollment, gross %* .....            | 84.6    | 7        |
| 5.03 Quality of the education system .....                    | 3.4     | 85       |
| 5.04 Quality of math and science education .....              | 3.8     | 84       |
| 5.05 Quality of management schools .....                      | 5.8     | 6        |
| 5.06 Internet access in schools .....                         | 4.3     | 67       |
| 5.07 Availability of specialized training services .....      | 4.2     | 62       |
| 5.08 Extent of staff training .....                           | 3.6     | 104      |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.6     | 19       |
| 6.02 Extent of market dominance .....                         | 4.1     | 34       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.2     | 38       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.0     | 121      |
| 6.05 Total tax rate, % profits* .....                         | 58.2    | 122      |

| INDICATOR                                                   | VALUE   | RANK/140 |
|-------------------------------------------------------------|---------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |          |
| 6.06 No. procedures to start a business* .....              | 6       | 57       |
| 6.07 No. days to start a business* .....                    | 13.0    | 74       |
| 6.08 Agricultural policy costs .....                        | 3.7     | 76       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.2     | 86       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2     | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 5.0     | 44       |
| 6.12 Business impact of rules on FDI .....                  | 4.6     | 59       |
| 6.13 Burden of customs procedures .....                     | 4.6     | 39       |
| 6.14 Imports as a percentage of GDP* .....                  | 30.4    | 114      |
| 6.15 Degree of customer orientation .....                   | 4.7     | 64       |
| 6.16 Buyer sophistication .....                             | 3.3     | 76       |
| <b>7th pillar: Labor market efficiency</b>                  |         |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.2     | 84       |
| 7.02 Flexibility of wage determination .....                | 4.6     | 97       |
| 7.03 Hiring and firing practices .....                      | 3.1     | 121      |
| 7.04 Redundancy costs, weeks of salary* .....               | 17.4    | 79       |
| 7.05 Effect of taxation on incentives to work .....         | 3.0     | 124      |
| 7.06 Pay and productivity .....                             | 3.4     | 115      |
| 7.07 Reliance on professional management .....              | 4.5     | 49       |
| 7.08 Country capacity to retain talent .....                | 3.1     | 94       |
| 7.09 Country capacity to attract talent .....               | 2.8     | 98       |
| 7.10 Women in labor force, ratio to men* .....              | 0.85    | 53       |
| <b>8th pillar: Financial market development</b>             |         |          |
| 8.01 Availability of financial services .....               | 4.9     | 49       |
| 8.02 Affordability of financial services .....              | 4.2     | 60       |
| 8.03 Financing through local equity market .....            | 3.3     | 82       |
| 8.04 Ease of access to loans .....                          | 1.7     | 131      |
| 8.05 Venture capital availability .....                     | 2.7     | 69       |
| 8.06 Soundness of banks .....                               | 4.7     | 79       |
| 8.07 Regulation of securities exchanges .....               | 4.4     | 59       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 5       | 63       |
| <b>9th pillar: Technological readiness</b>                  |         |          |
| 9.01 Availability of latest technologies .....              | 5.5     | 34       |
| 9.02 Firm-level technology absorption .....                 | 4.9     | 50       |
| 9.03 FDI and technology transfer .....                      | 4.8     | 38       |
| 9.04 Individuals using Internet, %* .....                   | 76.2    | 30       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 27.3    | 28       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 111.5   | 27       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 77.1    | 25       |
| <b>10th pillar: Market size</b>                             |         |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.3     | 16       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.8     | 22       |
| 10.03 GDP (PPP\$ billions)* .....                           | 1,566.4 | 16       |
| 10.04 Exports as a percentage of GDP* .....                 | 32.6    | 88       |
| <b>11th pillar: Business sophistication</b>                 |         |          |
| 11.01 Local supplier quantity .....                         | 5.1     | 18       |
| 11.02 Local supplier quality .....                          | 5.1     | 31       |
| 11.03 State of cluster development .....                    | 3.9     | 50       |
| 11.04 Nature of competitive advantage .....                 | 4.1     | 37       |
| 11.05 Value chain breadth .....                             | 4.7     | 25       |
| 11.06 Control of international distribution .....           | 4.4     | 26       |
| 11.07 Production process sophistication .....               | 4.7     | 30       |
| 11.08 Extent of marketing .....                             | 4.7     | 40       |
| 11.09 Willingness to delegate authority .....               | 3.5     | 95       |
| <b>12th pillar: Innovation</b>                              |         |          |
| 12.01 Capacity for innovation .....                         | 4.1     | 55       |
| 12.02 Quality of scientific research institutions .....     | 4.4     | 37       |
| 12.03 Company spending on R&D .....                         | 3.3     | 59       |
| 12.04 University-industry collaboration in R&D .....        | 3.8     | 57       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.2     | 84       |
| 12.06 Availability of scientists and engineers .....        | 5.0     | 16       |
| 12.07 PCT patents, applications/million pop.* .....         | 38.2    | 25       |

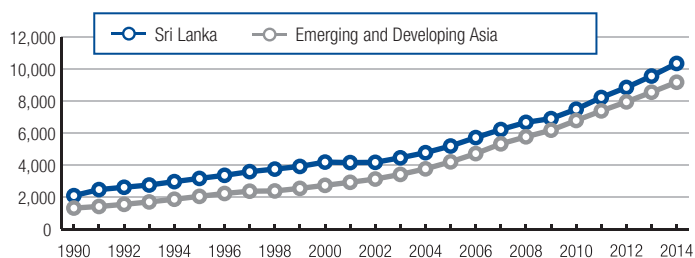
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Sri Lanka

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 21.0  |
| GDP (US\$ billions).....                   | 74.6  |
| GDP per capita (US\$).....                 | 3,558 |
| GDP (PPP) as share (%) of world total..... | 0.20  |

GDP (PPP) per capita (int'l \$), 1990–2014



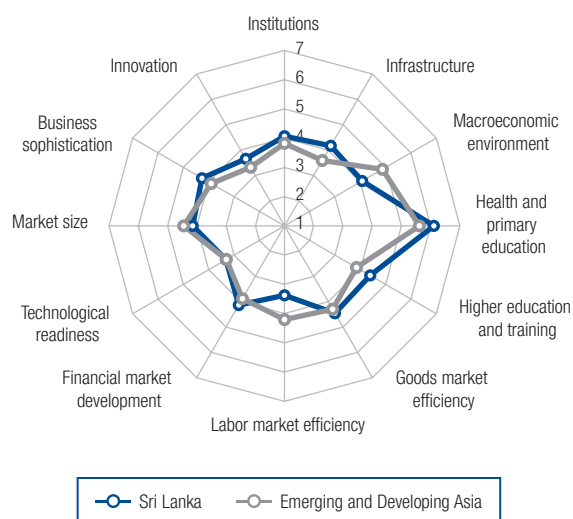
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>68</b>            | <b>4.2</b>     |
| GCI 2014–2015 (out of 144)..... | 73                   | 4.2            |
| GCI 2013–2014 (out of 148)..... | 65                   | 4.2            |
| GCI 2012–2013 (out of 144)..... | 68                   | 4.2            |

|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (40.0%)</b> .....       | <b>67</b> | <b>4.6</b> |
| 1st pillar: Institutions.....                 | 59        | 4.1        |
| 2nd pillar: Infrastructure.....               | 64        | 4.2        |
| 3rd pillar: Macroeconomic environment.....    | 115       | 4.1        |
| 4th pillar: Health and primary education..... | 43        | 6.1        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>76</b> | <b>4.0</b> |
| 5th pillar: Higher education and training..... | 66        | 4.4        |
| 6th pillar: Goods market efficiency.....       | 51        | 4.4        |
| 7th pillar: Labor market efficiency.....       | 130       | 3.4        |
| 8th pillar: Financial market development.....  | 51        | 4.1        |
| 9th pillar: Technological readiness.....       | 93        | 3.3        |
| 10th pillar: Market size.....                  | 61        | 4.1        |

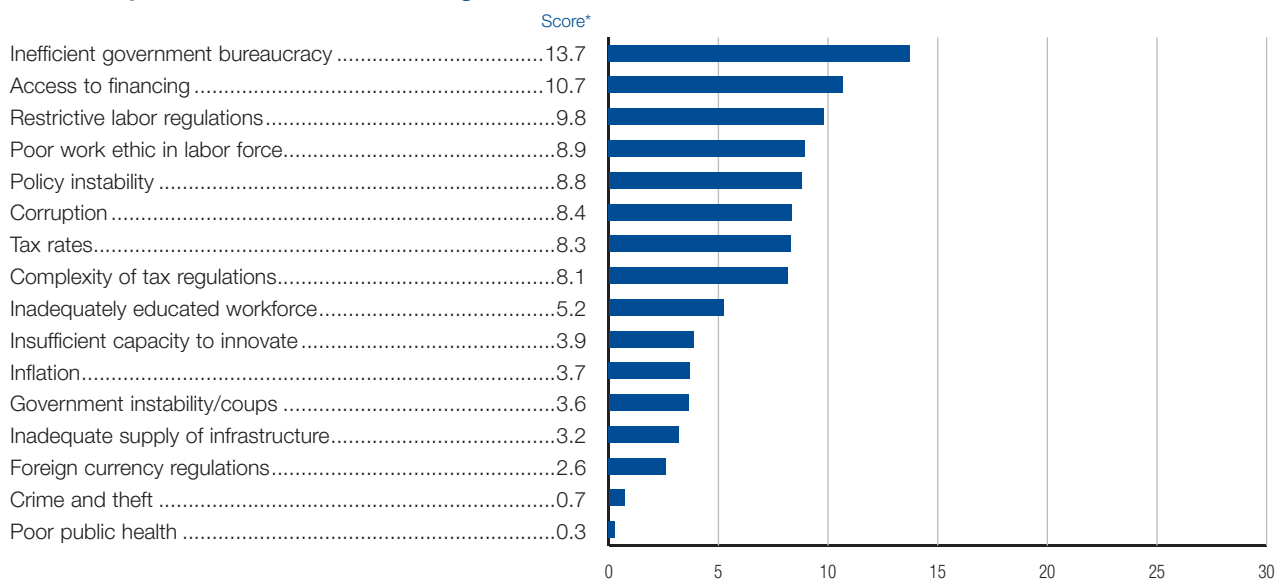
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>41</b> | <b>4.0</b> |
| 11th pillar: Business sophistication.....                  | 44        | 4.3        |
| 12th pillar: Innovation.....                               | 43        | 3.6        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Sri Lanka

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE       | RANK/140 |
|---------------------------------------------------------------|-------------|----------|
| <b>1st pillar: Institutions</b>                               |             |          |
| 1.01 Property rights .....                                    | 4.3 .....   | 62       |
| 1.02 Intellectual property protection .....                   | 4.4 .....   | 42       |
| 1.03 Diversion of public funds .....                          | 3.2 .....   | 74       |
| 1.04 Public trust in politicians .....                        | 2.6 .....   | 93       |
| 1.05 Irregular payments and bribes .....                      | 3.6 .....   | 88       |
| 1.06 Judicial independence .....                              | 4.2 .....   | 52       |
| 1.07 Favoritism in decisions of government officials .....    | 2.7 .....   | 98       |
| 1.08 Wastefulness of government spending .....                | 3.5 .....   | 52       |
| 1.09 Burden of government regulation .....                    | 3.5 .....   | 64       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.7 .....   | 26       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.7 .....   | 51       |
| 1.12 Transparency of government policymaking .....            | 3.9 .....   | 80       |
| 1.13 Business costs of terrorism .....                        | 6.1 .....   | 21       |
| 1.14 Business costs of crime and violence .....               | 5.2 .....   | 41       |
| 1.15 Organized crime .....                                    | 5.1 .....   | 59       |
| 1.16 Reliability of police services .....                     | 3.7 .....   | 99       |
| 1.17 Ethical behavior of firms .....                          | 3.9 .....   | 65       |
| 1.18 Strength of auditing and reporting standards .....       | 4.9 .....   | 53       |
| 1.19 Efficacy of corporate boards .....                       | 5.0 .....   | 45       |
| 1.20 Protection of minority shareholders' interests .....     | 4.5 .....   | 37       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.9 .....   | 50       |
| <b>2nd pillar: Infrastructure</b>                             |             |          |
| 2.01 Quality of overall infrastructure .....                  | 5.1 .....   | 26       |
| 2.02 Quality of roads .....                                   | 5.2 .....   | 27       |
| 2.03 Quality of railroad infrastructure .....                 | 3.9 .....   | 37       |
| 2.04 Quality of port infrastructure .....                     | 4.3 .....   | 58       |
| 2.05 Quality of air transport infrastructure .....            | 4.9 .....   | 45       |
| 2.06 Available airline seat km/week, millions* .....          | 311.4 ..... | 54       |
| 2.07 Quality of electricity supply .....                      | 4.9 .....   | 61       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 103.2 ..... | 91       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 12.5 .....  | 78       |
| <b>3rd pillar: Macroeconomic environment</b>                  |             |          |
| 3.01 Government budget balance, % GDP* .....                  | –5.9 .....  | 123      |
| 3.02 Gross national savings, % GDP* .....                     | 23.9 .....  | 47       |
| 3.03 Inflation, annual % change* .....                        | 3.3 .....   | 63       |
| 3.04 General government debt, % GDP* .....                    | 75.9 .....  | 114      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 31.7 .....  | 98       |
| <b>4th pillar: Health and primary education</b>               |             |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.4 .....   | 14       |
| 4.02 Business impact of malaria .....                         | 6.0 .....   | 10       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 66.0 .....  | 78       |
| 4.04 Business impact of tuberculosis .....                    | 6.0 .....   | 55       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1 .....   | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.9 .....   | 62       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 8.2 .....   | 51       |
| 4.08 Life expectancy, years* .....                            | 74.2 .....  | 70       |
| 4.09 Quality of primary education .....                       | 5.0 .....   | 26       |
| 4.10 Primary education enrollment, net %* .....               | 94.1 .....  | 70       |
| <b>5th pillar: Higher education and training</b>              |             |          |
| 5.01 Secondary education enrollment, gross %* .....           | 99.3 .....  | 36       |
| 5.02 Tertiary education enrollment, gross %* .....            | 17.0 .....  | 98       |
| 5.03 Quality of the education system .....                    | 4.7 .....   | 24       |
| 5.04 Quality of math and science education .....              | 4.8 .....   | 25       |
| 5.05 Quality of management schools .....                      | 4.9 .....   | 31       |
| 5.06 Internet access in schools .....                         | 4.0 .....   | 79       |
| 5.07 Availability of specialized training services .....      | 4.7 .....   | 37       |
| 5.08 Extent of staff training .....                           | 4.0 .....   | 63       |
| <b>6th pillar: Goods market efficiency</b>                    |             |          |
| 6.01 Intensity of local competition .....                     | 5.7 .....   | 17       |
| 6.02 Extent of market dominance .....                         | 4.1 .....   | 36       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.1 .....   | 44       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8 .....   | 47       |
| 6.05 Total tax rate, % profits* .....                         | 55.6 .....  | 119      |

| INDICATOR                                                | VALUE       | RANK/140 |
|----------------------------------------------------------|-------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |             |          |
| 6.06 No. procedures to start a business* .....           | 9 .....     | 104      |
| 6.07 No. days to start a business* .....                 | 11.0 .....  | 59       |
| 6.08 Agricultural policy costs .....                     | 3.9 .....   | 60       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.1 .....   | 92       |
| 6.10 Trade tariffs, % duty* .....                        | 20.0 .....  | 138      |
| 6.11 Prevalence of foreign ownership .....               | 4.6 .....   | 61       |
| 6.12 Business impact of rules on FDI .....               | 4.9 .....   | 38       |
| 6.13 Burden of customs procedures .....                  | 4.2 .....   | 59       |
| 6.14 Imports as a percentage of GDP* .....               | 33.5 .....  | 98       |
| 6.15 Degree of customer orientation .....                | 5.2 .....   | 30       |
| 6.16 Buyer sophistication .....                          | 3.8 .....   | 33       |
| <b>7th pillar: Labor market efficiency</b>               |             |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.8 .....   | 35       |
| 7.02 Flexibility of wage determination .....             | 5.3 .....   | 49       |
| 7.03 Hiring and firing practices .....                   | 3.2 .....   | 117      |
| 7.04 Redundancy costs, weeks of salary* .....            | 58.5 .....  | 136      |
| 7.05 Effect of taxation on incentives to work .....      | 4.0 .....   | 45       |
| 7.06 Pay and productivity .....                          | 4.5 .....   | 30       |
| 7.07 Reliance on professional management .....           | 4.7 .....   | 40       |
| 7.08 Country capacity to retain talent .....             | 3.4 .....   | 75       |
| 7.09 Country capacity to attract talent .....            | 2.6 .....   | 114      |
| 7.10 Women in labor force, ratio to men* .....           | 0.48 .....  | 126      |
| <b>8th pillar: Financial market development</b>          |             |          |
| 8.01 Availability of financial services .....            | 5.3 .....   | 30       |
| 8.02 Affordability of financial services .....           | 4.7 .....   | 44       |
| 8.03 Financing through local equity market .....         | 4.6 .....   | 23       |
| 8.04 Ease of access to loans .....                       | 2.9 .....   | 66       |
| 8.05 Venture capital availability .....                  | 2.8 .....   | 60       |
| 8.06 Soundness of banks .....                            | 5.6 .....   | 35       |
| 8.07 Regulation of securities exchanges .....            | 4.4 .....   | 56       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 3 .....     | 93       |
| <b>9th pillar: Technological readiness</b>               |             |          |
| 9.01 Availability of latest technologies .....           | 4.9 .....   | 61       |
| 9.02 Firm-level technology absorption .....              | 4.9 .....   | 51       |
| 9.03 FDI and technology transfer .....                   | 4.7 .....   | 53       |
| 9.04 Individuals using Internet, %* .....                | 25.8 .....  | 100      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 2.6 .....   | 95       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 12.7 .....  | 92       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 13.0 .....  | 108      |
| <b>10th pillar: Market size</b>                          |             |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 4.0 .....   | 55       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.5 .....   | 70       |
| 10.03 GDP (PPP\$ billions)* .....                        | 217.4 ..... | 61       |
| 10.04 Exports as a percentage of GDP* .....              | 22.6 .....  | 115      |
| <b>11th pillar: Business sophistication</b>              |             |          |
| 11.01 Local supplier quantity .....                      | 5.2 .....   | 14       |
| 11.02 Local supplier quality .....                       | 4.9 .....   | 32       |
| 11.03 State of cluster development .....                 | 3.8 .....   | 64       |
| 11.04 Nature of competitive advantage .....              | 3.4 .....   | 67       |
| 11.05 Value chain breadth .....                          | 4.1 .....   | 46       |
| 11.06 Control of international distribution .....        | 4.1 .....   | 45       |
| 11.07 Production process sophistication .....            | 3.7 .....   | 71       |
| 11.08 Extent of marketing .....                          | 5.0 .....   | 26       |
| 11.09 Willingness to delegate authority .....            | 3.8 .....   | 58       |
| <b>12th pillar: Innovation</b>                           |             |          |
| 12.01 Capacity for innovation .....                      | 4.5 .....   | 36       |
| 12.02 Quality of scientific research institutions .....  | 4.3 .....   | 39       |
| 12.03 Company spending on R&D .....                      | 3.5 .....   | 50       |
| 12.04 University-industry collaboration in R&D .....     | 3.1 .....   | 109      |
| 12.05 Gov't procurement of advanced tech products .....  | 3.8 .....   | 32       |
| 12.06 Availability of scientists and engineers .....     | 5.0 .....   | 13       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.6 .....   | 78       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

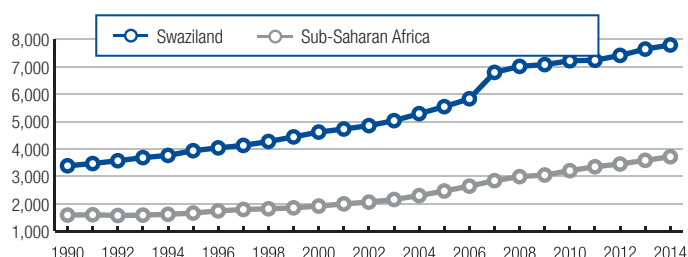


# Swaziland

## Key indicators, 2014

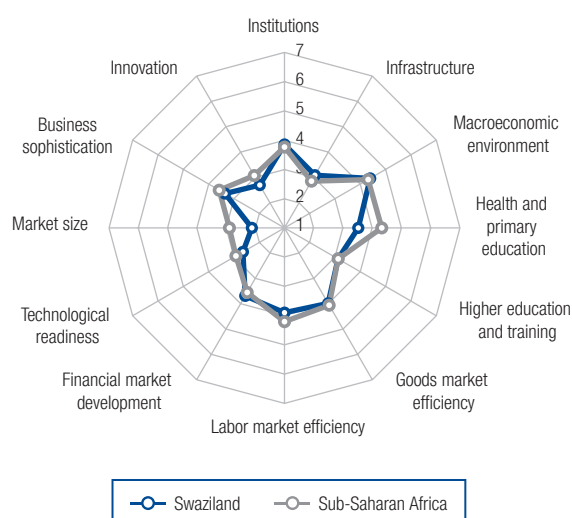
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 1.1   |
| GDP (US\$ billions).....                   | 3.7   |
| GDP per capita (US\$).....                 | 3,325 |
| GDP (PPP) as share (%) of world total..... | 0.01  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

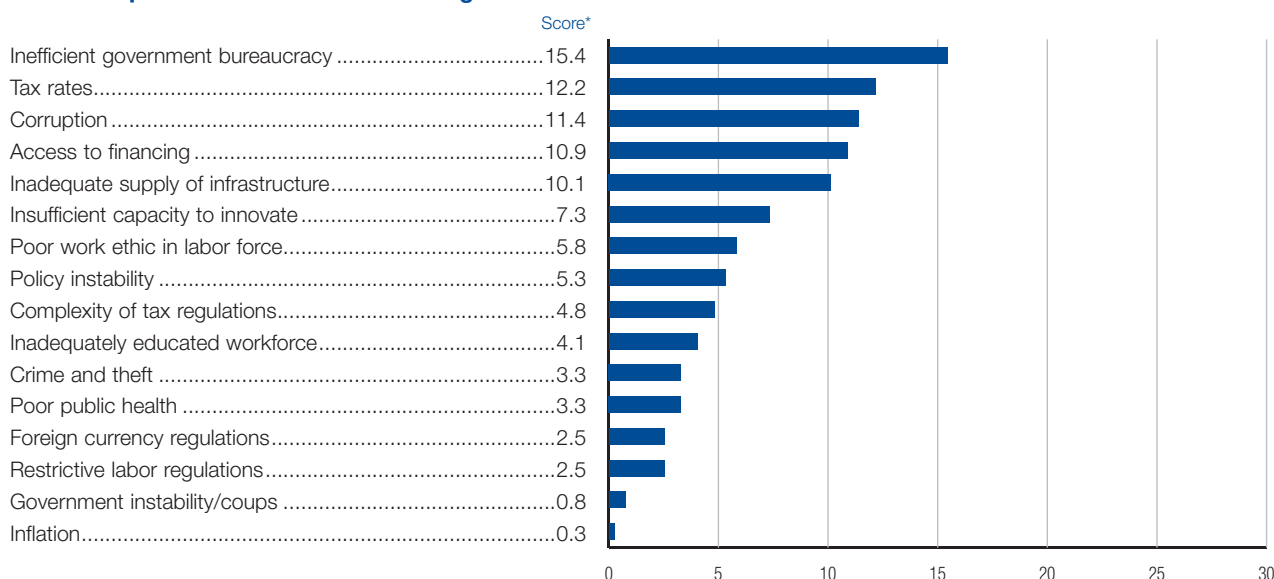
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>128</b>           | <b>3.4</b>     |
| GCI 2014–2015 (out of 144).....                            | 123                  | 3.6            |
| GCI 2013–2014 (out of 148).....                            | 124                  | 3.5            |
| GCI 2012–2013 (out of 144).....                            | 135                  | 3.3            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>119</b>           | <b>3.7</b>     |
| 1st pillar: Institutions.....                              | 74                   | 3.8            |
| 2nd pillar: Infrastructure.....                            | 104                  | 3.1            |
| 3rd pillar: Macroeconomic environment.....                 | 93                   | 4.4            |
| 4th pillar: Health and primary education.....              | 135                  | 3.5            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>128</b>           | <b>3.2</b>     |
| 5th pillar: Higher education and training.....             | 118                  | 3.1            |
| 6th pillar: Goods market efficiency.....                   | 111                  | 4.0            |
| 7th pillar: Labor market efficiency.....                   | 101                  | 3.9            |
| 8th pillar: Financial market development.....              | 82                   | 3.7            |
| 9th pillar: Technological readiness.....                   | 125                  | 2.6            |
| 10th pillar: Market size.....                              | 132                  | 2.1            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>126</b>           | <b>3.0</b>     |
| 11th pillar: Business sophistication.....                  | 123                  | 3.3            |
| 12th pillar: Innovation.....                               | 124                  | 2.7            |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Swaziland

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140  |
|---------------------------------------------------------------|---------|-----------|
| <b>1st pillar: Institutions</b>                               |         |           |
| 1.01 Property rights .....                                    | 4.5     | <b>48</b> |
| 1.02 Intellectual property protection .....                   | 3.5     | 95        |
| 1.03 Diversion of public funds .....                          | 3.2     | 76        |
| 1.04 Public trust in politicians .....                        | 2.8     | 81        |
| 1.05 Irregular payments and bribes .....                      | 3.9     | 70        |
| 1.06 Judicial independence .....                              | 2.9     | 111       |
| 1.07 Favoritism in decisions of government officials .....    | 3.1     | 70        |
| 1.08 Wastefulness of government spending .....                | 3.0     | 83        |
| 1.09 Burden of government regulation .....                    | 3.5     | 66        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.5     | 78        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.1     | 92        |
| 1.12 Transparency of government policymaking .....            | 3.7     | 101       |
| 1.13 Business costs of terrorism .....                        | 5.5     | 55        |
| 1.14 Business costs of crime and violence .....               | 4.7     | 67        |
| 1.15 Organized crime .....                                    | 5.1     | 56        |
| 1.16 Reliability of police services .....                     | 4.6     | <b>49</b> |
| 1.17 Ethical behavior of firms .....                          | 3.9     | 74        |
| 1.18 Strength of auditing and reporting standards .....       | 4.8     | 58        |
| 1.19 Efficacy of corporate boards .....                       | 4.8     | 65        |
| 1.20 Protection of minority shareholders' interests .....     | 4.1     | 76        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.8     | 95        |
| <b>2nd pillar: Infrastructure</b>                             |         |           |
| 2.01 Quality of overall infrastructure .....                  | 3.8     | 80        |
| 2.02 Quality of roads .....                                   | 4.4     | <b>50</b> |
| 2.03 Quality of railroad infrastructure .....                 | 3.1     | 52        |
| 2.04 Quality of port infrastructure .....                     | 3.4     | 95        |
| 2.05 Quality of air transport infrastructure .....            | 3.6     | 105       |
| 2.06 Available airline seat km/week, millions* .....          | 0.3     | 140       |
| 2.07 Quality of electricity supply .....                      | 4.0     | 92        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 72.3    | 125       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 3.5     | 106       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |           |
| 3.01 Government budget balance, % GDP* .....                  | –2.0    | <b>50</b> |
| 3.02 Gross national savings, % GDP* .....                     | 12.2    | 117       |
| 3.03 Inflation, annual % change* .....                        | 5.8     | 103       |
| 3.04 General government debt, % GDP* .....                    | 16.2    | <b>13</b> |
| 3.05 Country credit rating, 0–100 (best)* .....               | 20.3    | 128       |
| <b>4th pillar: Health and primary education</b>               |         |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 43.1    | 31        |
| 4.02 Business impact of malaria .....                         | 4.1     | 51        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 1,382.0 | 140       |
| 4.04 Business impact of tuberculosis .....                    | 2.4     | 140       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 27.4    | 140       |
| 4.06 Business impact of HIV/AIDS .....                        | 2.1     | 140       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 55.9    | 128       |
| 4.08 Life expectancy, years* .....                            | 48.9    | 138       |
| 4.09 Quality of primary education .....                       | 4.0     | 73        |
| 4.10 Primary education enrollment, net %* .....               | 84.7    | 121       |
| <b>5th pillar: Higher education and training</b>              |         |           |
| 5.01 Secondary education enrollment, gross %* .....           | 60.7    | 112       |
| 5.02 Tertiary education enrollment, gross %* .....            | 5.3     | 126       |
| 5.03 Quality of the education system .....                    | 3.5     | 80        |
| 5.04 Quality of math and science education .....              | 3.7     | 86        |
| 5.05 Quality of management schools .....                      | 3.3     | 122       |
| 5.06 Internet access in schools .....                         | 2.6     | 131       |
| 5.07 Availability of specialized training services .....      | 3.3     | 120       |
| 5.08 Extent of staff training .....                           | 4.0     | 71        |
| <b>6th pillar: Goods market efficiency</b>                    |         |           |
| 6.01 Intensity of local competition .....                     | 4.8     | 87        |
| 6.02 Extent of market dominance .....                         | 2.9     | 127       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 2.9     | 134       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.4     | 93        |
| 6.05 Total tax rate, % profits* .....                         | 35.6    | 64        |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 12    | 130       |
| 6.07 No. days to start a business* .....                 | 30.0  | 112       |
| 6.08 Agricultural policy costs .....                     | 3.6   | 89        |
| 6.09 Prevalence of non-tariff barriers .....             | 4.7   | <b>22</b> |
| 6.10 Trade tariffs, % duty* .....                        | 6.4   | 80        |
| 6.11 Prevalence of foreign ownership .....               | 5.0   | <b>43</b> |
| 6.12 Business impact of rules on FDI .....               | 4.4   | 76        |
| 6.13 Burden of customs procedures .....                  | 3.5   | 101       |
| 6.14 Imports as a percentage of GDP* .....               | 63.7  | <b>37</b> |
| 6.15 Degree of customer orientation .....                | 4.1   | 108       |
| 6.16 Buyer sophistication .....                          | 3.0   | 110       |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 4.5   | 57        |
| 7.02 Flexibility of wage determination .....             | 4.3   | 109       |
| 7.03 Hiring and firing practices .....                   | 3.9   | 64        |
| 7.04 Redundancy costs, weeks of salary* .....            | 14.6  | 62        |
| 7.05 Effect of taxation on incentives to work .....      | 3.7   | 80        |
| 7.06 Pay and productivity .....                          | 3.7   | 92        |
| 7.07 Reliance on professional management .....           | 4.4   | 52        |
| 7.08 Country capacity to retain talent .....             | 3.2   | 89        |
| 7.09 Country capacity to attract talent .....            | 3.1   | 88        |
| 7.10 Women in labor force, ratio to men* .....           | 0.62  | 110       |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 4.4   | 64        |
| 8.02 Affordability of financial services .....           | 4.2   | 58        |
| 8.03 Financing through local equity market .....         | 3.1   | 97        |
| 8.04 Ease of access to loans .....                       | 2.7   | 81        |
| 8.05 Venture capital availability .....                  | 2.2   | 113       |
| 8.06 Soundness of banks .....                            | 5.1   | 59        |
| 8.07 Regulation of securities exchanges .....            | 4.0   | 82        |
| 8.08 Legal rights index, 0–12 (best)* .....              | 4     | 80        |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 3.9   | 122       |
| 9.02 Firm-level technology absorption .....              | 3.9   | 119       |
| 9.03 FDI and technology transfer .....                   | 3.6   | 123       |
| 9.04 Individuals using Internet, %* .....                | 27.1  | 98        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.3   | 114       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 1.7   | 136       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 8.0   | 118       |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 1.7   | 134       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.2   | 126       |
| 10.03 GDP (PPP\$ billions)* .....                        | 8.6   | 132       |
| 10.04 Exports as a percentage of GDP* .....              | 59.6  | <b>29</b> |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 3.7   | 130       |
| 11.02 Local supplier quality .....                       | 3.6   | 120       |
| 11.03 State of cluster development .....                 | 3.1   | 115       |
| 11.04 Nature of competitive advantage .....              | 2.8   | 121       |
| 11.05 Value chain breadth .....                          | 2.9   | 135       |
| 11.06 Control of international distribution .....        | 3.1   | 127       |
| 11.07 Production process sophistication .....            | 3.1   | 115       |
| 11.08 Extent of marketing .....                          | 3.5   | 130       |
| 11.09 Willingness to delegate authority .....            | 3.8   | 61        |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 3.4   | 118       |
| 12.02 Quality of scientific research institutions .....  | 2.5   | 131       |
| 12.03 Company spending on R&D .....                      | 2.6   | 121       |
| 12.04 University-industry collaboration in R&D .....     | 3.3   | 85        |
| 12.05 Gov't procurement of advanced tech products .....  | 3.0   | 99        |
| 12.06 Availability of scientists and engineers .....     | 2.6   | 138       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.6   | 80        |

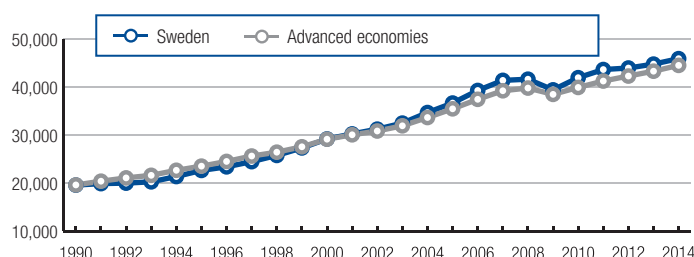
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Sweden

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 9.7    |
| GDP (US\$ billions).....                   | 570.1  |
| GDP per capita (US\$).....                 | 58,491 |
| GDP (PPP) as share (%) of world total..... | 0.42   |

GDP (PPP) per capita (int'l \$), 1990–2014



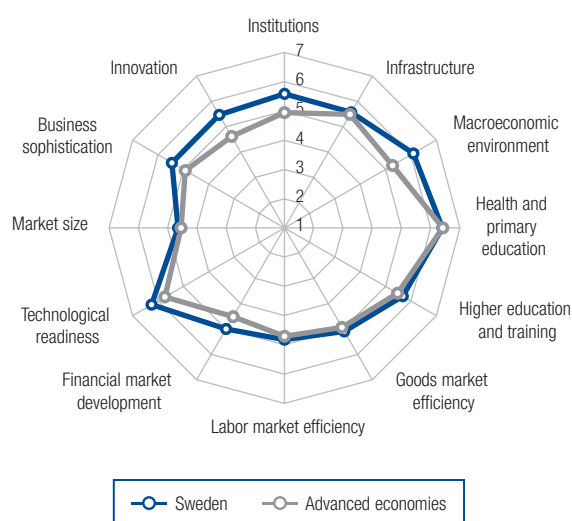
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>9</b>             | <b>5.4</b>     |
| GCI 2014–2015 (out of 144)..... | 10                   | 5.4            |
| GCI 2013–2014 (out of 148)..... | 6                    | 5.5            |
| GCI 2012–2013 (out of 144)..... | 4                    | 5.5            |

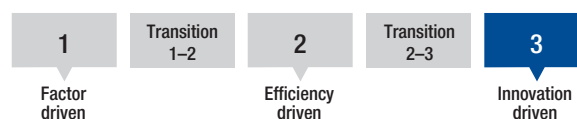
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>13</b> | <b>5.9</b> |
| 1st pillar: Institutions.....                 | 11        | 5.6        |
| 2nd pillar: Infrastructure.....               | 20        | 5.6        |
| 3rd pillar: Macroeconomic environment.....    | 17        | 6.1        |
| 4th pillar: Health and primary education..... | 20        | 6.4        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>12</b> | <b>5.2</b> |
| 5th pillar: Higher education and training..... | 12        | 5.7        |
| 6th pillar: Goods market efficiency.....       | 17        | 5.1        |
| 7th pillar: Labor market efficiency.....       | 20        | 4.8        |
| 8th pillar: Financial market development.....  | 14        | 5.0        |
| 9th pillar: Technological readiness.....       | 4         | 6.2        |
| 10th pillar: Market size.....                  | 41        | 4.6        |

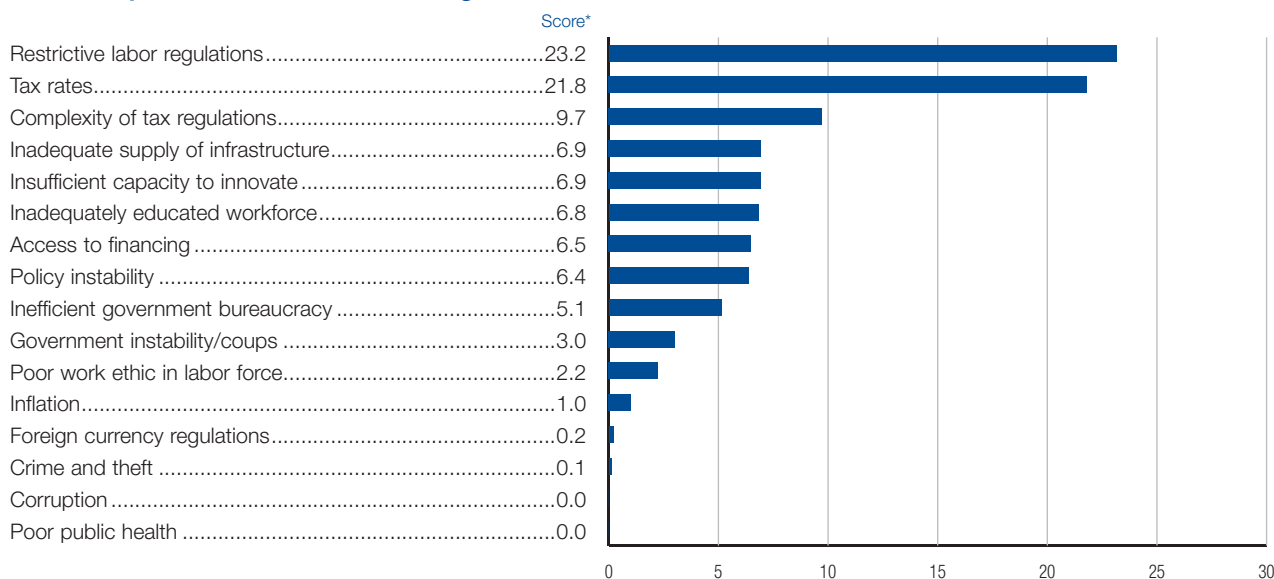
|                                                            |          |            |
|------------------------------------------------------------|----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>7</b> | <b>5.4</b> |
| 11th pillar: Business sophistication.....                  | 7        | 5.4        |
| 12th pillar: Innovation.....                               | 7        | 5.5        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Sweden

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 5.9    | 14       |
| 1.02 Intellectual property protection .....                   | 5.8    | 16       |
| 1.03 Diversion of public funds .....                          | 5.7    | 13       |
| 1.04 Public trust in politicians .....                        | 5.4    | 10       |
| 1.05 Irregular payments and bribes .....                      | 5.9    | 18       |
| 1.06 Judicial independence .....                              | 5.9    | 14       |
| 1.07 Favoritism in decisions of government officials .....    | 5.0    | 9        |
| 1.08 Wastefulness of government spending .....                | 4.8    | 10       |
| 1.09 Burden of government regulation .....                    | 4.1    | 21       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.4    | 11       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.1    | 12       |
| 1.12 Transparency of government policymaking .....            | 5.4    | 14       |
| 1.13 Business costs of terrorism .....                        | 5.8    | 36       |
| 1.14 Business costs of crime and violence .....               | 5.4    | 28       |
| 1.15 Organized crime .....                                    | 5.7    | 35       |
| 1.16 Reliability of police services .....                     | 5.7    | 24       |
| 1.17 Ethical behavior of firms .....                          | 5.9    | 8        |
| 1.18 Strength of auditing and reporting standards .....       | 6.0    | 13       |
| 1.19 Efficacy of corporate boards .....                       | 5.8    | 11       |
| 1.20 Protection of minority shareholders' interests .....     | 5.4    | 9        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.3    | 32       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 5.6    | 19       |
| 2.02 Quality of roads .....                                   | 5.4    | 23       |
| 2.03 Quality of railroad infrastructure .....                 | 4.2    | 26       |
| 2.04 Quality of port infrastructure .....                     | 5.6    | 13       |
| 2.05 Quality of air transport infrastructure .....            | 5.6    | 22       |
| 2.06 Available airline seat km/week, millions* .....          | 590.1  | 40       |
| 2.07 Quality of electricity supply .....                      | 6.5    | 15       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 127.8  | 47       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 39.7   | 21       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –2.1   | 52       |
| 3.02 Gross national savings, % GDP* .....                     | 29.6   | 25       |
| 3.03 Inflation, annual % change* .....                        | –0.2   | 71       |
| 3.04 General government debt, % GDP* .....                    | 41.5   | 67       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 94.2   | 3        |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 7.2    | 18       |
| 4.04 Business impact of tuberculosis .....                    | 6.6    | 18       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.5    | 20       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 2.4    | 9        |
| 4.08 Life expectancy, years* .....                            | 81.7   | 12       |
| 4.09 Quality of primary education .....                       | 4.7    | 34       |
| 4.10 Primary education enrollment, net %* .....               | 99.3   | 7        |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 98.4   | 41       |
| 5.02 Tertiary education enrollment, gross %* .....            | 70.0   | 26       |
| 5.03 Quality of the education system .....                    | 4.6    | 25       |
| 5.04 Quality of math and science education .....              | 4.5    | 43       |
| 5.05 Quality of management schools .....                      | 5.4    | 16       |
| 5.06 Internet access in schools .....                         | 6.3    | 4        |
| 5.07 Availability of specialized training services .....      | 5.6    | 14       |
| 5.08 Extent of staff training .....                           | 5.3    | 8        |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 5.5    | 33       |
| 6.02 Extent of market dominance .....                         | 4.6    | 20       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.2    | 9        |
| 6.04 Effect of taxation on incentives to invest .....         | 3.7    | 62       |
| 6.05 Total tax rate, % profits* .....                         | 49.4   | 112      |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 3     | 9        |
| 6.07 No. days to start a business* .....                    | 16.0  | 87       |
| 6.08 Agricultural policy costs .....                        | 4.7   | 12       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.7   | 29       |
| 6.10 Trade tariffs, % duty* .....                           | 1.2   | 5        |
| 6.11 Prevalence of foreign ownership .....                  | 5.1   | 32       |
| 6.12 Business impact of rules on FDI .....                  | 5.5   | 10       |
| 6.13 Burden of customs procedures .....                     | 5.3   | 13       |
| 6.14 Imports as a percentage of GDP* .....                  | 40.2  | 85       |
| 6.15 Degree of customer orientation .....                   | 5.6   | 12       |
| 6.16 Buyer sophistication .....                             | 4.4   | 15       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.7   | 7        |
| 7.02 Flexibility of wage determination .....                | 3.6   | 133      |
| 7.03 Hiring and firing practices .....                      | 3.4   | 106      |
| 7.04 Redundancy costs, weeks of salary* .....               | 14.4  | 61       |
| 7.05 Effect of taxation on incentives to work .....         | 3.6   | 94       |
| 7.06 Pay and productivity .....                             | 4.3   | 44       |
| 7.07 Reliance on professional management .....              | 5.9   | 10       |
| 7.08 Country capacity to retain talent .....                | 4.9   | 15       |
| 7.09 Country capacity to attract talent .....               | 4.2   | 25       |
| 7.10 Women in labor force, ratio to men* .....              | 0.94  | 14       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 5.6   | 20       |
| 8.02 Affordability of financial services .....              | 5.5   | 16       |
| 8.03 Financing through local equity market .....            | 5.0   | 15       |
| 8.04 Ease of access to loans .....                          | 4.1   | 10       |
| 8.05 Venture capital availability .....                     | 3.8   | 15       |
| 8.06 Soundness of banks .....                               | 6.0   | 16       |
| 8.07 Regulation of securities exchanges .....               | 5.5   | 15       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 6     | 44       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 6.5   | 4        |
| 9.02 Firm-level technology absorption .....                 | 6.0   | 9        |
| 9.03 FDI and technology transfer .....                      | 4.7   | 48       |
| 9.04 Individuals using Internet, %* .....                   | 92.5  | 6        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 34.2  | 13       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 527.4 | 5        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 116.3 | 7        |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.4   | 39       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.2   | 40       |
| 10.03 GDP (PPP\$ billions)* .....                           | 448.2 | 40       |
| 10.04 Exports as a percentage of GDP* .....                 | 42.3  | 59       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 4.6   | 59       |
| 11.02 Local supplier quality .....                          | 5.5   | 9        |
| 11.03 State of cluster development .....                    | 4.8   | 19       |
| 11.04 Nature of competitive advantage .....                 | 5.9   | 11       |
| 11.05 Value chain breadth .....                             | 5.6   | 10       |
| 11.06 Control of international distribution .....           | 5.0   | 4        |
| 11.07 Production process sophistication .....               | 6.2   | 5        |
| 11.08 Extent of marketing .....                             | 5.5   | 8        |
| 11.09 Willingness to delegate authority .....               | 5.6   | 4        |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 5.7   | 4        |
| 12.02 Quality of scientific research institutions .....     | 5.7   | 11       |
| 12.03 Company spending on R&D .....                         | 5.4   | 7        |
| 12.04 University-industry collaboration in R&D .....        | 5.3   | 11       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.9   | 23       |
| 12.06 Availability of scientists and engineers .....        | 5.0   | 14       |
| 12.07 PCT patents, applications/million pop.* .....         | 312.5 | 3        |

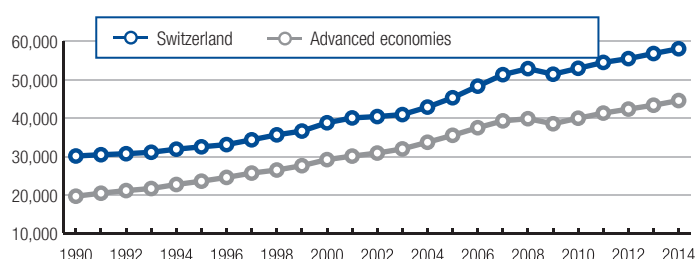
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Switzerland

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 8.1    |
| GDP (US\$ billions).....                   | 712.1  |
| GDP per capita (US\$).....                 | 87,475 |
| GDP (PPP) as share (%) of world total..... | 0.44   |

GDP (PPP) per capita (int'l \$), 1990–2014



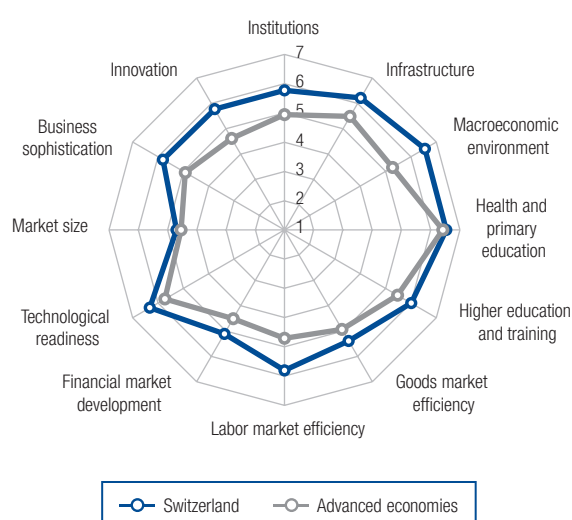
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>1</b>             | <b>5.8</b>     |
| GCI 2014–2015 (out of 144)..... | 1                    | 5.7            |
| GCI 2013–2014 (out of 148)..... | 1                    | 5.7            |
| GCI 2012–2013 (out of 144)..... | 1                    | 5.7            |

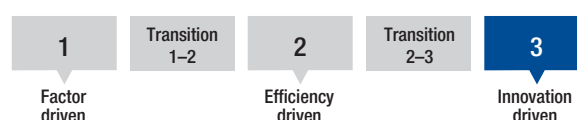
|                                               |          |            |
|-----------------------------------------------|----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>2</b> | <b>6.3</b> |
| 1st pillar: Institutions.....                 | 7        | 5.8        |
| 2nd pillar: Infrastructure.....               | 6        | 6.2        |
| 3rd pillar: Macroeconomic environment.....    | 6        | 6.5        |
| 4th pillar: Health and primary education..... | 11       | 6.5        |

|                                                |          |            |
|------------------------------------------------|----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>4</b> | <b>5.5</b> |
| 5th pillar: Higher education and training..... | 4        | 6.0        |
| 6th pillar: Goods market efficiency.....       | 9        | 5.4        |
| 7th pillar: Labor market efficiency.....       | 1        | 5.8        |
| 8th pillar: Financial market development.....  | 10       | 5.1        |
| 9th pillar: Technological readiness.....       | 2        | 6.3        |
| 10th pillar: Market size.....                  | 39       | 4.7        |

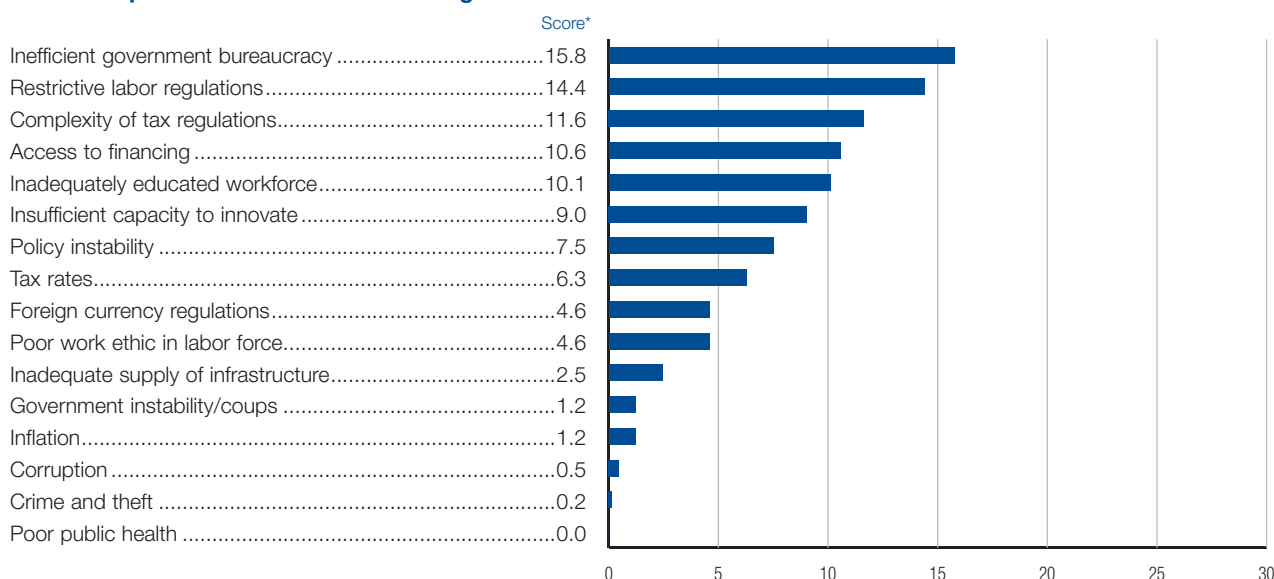
|                                                            |          |            |
|------------------------------------------------------------|----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>1</b> | <b>5.8</b> |
| 11th pillar: Business sophistication.....                  | 1        | 5.8        |
| 12th pillar: Innovation.....                               | 1        | 5.8        |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Switzerland

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 6.3     | 2        |
| 1.02 Intellectual property protection .....                   | 6.2     | 3        |
| 1.03 Diversion of public funds .....                          | 5.8     | 11       |
| 1.04 Public trust in politicians .....                        | 5.5     | 9        |
| 1.05 Irregular payments and bribes .....                      | 6.3     | 11       |
| 1.06 Judicial independence .....                              | 6.3     | 6        |
| 1.07 Favoritism in decisions of government officials .....    | 4.9     | 13       |
| 1.08 Wastefulness of government spending .....                | 4.8     | 11       |
| 1.09 Burden of government regulation .....                    | 4.5     | 8        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.6     | 8        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.6     | 3        |
| 1.12 Transparency of government policymaking .....            | 5.9     | 6        |
| 1.13 Business costs of terrorism .....                        | 6.0     | 34       |
| 1.14 Business costs of crime and violence .....               | 5.8     | 13       |
| 1.15 Organized crime .....                                    | 6.2     | 16       |
| 1.16 Reliability of police services .....                     | 6.2     | 5        |
| 1.17 Ethical behavior of firms .....                          | 6.0     | 6        |
| 1.18 Strength of auditing and reporting standards .....       | 6.0     | 11       |
| 1.19 Efficacy of corporate boards .....                       | 5.8     | 12       |
| 1.20 Protection of minority shareholders' interests .....     | 4.9     | 24       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.5     | 74       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 6.5     | 1        |
| 2.02 Quality of roads .....                                   | 5.9     | 9        |
| 2.03 Quality of railroad infrastructure .....                 | 6.6     | 2        |
| 2.04 Quality of port infrastructure .....                     | 4.6     | 47       |
| 2.05 Quality of air transport infrastructure .....            | 6.1     | 8        |
| 2.06 Available airline seat km/week, millions* .....          | 1,013.6 | 29       |
| 2.07 Quality of electricity supply .....                      | 6.8     | 1        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 140.5   | 35       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 53.6    | 6        |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | 0.2     | 21       |
| 3.02 Gross national savings, % GDP* .....                     | 32.4    | 16       |
| 3.03 Inflation, annual % change* .....                        | 0.0     | 64       |
| 3.04 General government debt, % GDP* .....                    | 46.1    | 77       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 95.9    | 1        |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.    | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl.  | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 6.5     | 15       |
| 4.04 Business impact of tuberculosis .....                    | 6.8     | 4        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.4     | 74       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.6     | 12       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.6     | 25       |
| 4.08 Life expectancy, years* .....                            | 82.7    | 4        |
| 4.09 Quality of primary education .....                       | 6.1     | 4        |
| 4.10 Primary education enrollment, net %* .....               | 93.4    | 76       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 96.3    | 51       |
| 5.02 Tertiary education enrollment, gross %* .....            | 55.6    | 46       |
| 5.03 Quality of the education system .....                    | 6.1     | 1        |
| 5.04 Quality of math and science education .....              | 5.9     | 4        |
| 5.05 Quality of management schools .....                      | 6.3     | 1        |
| 5.06 Internet access in schools .....                         | 5.9     | 16       |
| 5.07 Availability of specialized training services .....      | 6.5     | 1        |
| 5.08 Extent of staff training .....                           | 5.7     | 1        |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.5     | 30       |
| 6.02 Extent of market dominance .....                         | 5.9     | 1        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.9     | 19       |
| 6.04 Effect of taxation on incentives to invest .....         | 5.3     | 8        |
| 6.05 Total tax rate, % profits* .....                         | 29.0    | 33       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 6     | 57       |
| 6.07 No. days to start a business* .....                    | 10.0  | 53       |
| 6.08 Agricultural policy costs .....                        | 3.7   | 74       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.1   | 90       |
| 6.10 Trade tariffs, % duty* .....                           | 2.7   | 41       |
| 6.11 Prevalence of foreign ownership .....                  | 5.3   | 24       |
| 6.12 Business impact of rules on FDI .....                  | 5.2   | 23       |
| 6.13 Burden of customs procedures .....                     | 5.2   | 17       |
| 6.14 Imports as a percentage of GDP* .....                  | 51.7  | 57       |
| 6.15 Degree of customer orientation .....                   | 6.0   | 2        |
| 6.16 Buyer sophistication .....                             | 4.9   | 5        |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 6.1   | 1        |
| 7.02 Flexibility of wage determination .....                | 5.8   | 16       |
| 7.03 Hiring and firing practices .....                      | 5.7   | 2        |
| 7.04 Redundancy costs, weeks of salary* .....               | 10.1  | 37       |
| 7.05 Effect of taxation on incentives to work .....         | 5.2   | 7        |
| 7.06 Pay and productivity .....                             | 5.4   | 4        |
| 7.07 Reliance on professional management .....              | 6.0   | 6        |
| 7.08 Country capacity to retain talent .....                | 5.8   | 1        |
| 7.09 Country capacity to attract talent .....               | 6.1   | 1        |
| 7.10 Women in labor force, ratio to men* .....              | 0.88  | 38       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 6.5   | 1        |
| 8.02 Affordability of financial services .....              | 6.1   | 1        |
| 8.03 Financing through local equity market .....            | 5.2   | 10       |
| 8.04 Ease of access to loans .....                          | 3.6   | 28       |
| 8.05 Venture capital availability .....                     | 3.7   | 18       |
| 8.06 Soundness of banks .....                               | 5.9   | 20       |
| 8.07 Regulation of securities exchanges .....               | 5.6   | 12       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 6     | 44       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 6.4   | 7        |
| 9.02 Firm-level technology absorption .....                 | 6.0   | 6        |
| 9.03 FDI and technology transfer .....                      | 5.3   | 11       |
| 9.04 Individuals using Internet, %* .....                   | 87.0  | 15       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 46.0  | 1        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 352.2 | 8        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 76.6  | 26       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.4   | 40       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.5   | 30       |
| 10.03 GDP (PPP\$ billions)* .....                           | 472.8 | 38       |
| 10.04 Exports as a percentage of GDP* .....                 | 59.6  | 28       |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 5.3   | 9        |
| 11.02 Local supplier quality .....                          | 6.0   | 2        |
| 11.03 State of cluster development .....                    | 5.3   | 7        |
| 11.04 Nature of competitive advantage .....                 | 6.3   | 3        |
| 11.05 Value chain breadth .....                             | 6.0   | 2        |
| 11.06 Control of international distribution .....           | 5.4   | 4        |
| 11.07 Production process sophistication .....               | 6.5   | 1        |
| 11.08 Extent of marketing .....                             | 5.9   | 3        |
| 11.09 Willingness to delegate authority .....               | 5.3   | 8        |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 6.0   | 1        |
| 12.02 Quality of scientific research institutions .....     | 6.4   | 1        |
| 12.03 Company spending on R&D .....                         | 6.0   | 1        |
| 12.04 University-industry collaboration in R&D .....        | 5.8   | 3        |
| 12.05 Gov't procurement of advanced tech products .....     | 4.0   | 17       |
| 12.06 Availability of scientists and engineers .....        | 4.8   | 23       |
| 12.07 PCT patents, applications/million pop.* .....         | 320.8 | 2        |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

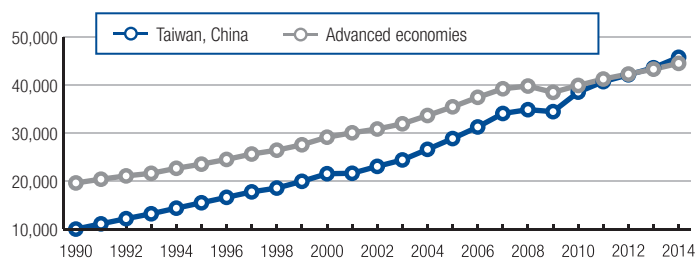


# Taiwan, China

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 23.4   |
| GDP (US\$ billions).....                   | 529.6  |
| GDP per capita (US\$).....                 | 22,598 |
| GDP (PPP) as share (%) of world total..... | 1.00   |

GDP (PPP) per capita (int'l \$), 1990–2014



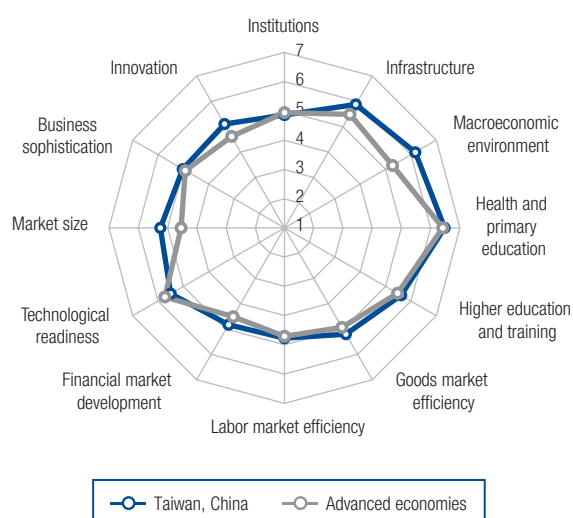
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>15</b>            | <b>5.3</b>     |
| GCI 2014–2015 (out of 144)..... | 14                   | 5.3            |
| GCI 2013–2014 (out of 148)..... | 12                   | 5.3            |
| GCI 2012–2013 (out of 144)..... | 13                   | 5.3            |

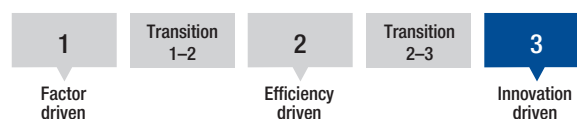
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>14</b> | <b>5.8</b> |
| 1st pillar: Institutions.....                 | 27        | 4.9        |
| 2nd pillar: Infrastructure.....               | 12        | 5.9        |
| 3rd pillar: Macroeconomic environment.....    | 13        | 6.2        |
| 4th pillar: Health and primary education..... | 14        | 6.5        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>15</b> | <b>5.2</b> |
| 5th pillar: Higher education and training..... | 14        | 5.6        |
| 6th pillar: Goods market efficiency.....       | 13        | 5.2        |
| 7th pillar: Labor market efficiency.....       | 22        | 4.8        |
| 8th pillar: Financial market development.....  | 17        | 4.8        |
| 9th pillar: Technological readiness.....       | 28        | 5.5        |
| 10th pillar: Market size.....                  | 20        | 5.2        |

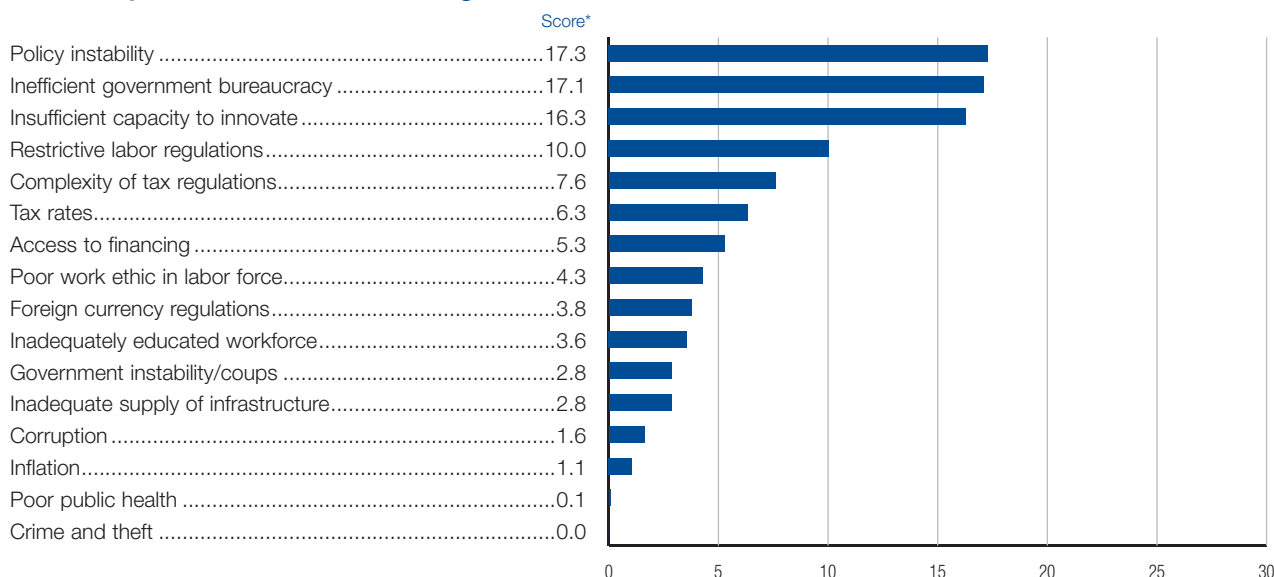
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>16</b> | <b>5.1</b> |
| 11th pillar: Business sophistication.....                  | 21        | 5.0        |
| 12th pillar: Innovation.....                               | 11        | 5.1        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Taiwan, China

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 5.7     | 19       |
| 1.02 Intellectual property protection .....                   | 5.2     | 27       |
| 1.03 Diversion of public funds .....                          | 4.5     | 34       |
| 1.04 Public trust in politicians .....                        | 3.9     | 32       |
| 1.05 Irregular payments and bribes .....                      | 5.4     | 29       |
| 1.06 Judicial independence .....                              | 4.4     | 47       |
| 1.07 Favoritism in decisions of government officials .....    | 4.1     | 24       |
| 1.08 Wastefulness of government spending .....                | 3.6     | 45       |
| 1.09 Burden of government regulation .....                    | 4.1     | 20       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.9     | 56       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.5     | 63       |
| 1.12 Transparency of government policymaking .....            | 5.4     | 15       |
| 1.13 Business costs of terrorism .....                        | 6.0     | 33       |
| 1.14 Business costs of crime and violence .....               | 5.8     | 16       |
| 1.15 Organized crime .....                                    | 5.7     | 32       |
| 1.16 Reliability of police services .....                     | 5.0     | 37       |
| 1.17 Ethical behavior of firms .....                          | 4.7     | 31       |
| 1.18 Strength of auditing and reporting standards .....       | 5.7     | 19       |
| 1.19 Efficacy of corporate boards .....                       | 5.2     | 35       |
| 1.20 Protection of minority shareholders' interests .....     | 5.2     | 16       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.4     | 30       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 5.5     | 21       |
| 2.02 Quality of roads .....                                   | 5.8     | 10       |
| 2.03 Quality of railroad infrastructure .....                 | 5.5     | 11       |
| 2.04 Quality of port infrastructure .....                     | 5.5     | 19       |
| 2.05 Quality of air transport infrastructure .....            | 5.5     | 26       |
| 2.06 Available airline seat km/week, millions* .....          | 1,248.7 | 26       |
| 2.07 Quality of electricity supply .....                      | 6.2     | 28       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 130.2   | 44       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 60.2    | 2        |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –2.5    | 60       |
| 3.02 Gross national savings, % GDP* .....                     | 35.2    | 12       |
| 3.03 Inflation, annual % change* .....                        | 1.2     | 21       |
| 3.04 General government debt, % GDP* .....                    | 37.6    | 56       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 81.4    | 21       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.    | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl.  | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 49.4    | 69       |
| 4.04 Business impact of tuberculosis .....                    | 6.1     | 46       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.2     | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.4     | 25       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.6     | 25       |
| 4.08 Life expectancy, years* .....                            | 80.0    | 30       |
| 4.09 Quality of primary education .....                       | 5.3     | 16       |
| 4.10 Primary education enrollment, net %* .....               | 97.6    | 32       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 100.4   | 31       |
| 5.02 Tertiary education enrollment, gross %* .....            | 83.8    | 8        |
| 5.03 Quality of the education system .....                    | 4.1     | 46       |
| 5.04 Quality of math and science education .....              | 5.2     | 15       |
| 5.05 Quality of management schools .....                      | 4.9     | 33       |
| 5.06 Internet access in schools .....                         | 5.4     | 27       |
| 5.07 Availability of specialized training services .....      | 5.2     | 23       |
| 5.08 Extent of staff training .....                           | 4.6     | 27       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 6.0     | 5        |
| 6.02 Extent of market dominance .....                         | 5.3     | 4        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.7     | 23       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.2     | 26       |
| 6.05 Total tax rate, % profits* .....                         | 34.2    | 58       |

| INDICATOR                                                   | VALUE   | RANK/140 |
|-------------------------------------------------------------|---------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |          |
| 6.06 No. procedures to start a business* .....              | 3       | 9        |
| 6.07 No. days to start a business* .....                    | 10.0    | 53       |
| 6.08 Agricultural policy costs .....                        | 4.1     | 44       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.8     | 17       |
| 6.10 Trade tariffs, % duty* .....                           | 5.0     | 68       |
| 6.11 Prevalence of foreign ownership .....                  | 4.9     | 49       |
| 6.12 Business impact of rules on FDI .....                  | 4.8     | 50       |
| 6.13 Burden of customs procedures .....                     | 5.4     | 12       |
| 6.14 Imports as a percentage of GDP* .....                  | 60.3    | 42       |
| 6.15 Degree of customer orientation .....                   | 5.8     | 5        |
| 6.16 Buyer sophistication .....                             | 4.3     | 19       |
| <b>7th pillar: Labor market efficiency</b>                  |         |          |
| 7.01 Cooperation in labor-employer relations .....          | 5.3     | 19       |
| 7.02 Flexibility of wage determination .....                | 5.8     | 14       |
| 7.03 Hiring and firing practices .....                      | 4.7     | 14       |
| 7.04 Redundancy costs, weeks of salary* .....               | 22.6    | 102      |
| 7.05 Effect of taxation on incentives to work .....         | 4.5     | 21       |
| 7.06 Pay and productivity .....                             | 5.0     | 9        |
| 7.07 Reliance on professional management .....              | 5.4     | 26       |
| 7.08 Country capacity to retain talent .....                | 4.0     | 39       |
| 7.09 Country capacity to attract talent .....               | 3.6     | 56       |
| 7.10 Women in labor force, ratio to men* .....              | 0.78    | 79       |
| <b>8th pillar: Financial market development</b>             |         |          |
| 8.01 Availability of financial services .....               | 5.4     | 24       |
| 8.02 Affordability of financial services .....              | 5.6     | 11       |
| 8.03 Financing through local equity market .....            | 5.5     | 3        |
| 8.04 Ease of access to loans .....                          | 3.6     | 26       |
| 8.05 Venture capital availability .....                     | 4.1     | 12       |
| 8.06 Soundness of banks .....                               | 5.8     | 25       |
| 8.07 Regulation of securities exchanges .....               | 5.6     | 14       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 4       | 80       |
| <b>9th pillar: Technological readiness</b>                  |         |          |
| 9.01 Availability of latest technologies .....              | 5.5     | 36       |
| 9.02 Firm-level technology absorption .....                 | 5.5     | 25       |
| 9.03 FDI and technology transfer .....                      | 4.8     | 37       |
| 9.04 Individuals using Internet, %* .....                   | 84.0    | 22       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 31.9    | 16       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 60.4    | 45       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 66.9    | 34       |
| <b>10th pillar: Market size</b>                             |         |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.0     | 24       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 6.0     | 13       |
| 10.03 GDP (PPP\$ billions)* .....                           | 1,074.5 | 20       |
| 10.04 Exports as a percentage of GDP* .....                 | 70.0    | 23       |
| <b>11th pillar: Business sophistication</b>                 |         |          |
| 11.01 Local supplier quantity .....                         | 5.2     | 13       |
| 11.02 Local supplier quality .....                          | 5.3     | 20       |
| 11.03 State of cluster development .....                    | 5.4     | 5        |
| 11.04 Nature of competitive advantage .....                 | 5.1     | 22       |
| 11.05 Value chain breadth .....                             | 5.0     | 19       |
| 11.06 Control of international distribution .....           | 4.1     | 38       |
| 11.07 Production process sophistication .....               | 5.3     | 21       |
| 11.08 Extent of marketing .....                             | 5.1     | 22       |
| 11.09 Willingness to delegate authority .....               | 4.3     | 31       |
| <b>12th pillar: Innovation</b>                              |         |          |
| 12.01 Capacity for innovation .....                         | 4.9     | 21       |
| 12.02 Quality of scientific research institutions .....     | 5.1     | 26       |
| 12.03 Company spending on R&D .....                         | 5.0     | 13       |
| 12.04 University-industry collaboration in R&D .....        | 5.1     | 14       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.9     | 29       |
| 12.06 Availability of scientists and engineers .....        | 4.7     | 28       |
| 12.07 PCT patents, applications/million pop.* .....         | n/a     | n/a      |

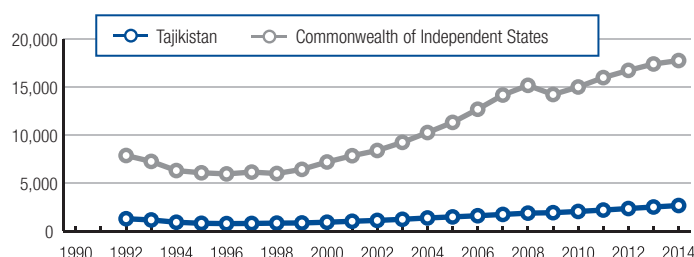
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Tajikistan

## Key indicators, 2014

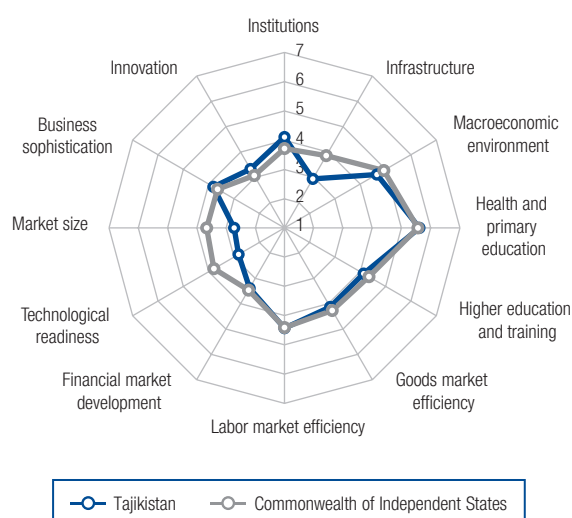
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 8.3   |
| GDP (US\$ billions).....                   | 9.2   |
| GDP per capita (US\$).....                 | 1,113 |
| GDP (PPP) as share (%) of world total..... | 0.02  |

GDP (PPP) per capita (int'l \$), 1990–2014

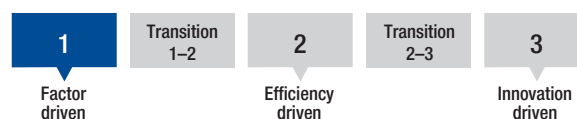


## Global Competitiveness Index

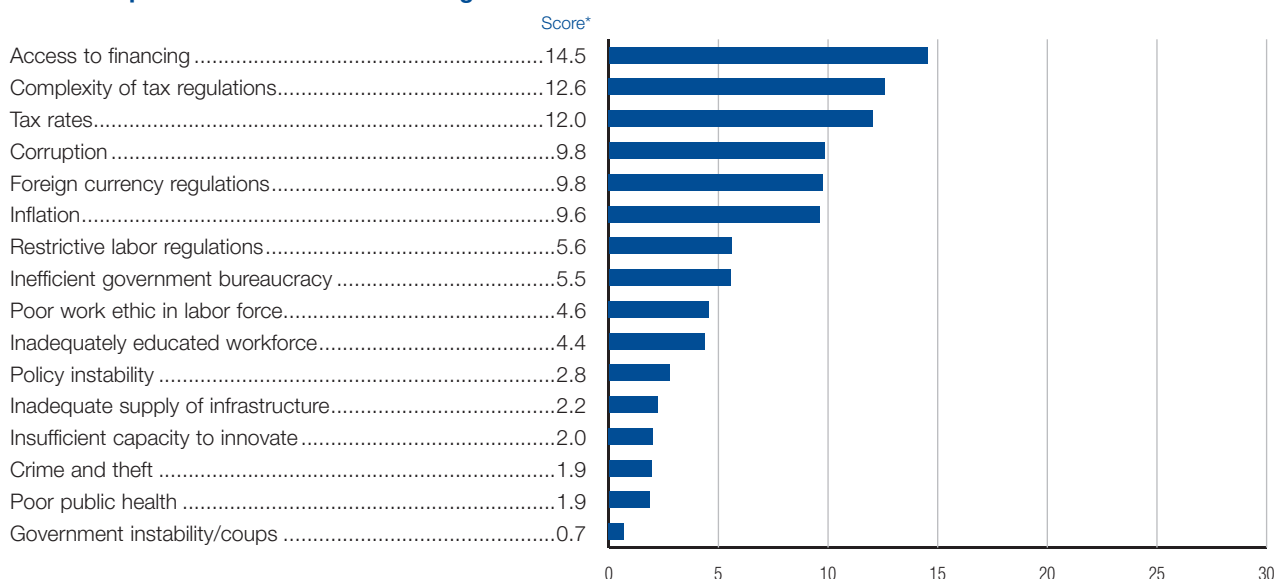
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>80</b>            | <b>4.0</b>     |
| GCI 2014–2015 (out of 144).....                           | 91                   | 3.9            |
| GCI 2013–2014 (out of 148).....                           | n/a                  | n/a            |
| GCI 2012–2013 (out of 144).....                           | 100                  | 3.8            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>84</b>            | <b>4.3</b>     |
| 1st pillar: Institutions.....                             | 54                   | 4.1            |
| 2nd pillar: Infrastructure.....                           | 111                  | 2.9            |
| 3rd pillar: Macroeconomic environment.....                | 78                   | 4.6            |
| 4th pillar: Health and primary education.....             | 78                   | 5.6            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>104</b>           | <b>3.6</b>     |
| 5th pillar: Higher education and training.....            | 75                   | 4.1            |
| 6th pillar: Goods market efficiency.....                  | 96                   | 4.1            |
| 7th pillar: Labor market efficiency.....                  | 48                   | 4.4            |
| 8th pillar: Financial market development.....             | 110                  | 3.4            |
| 9th pillar: Technological readiness.....                  | 115                  | 2.8            |
| 10th pillar: Market size.....                             | 120                  | 2.7            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>71</b>            | <b>3.6</b>     |
| 11th pillar: Business sophistication.....                 | 78                   | 3.8            |
| 12th pillar: Innovation.....                              | 63                   | 3.3            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Tajikistan

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE       | RANK/140 |
|---------------------------------------------------------------|-------------|----------|
| <b>1st pillar: Institutions</b>                               |             |          |
| 1.01 Property rights .....                                    | 4.2 .....   | 69       |
| 1.02 Intellectual property protection .....                   | 4.1 .....   | 59       |
| 1.03 Diversion of public funds .....                          | 4.1 .....   | 41       |
| 1.04 Public trust in politicians .....                        | 4.0 .....   | 30       |
| 1.05 Irregular payments and bribes .....                      | 3.9 .....   | 69       |
| 1.06 Judicial independence .....                              | 4.1 .....   | 58       |
| 1.07 Favoritism in decisions of government officials .....    | 3.6 .....   | 41       |
| 1.08 Wastefulness of government spending .....                | 3.9 .....   | 28       |
| 1.09 Burden of government regulation .....                    | 4.2 .....   | 17       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.2 .....   | 41       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.8 .....   | 50       |
| 1.12 Transparency of government policymaking .....            | 4.2 .....   | 65       |
| 1.13 Business costs of terrorism .....                        | 4.6 .....   | 100      |
| 1.14 Business costs of crime and violence .....               | 4.5 .....   | 73       |
| 1.15 Organized crime .....                                    | 4.7 .....   | 78       |
| 1.16 Reliability of police services .....                     | 3.9 .....   | 84       |
| 1.17 Ethical behavior of firms .....                          | 4.2 .....   | 46       |
| 1.18 Strength of auditing and reporting standards .....       | 3.9 .....   | 114      |
| 1.19 Efficacy of corporate boards .....                       | 4.3 .....   | 99       |
| 1.20 Protection of minority shareholders' interests .....     | 3.7 .....   | 100      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8 .....   | 55       |
| <b>2nd pillar: Infrastructure</b>                             |             |          |
| 2.01 Quality of overall infrastructure .....                  | 3.8 .....   | 85       |
| 2.02 Quality of roads .....                                   | 3.6 .....   | 82       |
| 2.03 Quality of railroad infrastructure .....                 | 3.4 .....   | 46       |
| 2.04 Quality of port infrastructure .....                     | 2.1 .....   | 133      |
| 2.05 Quality of air transport infrastructure .....            | 4.1 .....   | 78       |
| 2.06 Available airline seat km/week, millions* .....          | 69.4 .....  | 92       |
| 2.07 Quality of electricity supply .....                      | 3.2 .....   | 106      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 95.1 .....  | 102      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 5.2 .....   | 103      |
| <b>3rd pillar: Macroeconomic environment</b>                  |             |          |
| 3.01 Government budget balance, % GDP* .....                  | 0.1 .....   | 22       |
| 3.02 Gross national savings, % GDP* .....                     | 5.3 .....   | 131      |
| 3.03 Inflation, annual % change* .....                        | 6.1 .....   | 107      |
| 3.04 General government debt, % GDP* .....                    | 28.2 .....  | 30       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 22.2 .....  | 123      |
| <b>4th pillar: Health and primary education</b>               |             |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.2 .....   | 11       |
| 4.02 Business impact of malaria .....                         | 4.9 .....   | 37       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 100.0 ..... | 91       |
| 4.04 Business impact of tuberculosis .....                    | 4.6 .....   | 101      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.3 .....   | 63       |
| 4.06 Business impact of HIV/AIDS .....                        | 5.0 .....   | 87       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 40.9 .....  | 113      |
| 4.08 Life expectancy, years* .....                            | 67.4 .....  | 104      |
| 4.09 Quality of primary education .....                       | 4.0 .....   | 68       |
| 4.10 Primary education enrollment, net %* .....               | 95.6 .....  | 53       |
| <b>5th pillar: Higher education and training</b>              |             |          |
| 5.01 Secondary education enrollment, gross %* .....           | 87.0 .....  | 78       |
| 5.02 Tertiary education enrollment, gross %* .....            | 22.5 .....  | 89       |
| 5.03 Quality of the education system .....                    | 3.9 .....   | 57       |
| 5.04 Quality of math and science education .....              | 4.0 .....   | 73       |
| 5.05 Quality of management schools .....                      | 4.0 .....   | 78       |
| 5.06 Internet access in schools .....                         | 4.4 .....   | 64       |
| 5.07 Availability of specialized training services .....      | 4.1 .....   | 69       |
| 5.08 Extent of staff training .....                           | 3.9 .....   | 81       |
| <b>6th pillar: Goods market efficiency</b>                    |             |          |
| 6.01 Intensity of local competition .....                     | 4.6 .....   | 107      |
| 6.02 Extent of market dominance .....                         | 3.7 .....   | 65       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.7 .....   | 79       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.2 .....   | 104      |
| 6.05 Total tax rate, % profits* .....                         | 80.9 .....  | 138      |

| INDICATOR                                                | VALUE      | RANK/140 |
|----------------------------------------------------------|------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |            |          |
| 6.06 No. procedures to start a business* .....           | 4 .....    | 22       |
| 6.07 No. days to start a business* .....                 | 39.0 ..... | 126      |
| 6.08 Agricultural policy costs .....                     | 4.2 .....  | 34       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.0 .....  | 112      |
| 6.10 Trade tariffs, % duty* .....                        | 5.7 .....  | 75       |
| 6.11 Prevalence of foreign ownership .....               | 3.5 .....  | 121      |
| 6.12 Business impact of rules on FDI .....               | 3.8 .....  | 114      |
| 6.13 Burden of customs procedures .....                  | 3.9 .....  | 73       |
| 6.14 Imports as a percentage of GDP* .....               | 57.2 ..... | 48       |
| 6.15 Degree of customer orientation .....                | 4.4 .....  | 77       |
| 6.16 Buyer sophistication .....                          | 3.7 .....  | 40       |
| <b>7th pillar: Labor market efficiency</b>               |            |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.6 .....  | 47       |
| 7.02 Flexibility of wage determination .....             | 5.1 .....  | 60       |
| 7.03 Hiring and firing practices .....                   | 4.3 .....  | 38       |
| 7.04 Redundancy costs, weeks of salary* .....            | 15.5 ..... | 69       |
| 7.05 Effect of taxation on incentives to work .....      | 3.8 .....  | 66       |
| 7.06 Pay and productivity .....                          | 4.5 .....  | 28       |
| 7.07 Reliance on professional management .....           | 3.8 .....  | 97       |
| 7.08 Country capacity to retain talent .....             | 3.7 .....  | 48       |
| 7.09 Country capacity to attract talent .....            | 3.6 .....  | 55       |
| 7.10 Women in labor force, ratio to men* .....           | 0.77 ..... | 80       |
| <b>8th pillar: Financial market development</b>          |            |          |
| 8.01 Availability of financial services .....            | 4.0 .....  | 96       |
| 8.02 Affordability of financial services .....           | 4.0 .....  | 82       |
| 8.03 Financing through local equity market .....         | 3.0 .....  | 101      |
| 8.04 Ease of access to loans .....                       | 3.6 .....  | 22       |
| 8.05 Venture capital availability .....                  | 3.3 .....  | 35       |
| 8.06 Soundness of banks .....                            | 4.5 .....  | 89       |
| 8.07 Regulation of securities exchanges .....            | 3.5 .....  | 113      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 1 .....    | 129      |
| <b>9th pillar: Technological readiness</b>               |            |          |
| 9.01 Availability of latest technologies .....           | 4.3 .....  | 94       |
| 9.02 Firm-level technology absorption .....              | 4.0 .....  | 116      |
| 9.03 FDI and technology transfer .....                   | 4.1 .....  | 88       |
| 9.04 Individuals using Internet, %* .....                | 17.5 ..... | 111      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.1 .....  | 132      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 3.9 .....  | 123      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 9.5 .....  | 114      |
| <b>10th pillar: Market size</b>                          |            |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.6 .....  | 113      |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.0 .....  | 129      |
| 10.03 GDP (PPP\$ billions)* .....                        | 22.3 ..... | 119      |
| 10.04 Exports as a percentage of GDP* .....              | 17.0 ..... | 127      |
| <b>11th pillar: Business sophistication</b>              |            |          |
| 11.01 Local supplier quantity .....                      | 4.7 .....  | 40       |
| 11.02 Local supplier quality .....                       | 4.4 .....  | 57       |
| 11.03 State of cluster development .....                 | 3.0 .....  | 121      |
| 11.04 Nature of competitive advantage .....              | 3.6 .....  | 58       |
| 11.05 Value chain breadth .....                          | 3.5 .....  | 98       |
| 11.06 Control of international distribution .....        | 3.8 .....  | 71       |
| 11.07 Production process sophistication .....            | 3.6 .....  | 90       |
| 11.08 Extent of marketing .....                          | 3.8 .....  | 115      |
| 11.09 Willingness to delegate authority .....            | 3.9 .....  | 50       |
| <b>12th pillar: Innovation</b>                           |            |          |
| 12.01 Capacity for innovation .....                      | 4.0 .....  | 60       |
| 12.02 Quality of scientific research institutions .....  | 3.7 .....  | 75       |
| 12.03 Company spending on R&D .....                      | 3.0 .....  | 86       |
| 12.04 University-industry collaboration in R&D .....     | 3.3 .....  | 91       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.9 .....  | 27       |
| 12.06 Availability of scientists and engineers .....     | 4.0 .....  | 69       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0 .....  | 119      |

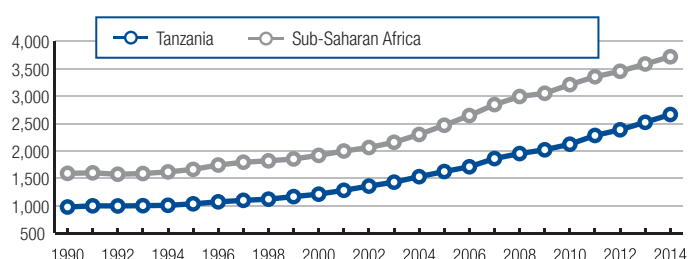
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Tanzania

## Key indicators, 2014

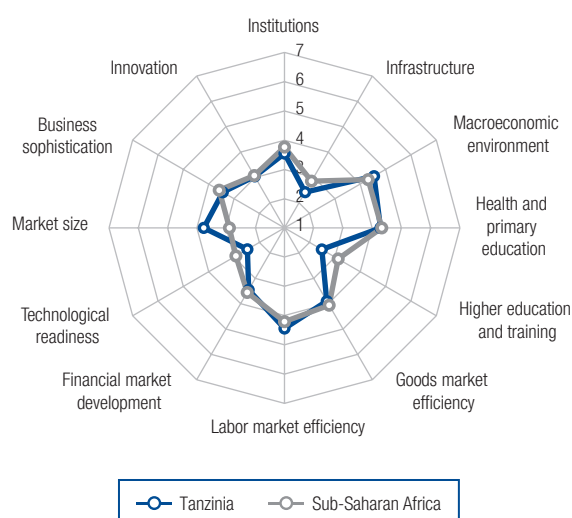
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 47.7  |
| GDP (US\$ billions).....                   | 47.9  |
| GDP per capita (US\$).....                 | 1,006 |
| GDP (PPP) as share (%) of world total..... | 0.12  |

GDP (PPP) per capita (int'l \$), 1990–2014

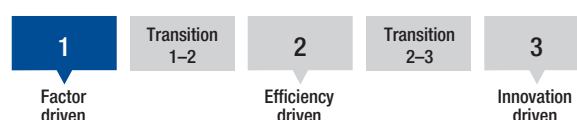


## Global Competitiveness Index

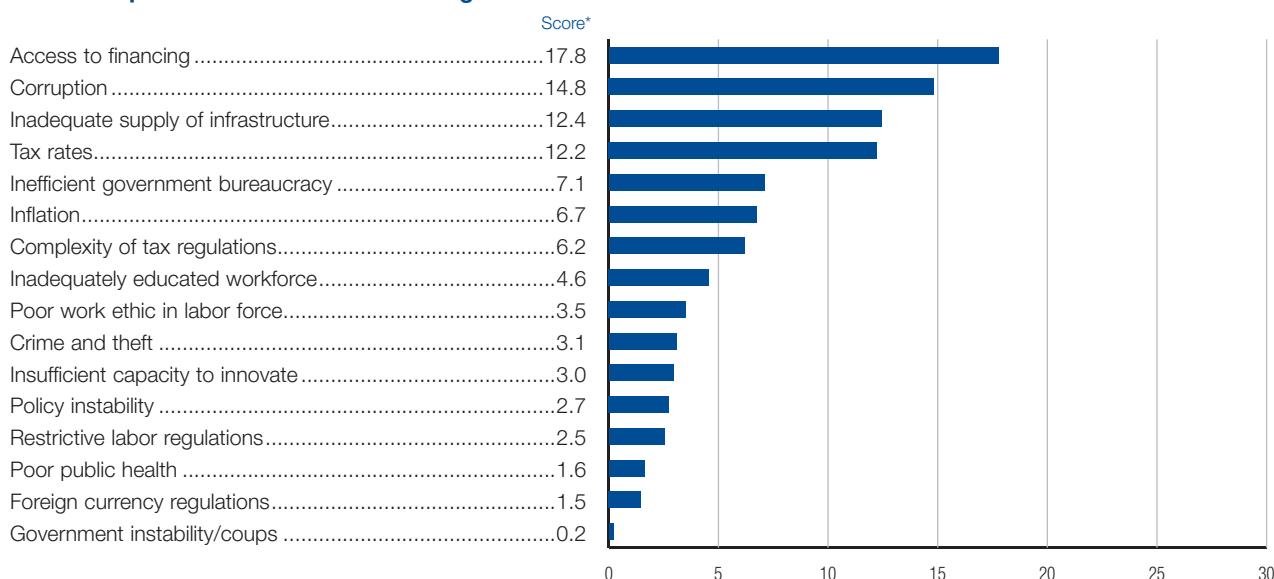
|                                                          | Rank<br>(out of 140) | Score<br>(1–7) |
|----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016.....</b>                                | <b>120.....</b>      | <b>3.6</b>     |
| GCI 2014–2015 (out of 144).....                          | 121.....             | 3.6            |
| GCI 2013–2014 (out of 148).....                          | 125.....             | 3.5            |
| GCI 2012–2013 (out of 144).....                          | 120.....             | 3.6            |
| <b>Basic requirements (60.0%).....</b>                   | <b>123.....</b>      | <b>3.7</b>     |
| 1st pillar: Institutions.....                            | 96.....              | 3.5            |
| 2nd pillar: Infrastructure.....                          | 127.....             | 2.4            |
| 3rd pillar: Macroeconomic environment.....               | 84.....              | 4.5            |
| 4th pillar: Health and primary education.....            | 124.....             | 4.3            |
| <b>Efficiency enhancers (35.0%).....</b>                 | <b>120.....</b>      | <b>3.4</b>     |
| 5th pillar: Higher education and training.....           | 135.....             | 2.5            |
| 6th pillar: Goods market efficiency.....                 | 121.....             | 3.9            |
| 7th pillar: Labor market efficiency.....                 | 46.....              | 4.4            |
| 8th pillar: Financial market development.....            | 101.....             | 3.4            |
| 9th pillar: Technological readiness.....                 | 131.....             | 2.5            |
| 10th pillar: Market size.....                            | 72.....              | 3.8            |
| <b>Innovation and sophistication factors (5.0%).....</b> | <b>112.....</b>      | <b>3.2</b>     |
| 11th pillar: Business sophistication.....                | 114.....             | 3.4            |
| 12th pillar: Innovation.....                             | 105.....             | 3.0            |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Tanzania

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 3.5      | 117      |
| 1.02 Intellectual property protection .....                   | 3.2      | 111      |
| 1.03 Diversion of public funds .....                          | 2.9      | 91       |
| 1.04 Public trust in politicians .....                        | 3.0      | 66       |
| 1.05 Irregular payments and bribes .....                      | 2.9      | 121      |
| 1.06 Judicial independence .....                              | 3.4      | 89       |
| 1.07 Favoritism in decisions of government officials .....    | 3.2      | 66       |
| 1.08 Wastefulness of government spending .....                | 2.9      | 86       |
| 1.09 Burden of government regulation .....                    | 3.5      | 57       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.7      | 65       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.4      | 72       |
| 1.12 Transparency of government policymaking .....            | 3.9      | 83       |
| 1.13 Business costs of terrorism .....                        | 4.6      | 104      |
| 1.14 Business costs of crime and violence .....               | 4.1      | 91       |
| 1.15 Organized crime .....                                    | 4.8      | 72       |
| 1.16 Reliability of police services .....                     | 3.5      | 107      |
| 1.17 Ethical behavior of firms .....                          | 3.7      | 92       |
| 1.18 Strength of auditing and reporting standards .....       | 3.8      | 120      |
| 1.19 Efficacy of corporate boards .....                       | 4.2      | 114      |
| 1.20 Protection of minority shareholders' interests .....     | 3.7      | 104      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.3      | 116      |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 3.1      | 115      |
| 2.02 Quality of roads .....                                   | 3.3      | 92       |
| 2.03 Quality of railroad infrastructure .....                 | 2.1      | 89       |
| 2.04 Quality of port infrastructure .....                     | 3.4      | 97       |
| 2.05 Quality of air transport infrastructure .....            | 3.0      | 125      |
| 2.06 Available airline seat km/week, millions* .....          | 99.9     | 81       |
| 2.07 Quality of electricity supply .....                      | 2.6      | 122      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 62.8     | 133      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.3      | 133      |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.9     | 90       |
| 3.02 Gross national savings, % GDP* .....                     | 21.6     | 61       |
| 3.03 Inflation, annual % change* .....                        | 6.1      | 111      |
| 3.04 General government debt, % GDP* .....                    | 33.2     | 43       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 30.0     | 103      |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 17,370.2 | 57       |
| 4.02 Business impact of malaria .....                         | 3.0      | 72       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 164.0    | 109      |
| 4.04 Business impact of tuberculosis .....                    | 4.2      | 116      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 5.0      | 129      |
| 4.06 Business impact of HIV/AIDS .....                        | 3.8      | 129      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 36.4     | 108      |
| 4.08 Life expectancy, years* .....                            | 61.5     | 119      |
| 4.09 Quality of primary education .....                       | 2.8      | 124      |
| 4.10 Primary education enrollment, net %* .....               | 83.5     | 124      |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 33.0     | 134      |
| 5.02 Tertiary education enrollment, gross %* .....            | 3.9      | 131      |
| 5.03 Quality of the education system .....                    | 3.2      | 98       |
| 5.04 Quality of math and science education .....              | 2.6      | 130      |
| 5.05 Quality of management schools .....                      | 3.2      | 123      |
| 5.06 Internet access in schools .....                         | 2.8      | 127      |
| 5.07 Availability of specialized training services .....      | 3.5      | 114      |
| 5.08 Extent of staff training .....                           | 3.4      | 116      |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 4.5      | 111      |
| 6.02 Extent of market dominance .....                         | 3.4      | 94       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.6      | 84       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.2      | 101      |
| 6.05 Total tax rate, % profits* .....                         | 44.3     | 97       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 9     | 104      |
| 6.07 No. days to start a business* .....                 | 26.0  | 106      |
| 6.08 Agricultural policy costs .....                     | 3.4   | 102      |
| 6.09 Prevalence of non-tariff barriers .....             | 4.0   | 107      |
| 6.10 Trade tariffs, % duty* .....                        | 10.0  | 106      |
| 6.11 Prevalence of foreign ownership .....               | 4.1   | 95       |
| 6.12 Business impact of rules on FDI .....               | 4.3   | 90       |
| 6.13 Burden of customs procedures .....                  | 3.2   | 120      |
| 6.14 Imports as a percentage of GDP* .....               | 31.3  | 108      |
| 6.15 Degree of customer orientation .....                | 4.1   | 103      |
| 6.16 Buyer sophistication .....                          | 3.0   | 112      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.0   | 109      |
| 7.02 Flexibility of wage determination .....             | 4.7   | 95       |
| 7.03 Hiring and firing practices .....                   | 3.8   | 68       |
| 7.04 Redundancy costs, weeks of salary* .....            | 9.3   | 29       |
| 7.05 Effect of taxation on incentives to work .....      | 3.1   | 119      |
| 7.06 Pay and productivity .....                          | 3.3   | 120      |
| 7.07 Reliance on professional management .....           | 3.9   | 89       |
| 7.08 Country capacity to retain talent .....             | 3.2   | 91       |
| 7.09 Country capacity to attract talent .....            | 3.5   | 60       |
| 7.10 Women in labor force, ratio to men* .....           | 0.99  | 5        |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.7   | 122      |
| 8.02 Affordability of financial services .....           | 3.6   | 116      |
| 8.03 Financing through local equity market .....         | 3.1   | 95       |
| 8.04 Ease of access to loans .....                       | 2.7   | 86       |
| 8.05 Venture capital availability .....                  | 2.4   | 99       |
| 8.06 Soundness of banks .....                            | 4.2   | 105      |
| 8.07 Regulation of securities exchanges .....            | 3.7   | 100      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 5     | 63       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 3.7   | 127      |
| 9.02 Firm-level technology absorption .....              | 3.8   | 129      |
| 9.03 FDI and technology transfer .....                   | 3.9   | 108      |
| 9.04 Individuals using Internet, %* .....                | 4.9   | 133      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.2   | 122      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 6.1   | 112      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 3.0   | 129      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.7   | 67       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.0   | 90       |
| 10.03 GDP (PPP\$ billions)* .....                        | 127.1 | 71       |
| 10.04 Exports as a percentage of GDP* .....              | 16.8  | 129      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.2   | 94       |
| 11.02 Local supplier quality .....                       | 3.7   | 113      |
| 11.03 State of cluster development .....                 | 3.5   | 91       |
| 11.04 Nature of competitive advantage .....              | 2.9   | 106      |
| 11.05 Value chain breadth .....                          | 3.2   | 122      |
| 11.06 Control of international distribution .....        | 3.3   | 107      |
| 11.07 Production process sophistication .....            | 3.0   | 118      |
| 11.08 Extent of marketing .....                          | 3.5   | 129      |
| 11.09 Willingness to delegate authority .....            | 3.4   | 105      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.5   | 107      |
| 12.02 Quality of scientific research institutions .....  | 3.5   | 86       |
| 12.03 Company spending on R&D .....                      | 2.9   | 101      |
| 12.04 University-industry collaboration in R&D .....     | 3.4   | 83       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.3   | 76       |
| 12.06 Availability of scientists and engineers .....     | 3.6   | 96       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119      |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

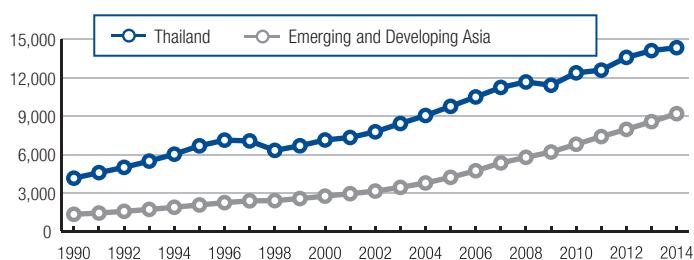


# Thailand

## Key indicators, 2014

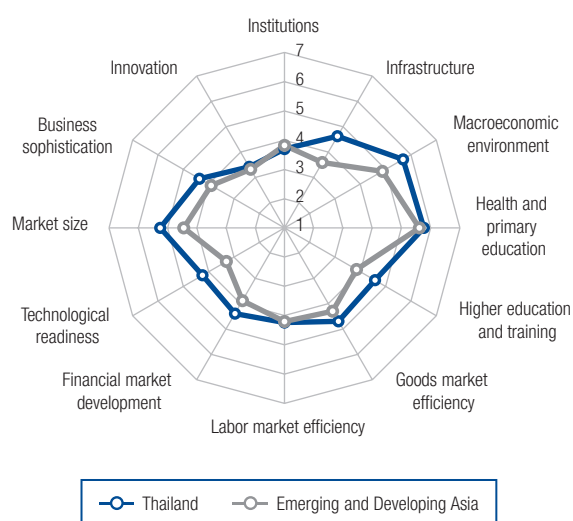
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 68.7  |
| GDP (US\$ billions).....                   | 373.8 |
| GDP per capita (US\$).....                 | 5,445 |
| GDP (PPP) as share (%) of world total..... | 0.91  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

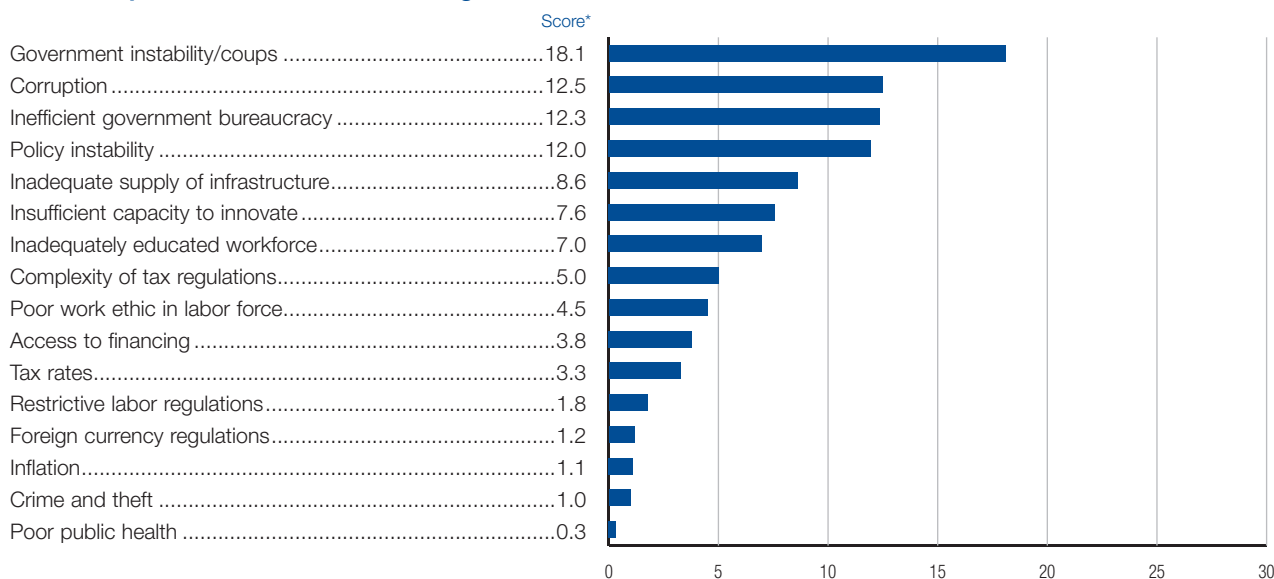
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>32</b>            | <b>4.6</b>     |
| GCI 2014–2015 (out of 144).....                            | 31                   | 4.7            |
| GCI 2013–2014 (out of 148).....                            | 37                   | 4.5            |
| GCI 2012–2013 (out of 144).....                            | 38                   | 4.5            |
| <b>Basic requirements (40.0%)</b> .....                    | <b>42</b>            | <b>4.9</b>     |
| 1st pillar: Institutions.....                              | 82                   | 3.7            |
| 2nd pillar: Infrastructure.....                            | 44                   | 4.6            |
| 3rd pillar: Macroeconomic environment.....                 | 27                   | 5.7            |
| 4th pillar: Health and primary education.....              | 67                   | 5.8            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>38</b>            | <b>4.6</b>     |
| 5th pillar: Higher education and training.....             | 56                   | 4.6            |
| 6th pillar: Goods market efficiency.....                   | 30                   | 4.7            |
| 7th pillar: Labor market efficiency.....                   | 67                   | 4.2            |
| 8th pillar: Financial market development.....              | 39                   | 4.4            |
| 9th pillar: Technological readiness.....                   | 58                   | 4.2            |
| 10th pillar: Market size.....                              | 18                   | 5.2            |
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>48</b>            | <b>3.9</b>     |
| 11th pillar: Business sophistication.....                  | 35                   | 4.4            |
| 12th pillar: Innovation.....                               | 57                   | 3.4            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Thailand

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140 |
|---------------------------------------------------------------|---------|----------|
| <b>1st pillar: Institutions</b>                               |         |          |
| 1.01 Property rights .....                                    | 4.1     | 79       |
| 1.02 Intellectual property protection .....                   | 3.2     | 113      |
| 1.03 Diversion of public funds .....                          | 2.9     | 96       |
| 1.04 Public trust in politicians .....                        | 2.0     | 118      |
| 1.05 Irregular payments and bribes .....                      | 3.7     | 81       |
| 1.06 Judicial independence .....                              | 4.1     | 59       |
| 1.07 Favoritism in decisions of government officials .....    | 3.0     | 76       |
| 1.08 Wastefulness of government spending .....                | 2.5     | 113      |
| 1.09 Burden of government regulation .....                    | 3.3     | 81       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.9     | 55       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.7     | 56       |
| 1.12 Transparency of government policymaking .....            | 3.8     | 97       |
| 1.13 Business costs of terrorism .....                        | 4.0     | 124      |
| 1.14 Business costs of crime and violence .....               | 3.9     | 103      |
| 1.15 Organized crime .....                                    | 4.2     | 101      |
| 1.16 Reliability of police services .....                     | 3.2     | 112      |
| 1.17 Ethical behavior of firms .....                          | 3.7     | 89       |
| 1.18 Strength of auditing and reporting standards .....       | 5.1     | 44       |
| 1.19 Efficacy of corporate boards .....                       | 4.8     | 71       |
| 1.20 Protection of minority shareholders' interests .....     | 4.7     | 34       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.6     | 25       |
| <b>2nd pillar: Infrastructure</b>                             |         |          |
| 2.01 Quality of overall infrastructure .....                  | 4.0     | 71       |
| 2.02 Quality of roads .....                                   | 4.4     | 51       |
| 2.03 Quality of railroad infrastructure .....                 | 2.4     | 78       |
| 2.04 Quality of port infrastructure .....                     | 4.5     | 52       |
| 2.05 Quality of air transport infrastructure .....            | 5.1     | 38       |
| 2.06 Available airline seat km/week, millions* .....          | 2,866.9 | 14       |
| 2.07 Quality of electricity supply .....                      | 5.2     | 56       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 144.4   | 31       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 8.5     | 88       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |          |
| 3.01 Government budget balance, % GDP* .....                  | –1.8    | 46       |
| 3.02 Gross national savings, % GDP* .....                     | 29.4    | 26       |
| 3.03 Inflation, annual % change* .....                        | 1.9     | 1        |
| 3.04 General government debt, % GDP* .....                    | 47.2    | 79       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 58.3    | 52       |
| <b>4th pillar: Health and primary education</b>               |         |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 209.6   | 39       |
| 4.02 Business impact of malaria .....                         | 5.4     | 24       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 119.0   | 96       |
| 4.04 Business impact of tuberculosis .....                    | 4.7     | 96       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.1     | 108      |
| 4.06 Business impact of HIV/AIDS .....                        | 4.6     | 103      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 11.3    | 60       |
| 4.08 Life expectancy, years* .....                            | 74.4    | 69       |
| 4.09 Quality of primary education .....                       | 3.5     | 89       |
| 4.10 Primary education enrollment, net %* .....               | 95.6    | 54       |
| <b>5th pillar: Higher education and training</b>              |         |          |
| 5.01 Secondary education enrollment, gross %* .....           | 87.0    | 79       |
| 5.02 Tertiary education enrollment, gross %* .....            | 51.2    | 52       |
| 5.03 Quality of the education system .....                    | 3.6     | 74       |
| 5.04 Quality of math and science education .....              | 3.9     | 79       |
| 5.05 Quality of management schools .....                      | 4.0     | 77       |
| 5.06 Internet access in schools .....                         | 4.6     | 54       |
| 5.07 Availability of specialized training services .....      | 4.1     | 70       |
| 5.08 Extent of staff training .....                           | 4.3     | 41       |
| <b>6th pillar: Goods market efficiency</b>                    |         |          |
| 6.01 Intensity of local competition .....                     | 5.4     | 42       |
| 6.02 Extent of market dominance .....                         | 3.5     | 81       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.8     | 70       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8     | 61       |
| 6.05 Total tax rate, % profits* .....                         | 26.9    | 28       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 4     | 22       |
| 6.07 No. days to start a business* .....                 | 27.5  | 109      |
| 6.08 Agricultural policy costs .....                     | 3.2   | 115      |
| 6.09 Prevalence of non-tariff barriers .....             | 4.3   | 73       |
| 6.10 Trade tariffs, % duty* .....                        | 7.8   | 91       |
| 6.11 Prevalence of foreign ownership .....               | 4.7   | 60       |
| 6.12 Business impact of rules on FDI .....               | 4.9   | 37       |
| 6.13 Burden of customs procedures .....                  | 3.7   | 85       |
| 6.14 Imports as a percentage of GDP* .....               | 75.1  | 26       |
| 6.15 Degree of customer orientation .....                | 5.4   | 17       |
| 6.16 Buyer sophistication .....                          | 4.1   | 23       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.8   | 34       |
| 7.02 Flexibility of wage determination .....             | 4.3   | 111      |
| 7.03 Hiring and firing practices .....                   | 4.5   | 23       |
| 7.04 Redundancy costs, weeks of salary* .....            | 36.0  | 129      |
| 7.05 Effect of taxation on incentives to work .....      | 3.9   | 61       |
| 7.06 Pay and productivity .....                          | 4.2   | 53       |
| 7.07 Reliance on professional management .....           | 4.5   | 46       |
| 7.08 Country capacity to retain talent .....             | 4.0   | 34       |
| 7.09 Country capacity to attract talent .....            | 3.8   | 41       |
| 7.10 Women in labor force, ratio to men* .....           | 0.83  | 66       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 5.3   | 27       |
| 8.02 Affordability of financial services .....           | 5.0   | 34       |
| 8.03 Financing through local equity market .....         | 4.7   | 20       |
| 8.04 Ease of access to loans .....                       | 3.6   | 23       |
| 8.05 Venture capital availability .....                  | 3.3   | 33       |
| 8.06 Soundness of banks .....                            | 5.7   | 31       |
| 8.07 Regulation of securities exchanges .....            | 4.9   | 33       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 3     | 93       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.7   | 70       |
| 9.02 Firm-level technology absorption .....              | 4.9   | 53       |
| 9.03 FDI and technology transfer .....                   | 4.9   | 28       |
| 9.04 Individuals using Internet, %* .....                | 34.9  | 93       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 8.2   | 73       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 46.8  | 55       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 79.9  | 23       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 5.0   | 22       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 6.0   | 14       |
| 10.03 GDP (PPP\$ billions)* .....                        | 985.5 | 22       |
| 10.04 Exports as a percentage of GDP* .....              | 75.6  | 18       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.8   | 34       |
| 11.02 Local supplier quality .....                       | 4.4   | 59       |
| 11.03 State of cluster development .....                 | 4.1   | 39       |
| 11.04 Nature of competitive advantage .....              | 4.3   | 31       |
| 11.05 Value chain breadth .....                          | 4.3   | 32       |
| 11.06 Control of international distribution .....        | 4.1   | 42       |
| 11.07 Production process sophistication .....            | 4.1   | 53       |
| 11.08 Extent of marketing .....                          | 4.9   | 29       |
| 11.09 Willingness to delegate authority .....            | 4.2   | 35       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.1   | 54       |
| 12.02 Quality of scientific research institutions .....  | 4.0   | 53       |
| 12.03 Company spending on R&D .....                      | 3.5   | 45       |
| 12.04 University-industry collaboration in R&D .....     | 4.0   | 45       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.1   | 90       |
| 12.06 Availability of scientists and engineers .....     | 4.3   | 47       |
| 12.07 PCT patents, applications/million pop.* .....      | 1.3   | 66       |

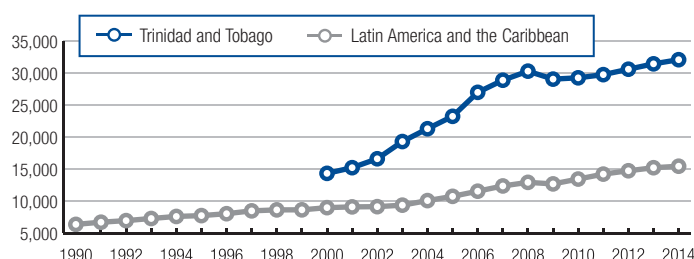
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Trinidad and Tobago

## Key indicators, 2014

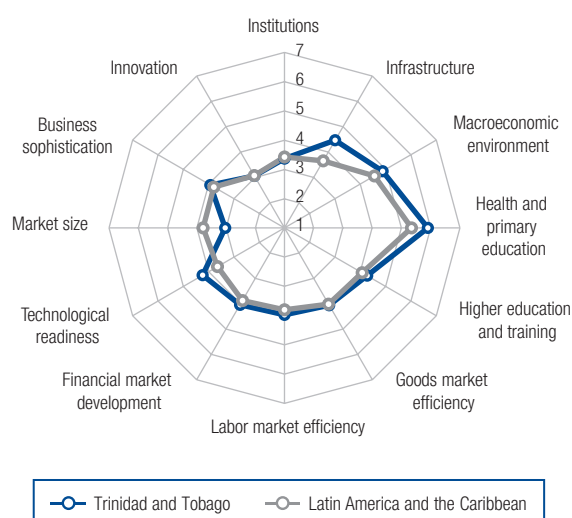
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 1.4    |
| GDP (US\$ billions).....                   | 28.8   |
| GDP per capita (US\$).....                 | 21,311 |
| GDP (PPP) as share (%) of world total..... | 0.04   |

GDP (PPP) per capita (int'l \$), 1990–2014

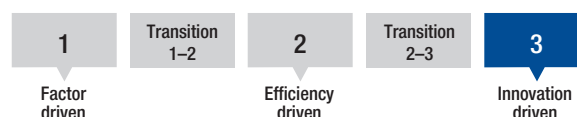


## Global Competitiveness Index

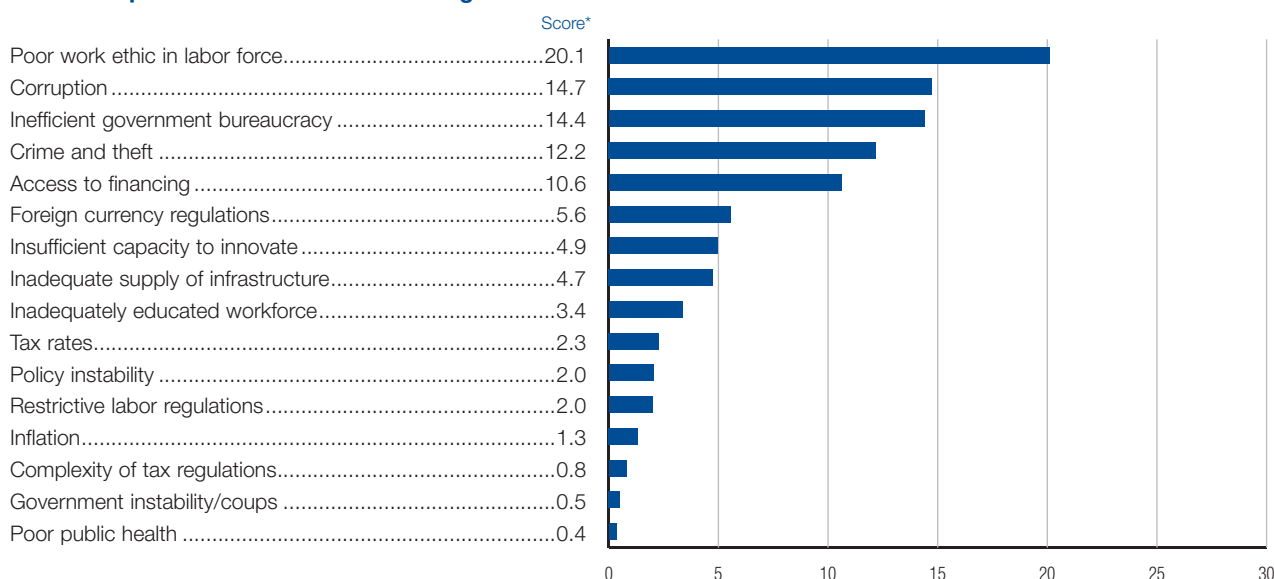
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>89</b>            | <b>3.9</b>     |
| GCI 2014–2015 (out of 144).....                            | 89                   | 4.0            |
| GCI 2013–2014 (out of 148).....                            | 92                   | 3.9            |
| GCI 2012–2013 (out of 144).....                            | 84                   | 4.0            |
| <b>Basic requirements (20.0%)</b> .....                    | <b>62</b>            | <b>4.6</b>     |
| 1st pillar: Institutions.....                              | 108                  | 3.4            |
| 2nd pillar: Infrastructure.....                            | 51                   | 4.5            |
| 3rd pillar: Macroeconomic environment.....                 | 54                   | 4.9            |
| 4th pillar: Health and primary education.....              | 60                   | 5.9            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>78</b>            | <b>3.9</b>     |
| 5th pillar: Higher education and training.....             | 73                   | 4.3            |
| 6th pillar: Goods market efficiency.....                   | 104                  | 4.1            |
| 7th pillar: Labor market efficiency.....                   | 96                   | 4.0            |
| 8th pillar: Financial market development.....              | 56                   | 4.0            |
| 9th pillar: Technological readiness.....                   | 59                   | 4.2            |
| 10th pillar: Market size.....                              | 102                  | 3.0            |
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>81</b>            | <b>3.5</b>     |
| 11th pillar: Business sophistication.....                  | 68                   | 3.9            |
| 12th pillar: Innovation.....                               | 101                  | 3.1            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Trinidad and Tobago

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE        | RANK/140 |
|---------------------------------------------------------------|--------------|----------|
| <b>1st pillar: Institutions</b>                               |              |          |
| 1.01 Property rights .....                                    | 4.0 .....    | 85       |
| 1.02 Intellectual property protection .....                   | 3.4 .....    | 99       |
| 1.03 Diversion of public funds .....                          | 2.4 .....    | 124      |
| 1.04 Public trust in politicians .....                        | 1.8 .....    | 128      |
| 1.05 Irregular payments and bribes .....                      | 3.3 .....    | 104      |
| 1.06 Judicial independence .....                              | 4.3 .....    | 51       |
| 1.07 Favoritism in decisions of government officials .....    | 1.9 .....    | 137      |
| 1.08 Wastefulness of government spending .....                | 2.5 .....    | 112      |
| 1.09 Burden of government regulation .....                    | 3.3 .....    | 77       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.2 .....    | 97       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.1 .....    | 94       |
| 1.12 Transparency of government policymaking .....            | 3.8 .....    | 90       |
| 1.13 Business costs of terrorism .....                        | 5.3 .....    | 75       |
| 1.14 Business costs of crime and violence .....               | 2.4 .....    | 136      |
| 1.15 Organized crime .....                                    | 3.9 .....    | 117      |
| 1.16 Reliability of police services .....                     | 3.1 .....    | 116      |
| 1.17 Ethical behavior of firms .....                          | 3.2 .....    | 125      |
| 1.18 Strength of auditing and reporting standards .....       | 4.3 .....    | 91       |
| 1.19 Efficacy of corporate boards .....                       | 4.3 .....    | 101      |
| 1.20 Protection of minority shareholders' interests .....     | 3.4 .....    | 118      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.8 .....    | 55       |
| <b>2nd pillar: Infrastructure</b>                             |              |          |
| 2.01 Quality of overall infrastructure .....                  | 4.3 .....    | 56       |
| 2.02 Quality of roads .....                                   | 4.1 .....    | 64       |
| 2.03 Quality of railroad infrastructure .....                 | N/Appl. .... | n/a      |
| 2.04 Quality of port infrastructure .....                     | 4.0 .....    | 71       |
| 2.05 Quality of air transport infrastructure .....            | 4.6 .....    | 61       |
| 2.06 Available airline seat km/week, millions* .....          | 65.3 .....   | 93       |
| 2.07 Quality of electricity supply .....                      | 5.4 .....    | 50       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 147.3 .....  | 27       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 21.4 .....   | 51       |
| <b>3rd pillar: Macroeconomic environment</b>                  |              |          |
| 3.01 Government budget balance, % GDP* .....                  | –4.0 .....   | 92       |
| 3.02 Gross national savings, % GDP* .....                     | 22.1 .....   | 58       |
| 3.03 Inflation, annual % change* .....                        | 7.0 .....    | 118      |
| 3.04 General government debt, % GDP* .....                    | 37.6 .....   | 57       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 63.0 .....   | 46       |
| <b>4th pillar: Health and primary education</b>               |              |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F. ....    | n/a      |
| 4.02 Business impact of malaria .....                         | N/Appl. .... | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 21.0 .....   | 45       |
| 4.04 Business impact of tuberculosis .....                    | 5.7 .....    | 64       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 1.7 .....    | 119      |
| 4.06 Business impact of HIV/AIDS .....                        | 4.7 .....    | 100      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 19.0 .....   | 85       |
| 4.08 Life expectancy, years* .....                            | 69.9 .....   | 97       |
| 4.09 Quality of primary education .....                       | 4.5 .....    | 43       |
| 4.10 Primary education enrollment, net %* .....               | 95.2 .....   | 58       |
| <b>5th pillar: Higher education and training</b>              |              |          |
| 5.01 Secondary education enrollment, gross %* .....           | 85.5 .....   | 85       |
| 5.02 Tertiary education enrollment, gross %* .....            | 12.0 .....   | 109      |
| 5.03 Quality of the education system .....                    | 4.4 .....    | 33       |
| 5.04 Quality of math and science education .....              | 4.7 .....    | 35       |
| 5.05 Quality of management schools .....                      | 4.9 .....    | 30       |
| 5.06 Internet access in schools .....                         | 4.5 .....    | 60       |
| 5.07 Availability of specialized training services .....      | 4.6 .....    | 42       |
| 5.08 Extent of staff training .....                           | 4.2 .....    | 47       |
| <b>6th pillar: Goods market efficiency</b>                    |              |          |
| 6.01 Intensity of local competition .....                     | 5.3 .....    | 49       |
| 6.02 Extent of market dominance .....                         | 3.2 .....    | 112      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.3 .....    | 109      |
| 6.04 Effect of taxation on incentives to invest .....         | 4.1 .....    | 30       |
| 6.05 Total tax rate, % profits* .....                         | 32.0 .....   | 45       |

| INDICATOR                                                   | VALUE      | RANK/140 |
|-------------------------------------------------------------|------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |            |          |
| 6.06 No. procedures to start a business* .....              | 7 .....    | 76       |
| 6.07 No. days to start a business* .....                    | 11.5 ..... | 66       |
| 6.08 Agricultural policy costs .....                        | 3.3 .....  | 113      |
| 6.09 Prevalence of non-tariff barriers .....                | 4.8 .....  | 20       |
| 6.10 Trade tariffs, % duty* .....                           | 11.9 ..... | 122      |
| 6.11 Prevalence of foreign ownership .....                  | 4.5 .....  | 68       |
| 6.12 Business impact of rules on FDI .....                  | 4.8 .....  | 51       |
| 6.13 Burden of customs procedures .....                     | 3.1 .....  | 127      |
| 6.14 Imports as a percentage of GDP* .....                  | 40.9 ..... | 83       |
| 6.15 Degree of customer orientation .....                   | 3.4 .....  | 137      |
| 6.16 Buyer sophistication .....                             | 3.3 .....  | 75       |
| <b>7th pillar: Labor market efficiency</b>                  |            |          |
| 7.01 Cooperation in labor-employer relations .....          | 3.3 .....  | 137      |
| 7.02 Flexibility of wage determination .....                | 4.6 .....  | 101      |
| 7.03 Hiring and firing practices .....                      | 3.8 .....  | 75       |
| 7.04 Redundancy costs, weeks of salary* .....               | 20.5 ..... | 93       |
| 7.05 Effect of taxation on incentives to work .....         | 4.0 .....  | 44       |
| 7.06 Pay and productivity .....                             | 3.6 .....  | 96       |
| 7.07 Reliance on professional management .....              | 4.4 .....  | 58       |
| 7.08 Country capacity to retain talent .....                | 3.6 .....  | 55       |
| 7.09 Country capacity to attract talent .....               | 3.6 .....  | 54       |
| 7.10 Women in labor force, ratio to men* .....              | 0.72 ..... | 93       |
| <b>8th pillar: Financial market development</b>             |            |          |
| 8.01 Availability of financial services .....               | 4.5 .....  | 62       |
| 8.02 Affordability of financial services .....              | 4.3 .....  | 51       |
| 8.03 Financing through local equity market .....            | 3.6 .....  | 67       |
| 8.04 Ease of access to loans .....                          | 2.5 .....  | 101      |
| 8.05 Venture capital availability .....                     | 2.2 .....  | 118      |
| 8.06 Soundness of banks .....                               | 5.6 .....  | 34       |
| 8.07 Regulation of securities exchanges .....               | 3.8 .....  | 90       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 7 .....    | 24       |
| <b>9th pillar: Technological readiness</b>                  |            |          |
| 9.01 Availability of latest technologies .....              | 5.0 .....  | 59       |
| 9.02 Firm-level technology absorption .....                 | 4.6 .....  | 69       |
| 9.03 FDI and technology transfer .....                      | 4.4 .....  | 74       |
| 9.04 Individuals using Internet, %* .....                   | 65.1 ..... | 47       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 17.5 ..... | 47       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 48.9 ..... | 51       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 28.3 ..... | 89       |
| <b>10th pillar: Market size</b>                             |            |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 2.6 .....  | 109      |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 4.2 .....  | 84       |
| 10.03 GDP (PPP\$ billions)* .....                           | 43.4 ..... | 96       |
| 10.04 Exports as a percentage of GDP* .....                 | 65.4 ..... | 25       |
| <b>11th pillar: Business sophistication</b>                 |            |          |
| 11.01 Local supplier quantity .....                         | 4.9 .....  | 30       |
| 11.02 Local supplier quality .....                          | 4.3 .....  | 68       |
| 11.03 State of cluster development .....                    | 3.5 .....  | 84       |
| 11.04 Nature of competitive advantage .....                 | 3.1 .....  | 95       |
| 11.05 Value chain breadth .....                             | 3.6 .....  | 90       |
| 11.06 Control of international distribution .....           | 4.0 .....  | 55       |
| 11.07 Production process sophistication .....               | 4.2 .....  | 46       |
| 11.08 Extent of marketing .....                             | 4.1 .....  | 83       |
| 11.09 Willingness to delegate authority .....               | 3.5 .....  | 97       |
| <b>12th pillar: Innovation</b>                              |            |          |
| 12.01 Capacity for innovation .....                         | 3.5 .....  | 106      |
| 12.02 Quality of scientific research institutions .....     | 3.7 .....  | 71       |
| 12.03 Company spending on R&D .....                         | 2.6 .....  | 119      |
| 12.04 University-industry collaboration in R&D .....        | 3.1 .....  | 105      |
| 12.05 Gov't procurement of advanced tech products .....     | 2.9 .....  | 106      |
| 12.06 Availability of scientists and engineers .....        | 4.3 .....  | 46       |
| 12.07 PCT patents, applications/million pop.* .....         | 1.0 .....  | 70       |

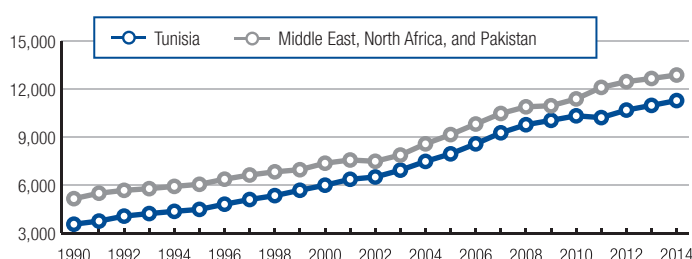
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Tunisia

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 11.0  |
| GDP (US\$ billions).....                   | 48.6  |
| GDP per capita (US\$).....                 | 4,415 |
| GDP (PPP) as share (%) of world total..... | 0.12  |

GDP (PPP) per capita (int'l \$), 1990–2014



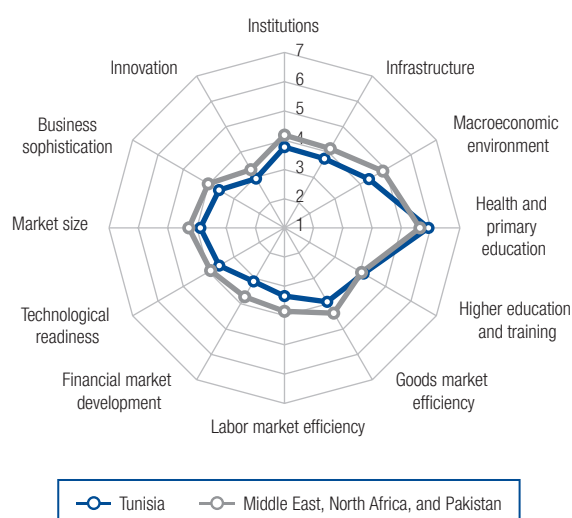
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>92</b>            | <b>3.9</b>     |
| GCI 2014–2015 (out of 144)..... | 87                   | 4.0            |
| GCI 2013–2014 (out of 148)..... | 83                   | 4.1            |
| GCI 2012–2013 (out of 144)..... | n/a                  | n/a            |

|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (40.0%)</b> .....       | <b>78</b> | <b>4.4</b> |
| 1st pillar: Institutions.....                 | 79        | 3.8        |
| 2nd pillar: Infrastructure.....               | 80        | 3.7        |
| 3rd pillar: Macroeconomic environment.....    | 97        | 4.3        |
| 4th pillar: Health and primary education..... | 58        | 5.9        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>98</b> | <b>3.7</b> |
| 5th pillar: Higher education and training..... | 76        | 4.1        |
| 6th pillar: Goods market efficiency.....       | 118       | 3.9        |
| 7th pillar: Labor market efficiency.....       | 133       | 3.3        |
| 8th pillar: Financial market development.....  | 122       | 3.1        |
| 9th pillar: Technological readiness.....       | 80        | 3.6        |
| 10th pillar: Market size.....                  | 69        | 3.9        |

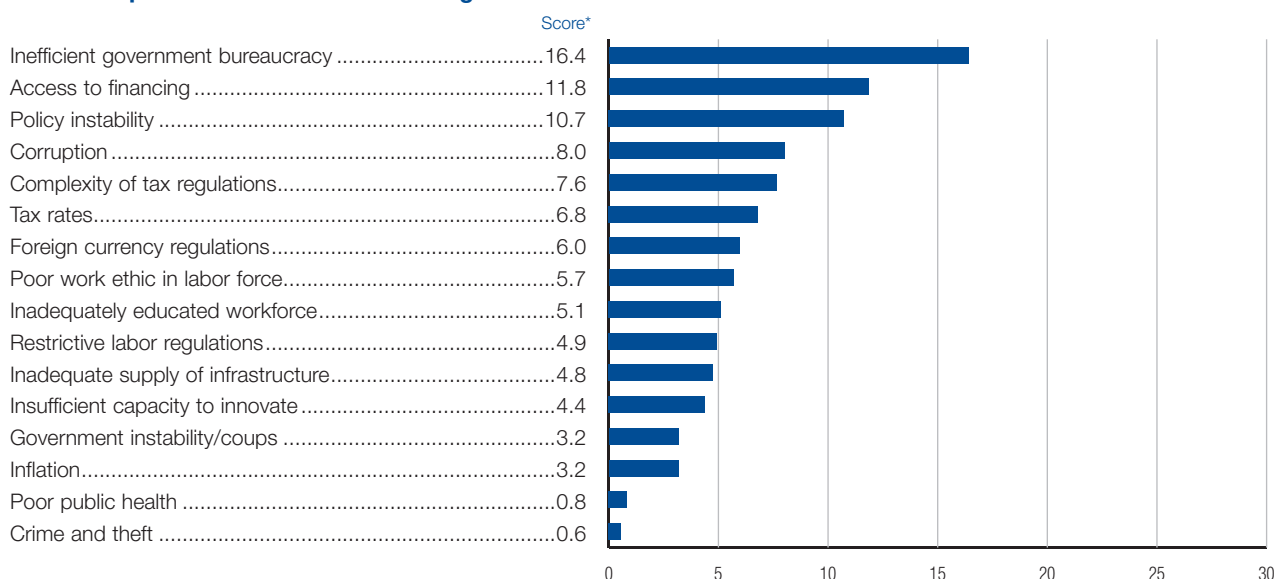
|                                                            |            |            |
|------------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>110</b> | <b>3.3</b> |
| 11th pillar: Business sophistication.....                  | 104        | 3.6        |
| 12th pillar: Innovation.....                               | 110        | 2.9        |



Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Tunisia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 4.4    | 57       |
| 1.02 Intellectual property protection .....                   | 3.5    | 90       |
| 1.03 Diversion of public funds .....                          | 3.7    | 52       |
| 1.04 Public trust in politicians .....                        | 3.0    | 64       |
| 1.05 Irregular payments and bribes .....                      | 3.6    | 92       |
| 1.06 Judicial independence .....                              | 3.8    | 71       |
| 1.07 Favoritism in decisions of government officials .....    | 3.3    | 55       |
| 1.08 Wastefulness of government spending .....                | 3.3    | 65       |
| 1.09 Burden of government regulation .....                    | 3.3    | 84       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.6    | 74       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.6    | 61       |
| 1.12 Transparency of government policymaking .....            | 3.7    | 100      |
| 1.13 Business costs of terrorism .....                        | 3.4    | 128      |
| 1.14 Business costs of crime and violence .....               | 4.0    | 101      |
| 1.15 Organized crime .....                                    | 4.4    | 97       |
| 1.16 Reliability of police services .....                     | 4.1    | 69       |
| 1.17 Ethical behavior of firms .....                          | 3.7    | 87       |
| 1.18 Strength of auditing and reporting standards .....       | 4.2    | 96       |
| 1.19 Efficacy of corporate boards .....                       | 4.3    | 104      |
| 1.20 Protection of minority shareholders' interests .....     | 3.9    | 81       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.5    | 74       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 3.7    | 90       |
| 2.02 Quality of roads .....                                   | 3.5    | 89       |
| 2.03 Quality of railroad infrastructure .....                 | 3.0    | 57       |
| 2.04 Quality of port infrastructure .....                     | 3.6    | 92       |
| 2.05 Quality of air transport infrastructure .....            | 3.9    | 87       |
| 2.06 Available airline seat km/week, millions* .....          | 201.9  | 63       |
| 2.07 Quality of electricity supply .....                      | 4.8    | 64       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 128.5  | 46       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 8.5    | 87       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.5   | 79       |
| 3.02 Gross national savings, % GDP* .....                     | 11.7   | 120      |
| 3.03 Inflation, annual % change* .....                        | 4.9    | 97       |
| 3.04 General government debt, % GDP* .....                    | 47.5   | 80       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 41.3   | 74       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 32.0   | 58       |
| 4.04 Business impact of tuberculosis .....                    | 5.6    | 72       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.1    | 1        |
| 4.06 Business impact of HIV/AIDS .....                        | 5.7    | 67       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 13.1   | 69       |
| 4.08 Life expectancy, years* .....                            | 73.6   | 80       |
| 4.09 Quality of primary education .....                       | 3.6    | 86       |
| 4.10 Primary education enrollment, net %* .....               | 98.7   | 10       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 90.6   | 70       |
| 5.02 Tertiary education enrollment, gross %* .....            | 35.2   | 71       |
| 5.03 Quality of the education system .....                    | 3.3    | 89       |
| 5.04 Quality of math and science education .....              | 4.4    | 53       |
| 5.05 Quality of management schools .....                      | 4.2    | 69       |
| 5.06 Internet access in schools .....                         | 3.4    | 112      |
| 5.07 Availability of specialized training services .....      | 3.5    | 113      |
| 5.08 Extent of staff training .....                           | 3.6    | 106      |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 4.7    | 90       |
| 6.02 Extent of market dominance .....                         | 3.3    | 104      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.4    | 103      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.8    | 60       |
| 6.05 Total tax rate, % profits* .....                         | 62.4   | 124      |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 10    | 116      |
| 6.07 No. days to start a business* .....                 | 11.0  | 59       |
| 6.08 Agricultural policy costs .....                     | 3.4   | 99       |
| 6.09 Prevalence of non-tariff barriers .....             | 3.7   | 123      |
| 6.10 Trade tariffs, % duty* .....                        | 10.9  | 115      |
| 6.11 Prevalence of foreign ownership .....               | 4.2   | 89       |
| 6.12 Business impact of rules on FDI .....               | 4.3   | 82       |
| 6.13 Burden of customs procedures .....                  | 3.1   | 126      |
| 6.14 Imports as a percentage of GDP* .....               | 57.6  | 46       |
| 6.15 Degree of customer orientation .....                | 4.2   | 100      |
| 6.16 Buyer sophistication .....                          | 3.0   | 107      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 3.6   | 125      |
| 7.02 Flexibility of wage determination .....             | 4.0   | 121      |
| 7.03 Hiring and firing practices .....                   | 3.2   | 119      |
| 7.04 Redundancy costs, weeks of salary* .....            | 12.1  | 48       |
| 7.05 Effect of taxation on incentives to work .....      | 3.6   | 93       |
| 7.06 Pay and productivity .....                          | 3.3   | 121      |
| 7.07 Reliance on professional management .....           | 3.7   | 98       |
| 7.08 Country capacity to retain talent .....             | 2.7   | 118      |
| 7.09 Country capacity to attract talent .....            | 2.5   | 124      |
| 7.10 Women in labor force, ratio to men* .....           | 0.36  | 130      |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.7   | 121      |
| 8.02 Affordability of financial services .....           | 3.9   | 90       |
| 8.03 Financing through local equity market .....         | 3.5   | 70       |
| 8.04 Ease of access to loans .....                       | 2.8   | 71       |
| 8.05 Venture capital availability .....                  | 2.3   | 111      |
| 8.06 Soundness of banks .....                            | 3.2   | 131      |
| 8.07 Regulation of securities exchanges .....            | 3.8   | 94       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 2     | 106      |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.5   | 83       |
| 9.02 Firm-level technology absorption .....              | 4.5   | 78       |
| 9.03 FDI and technology transfer .....                   | 4.2   | 85       |
| 9.04 Individuals using Internet, %* .....                | 46.2  | 76       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 4.4   | 87       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 26.0  | 79       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 47.6  | 61       |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.7   | 69       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.5   | 67       |
| 10.03 GDP (PPP\$ billions)* .....                        | 124.3 | 72       |
| 10.04 Exports as a percentage of GDP* .....              | 43.9  | 53       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.4   | 82       |
| 11.02 Local supplier quality .....                       | 3.9   | 97       |
| 11.03 State of cluster development .....                 | 3.3   | 100      |
| 11.04 Nature of competitive advantage .....              | 2.8   | 119      |
| 11.05 Value chain breadth .....                          | 3.6   | 88       |
| 11.06 Control of international distribution .....        | 3.7   | 82       |
| 11.07 Production process sophistication .....            | 3.4   | 103      |
| 11.08 Extent of marketing .....                          | 3.8   | 116      |
| 11.09 Willingness to delegate authority .....            | 3.4   | 103      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.5   | 109      |
| 12.02 Quality of scientific research institutions .....  | 3.0   | 111      |
| 12.03 Company spending on R&D .....                      | 2.8   | 111      |
| 12.04 University-industry collaboration in R&D .....     | 2.9   | 116      |
| 12.05 Gov't procurement of advanced tech products .....  | 2.8   | 113      |
| 12.06 Availability of scientists and engineers .....     | 4.3   | 48       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.8   | 72       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

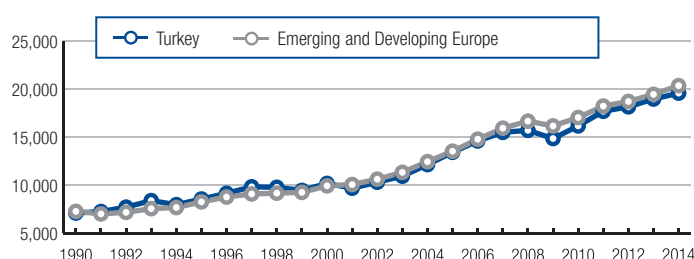


# Turkey

## Key indicators, 2014

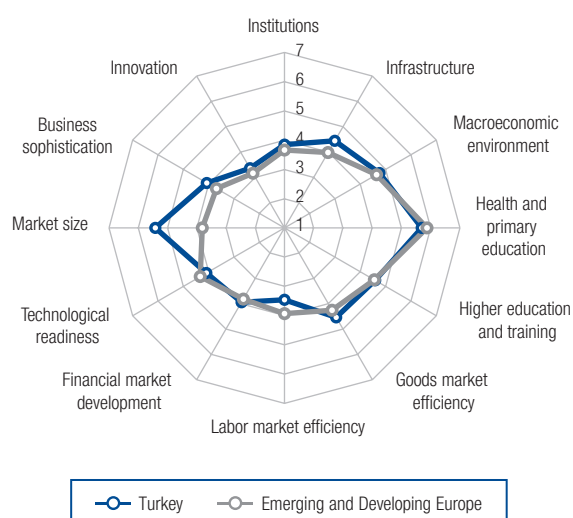
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 76.9   |
| GDP (US\$ billions).....                   | 806.1  |
| GDP per capita (US\$).....                 | 10,482 |
| GDP (PPP) as share (%) of world total..... | 1.40   |

GDP (PPP) per capita (int'l \$), 1990–2014

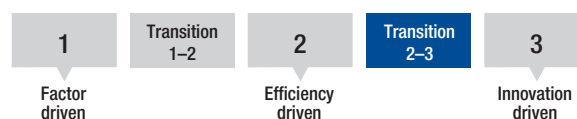


## Global Competitiveness Index

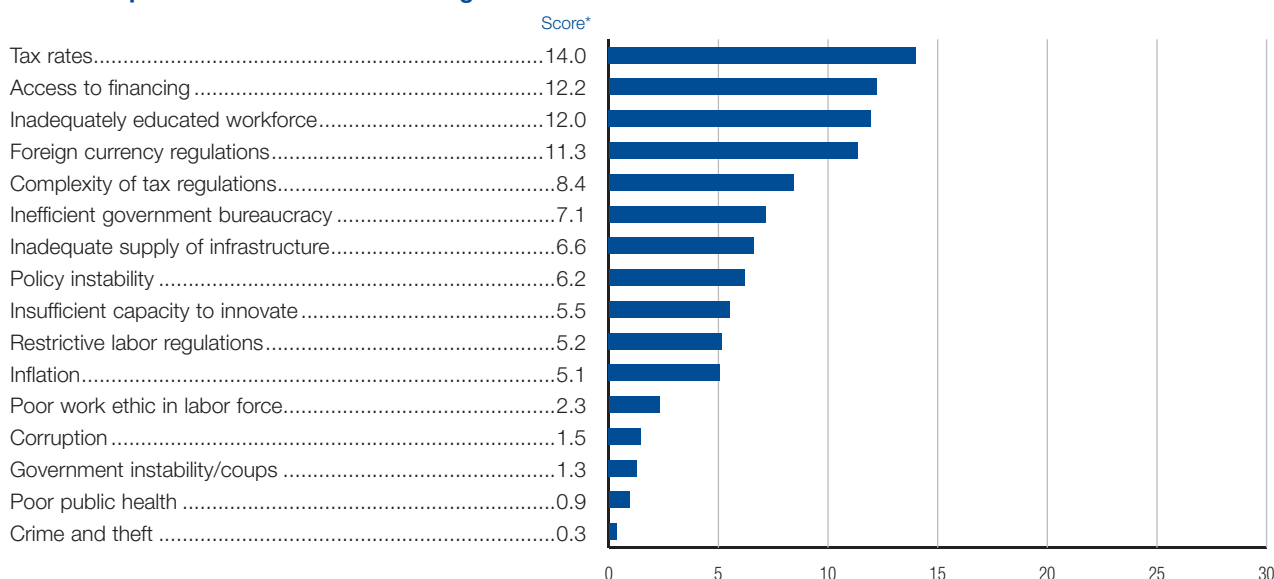
|                                                            | Rank<br>(out of 140) | Score<br>(1–7) |
|------------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                 | <b>51</b>            | <b>4.4</b>     |
| GCI 2014–2015 (out of 144).....                            | 45                   | 4.5            |
| GCI 2013–2014 (out of 148).....                            | 44                   | 4.5            |
| GCI 2012–2013 (out of 144).....                            | 43                   | 4.5            |
| <b>Basic requirements (36.3%)</b> .....                    | <b>57</b>            | <b>4.7</b>     |
| 1st pillar: Institutions.....                              | 75                   | 3.8            |
| 2nd pillar: Infrastructure.....                            | 53                   | 4.4            |
| 3rd pillar: Macroeconomic environment.....                 | 68                   | 4.7            |
| 4th pillar: Health and primary education.....              | 73                   | 5.7            |
| <b>Efficiency enhancers (50.0%)</b> .....                  | <b>48</b>            | <b>4.3</b>     |
| 5th pillar: Higher education and training.....             | 55                   | 4.6            |
| 6th pillar: Goods market efficiency.....                   | 45                   | 4.5            |
| 7th pillar: Labor market efficiency.....                   | 127                  | 3.5            |
| 8th pillar: Financial market development.....              | 64                   | 3.9            |
| 9th pillar: Technological readiness.....                   | 64                   | 4.1            |
| 10th pillar: Market size.....                              | 16                   | 5.4            |
| <b>Innovation and sophistication factors (13.7%)</b> ..... | <b>56</b>            | <b>3.7</b>     |
| 11th pillar: Business sophistication.....                  | 58                   | 4.1            |
| 12th pillar: Innovation.....                               | 60                   | 3.4            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Turkey

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140  |
|---------------------------------------------------------------|---------|-----------|
| <b>1st pillar: Institutions</b>                               |         |           |
| 1.01 Property rights .....                                    | 4.4     | 53        |
| 1.02 Intellectual property protection .....                   | 3.7     | 82        |
| 1.03 Diversion of public funds .....                          | 3.7     | 54        |
| 1.04 Public trust in politicians .....                        | 2.8     | 76        |
| 1.05 Irregular payments and bribes .....                      | 4.2     | 52        |
| 1.06 Judicial independence .....                              | 3.0     | 107       |
| 1.07 Favoritism in decisions of government officials .....    | 2.9     | 84        |
| 1.08 Wastefulness of government spending .....                | 3.7     | <b>38</b> |
| 1.09 Burden of government regulation .....                    | 3.5     | 65        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.5     | 76        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.2     | 90        |
| 1.12 Transparency of government policymaking .....            | 4.4     | <b>41</b> |
| 1.13 Business costs of terrorism .....                        | 4.5     | 112       |
| 1.14 Business costs of crime and violence .....               | 4.8     | 61        |
| 1.15 Organized crime .....                                    | 4.9     | 69        |
| 1.16 Reliability of police services .....                     | 3.6     | 103       |
| 1.17 Ethical behavior of firms .....                          | 3.6     | 99        |
| 1.18 Strength of auditing and reporting standards .....       | 4.4     | 82        |
| 1.19 Efficacy of corporate boards .....                       | 4.7     | 74        |
| 1.20 Protection of minority shareholders' interests .....     | 4.1     | 66        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.9     | <b>13</b> |
| <b>2nd pillar: Infrastructure</b>                             |         |           |
| 2.01 Quality of overall infrastructure .....                  | 4.9     | <b>33</b> |
| 2.02 Quality of roads .....                                   | 4.9     | <b>36</b> |
| 2.03 Quality of railroad infrastructure .....                 | 3.1     | 53        |
| 2.04 Quality of port infrastructure .....                     | 4.5     | 53        |
| 2.05 Quality of air transport infrastructure .....            | 5.3     | <b>33</b> |
| 2.06 Available airline seat km/week, millions* .....          | 2,778.3 | <b>16</b> |
| 2.07 Quality of electricity supply .....                      | 4.5     | 80        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 94.8    | 103       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 16.5    | 68        |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |           |
| 3.01 Government budget balance, % GDP* .....                  | –1.5    | <b>40</b> |
| 3.02 Gross national savings, % GDP* .....                     | 13.3    | 107       |
| 3.03 Inflation, annual % change* .....                        | 8.9     | 128       |
| 3.04 General government debt, % GDP* .....                    | 33.5    | <b>45</b> |
| 3.05 Country credit rating, 0–100 (best)* .....               | 57.3    | 55        |
| <b>4th pillar: Health and primary education</b>               |         |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 0.0     | 1         |
| 4.02 Business impact of malaria .....                         | 6.2     | 7         |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 20.0    | <b>44</b> |
| 4.04 Business impact of tuberculosis .....                    | 6.1     | <b>49</b> |
| 4.05 HIV prevalence, % adult pop.* .....                      | <0.1    | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 6.1     | <b>41</b> |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 16.5    | 81        |
| 4.08 Life expectancy, years* .....                            | 75.2    | 56        |
| 4.09 Quality of primary education .....                       | 3.3     | 100       |
| 4.10 Primary education enrollment, net %* .....               | 94.9    | 62        |
| <b>5th pillar: Higher education and training</b>              |         |           |
| 5.01 Secondary education enrollment, gross %* .....           | 86.1    | 83        |
| 5.02 Tertiary education enrollment, gross %* .....            | 69.4    | <b>27</b> |
| 5.03 Quality of the education system .....                    | 3.3     | 92        |
| 5.04 Quality of math and science education .....              | 3.3     | 103       |
| 5.05 Quality of management schools .....                      | 3.7     | 106       |
| 5.06 Internet access in schools .....                         | 4.4     | 62        |
| 5.07 Availability of specialized training services .....      | 4.2     | 65        |
| 5.08 Extent of staff training .....                           | 3.6     | 102       |
| <b>6th pillar: Goods market efficiency</b>                    |         |           |
| 6.01 Intensity of local competition .....                     | 5.9     | <b>10</b> |
| 6.02 Extent of market dominance .....                         | 3.9     | <b>44</b> |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.3     | <b>34</b> |
| 6.04 Effect of taxation on incentives to invest .....         | 3.5     | 77        |
| 6.05 Total tax rate, % profits* .....                         | 40.1    | 82        |

| INDICATOR                                                   | VALUE   | RANK/140  |
|-------------------------------------------------------------|---------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |         |           |
| 6.06 No. procedures to start a business* .....              | 7       | 76        |
| 6.07 No. days to start a business* .....                    | 6.5     | <b>36</b> |
| 6.08 Agricultural policy costs .....                        | 3.7     | 87        |
| 6.09 Prevalence of non-tariff barriers .....                | 4.5     | <b>42</b> |
| 6.10 Trade tariffs, % duty* .....                           | 5.4     | 72        |
| 6.11 Prevalence of foreign ownership .....                  | 4.2     | 94        |
| 6.12 Business impact of rules on FDI .....                  | 4.6     | 62        |
| 6.13 Burden of customs procedures .....                     | 3.8     | 82        |
| 6.14 Imports as a percentage of GDP* .....                  | 32.9    | 100       |
| 6.15 Degree of customer orientation .....                   | 5.1     | <b>36</b> |
| 6.16 Buyer sophistication .....                             | 3.5     | 57        |
| <b>7th pillar: Labor market efficiency</b>                  |         |           |
| 7.01 Cooperation in labor-employer relations .....          | 3.9     | 112       |
| 7.02 Flexibility of wage determination .....                | 5.2     | 52        |
| 7.03 Hiring and firing practices .....                      | 3.7     | 78        |
| 7.04 Redundancy costs, weeks of salary* .....               | 29.8    | 124       |
| 7.05 Effect of taxation on incentives to work .....         | 3.7     | 85        |
| 7.06 Pay and productivity .....                             | 3.8     | 86        |
| 7.07 Reliance on professional management .....              | 4.2     | 70        |
| 7.08 Country capacity to retain talent .....                | 3.3     | 84        |
| 7.09 Country capacity to attract talent .....               | 2.7     | 105       |
| 7.10 Women in labor force, ratio to men* .....              | 0.43    | 128       |
| <b>8th pillar: Financial market development</b>             |         |           |
| 8.01 Availability of financial services .....               | 5.2     | <b>34</b> |
| 8.02 Affordability of financial services .....              | 4.9     | <b>36</b> |
| 8.03 Financing through local equity market .....            | 3.7     | 60        |
| 8.04 Ease of access to loans .....                          | 2.9     | 65        |
| 8.05 Venture capital availability .....                     | 2.5     | 93        |
| 8.06 Soundness of banks .....                               | 5.3     | 51        |
| 8.07 Regulation of securities exchanges .....               | 4.2     | 65        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 3       | 93        |
| <b>9th pillar: Technological readiness</b>                  |         |           |
| 9.01 Availability of latest technologies .....              | 5.0     | 55        |
| 9.02 Firm-level technology absorption .....                 | 5.2     | <b>36</b> |
| 9.03 FDI and technology transfer .....                      | 4.7     | 52        |
| 9.04 Individuals using Internet, %* .....                   | 51.0    | 67        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 11.7    | 61        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 42.9    | 62        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 42.7    | 69        |
| <b>10th pillar: Market size</b>                             |         |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.3     | <b>14</b> |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.6     | <b>26</b> |
| 10.03 GDP (PPP\$ billions)* .....                           | 1,508.1 | <b>17</b> |
| 10.04 Exports as a percentage of GDP* .....                 | 25.7    | 109       |
| <b>11th pillar: Business sophistication</b>                 |         |           |
| 11.01 Local supplier quantity .....                         | 4.9     | <b>27</b> |
| 11.02 Local supplier quality .....                          | 4.5     | <b>49</b> |
| 11.03 State of cluster development .....                    | 3.9     | 52        |
| 11.04 Nature of competitive advantage .....                 | 3.0     | 103       |
| 11.05 Value chain breadth .....                             | 3.8     | 63        |
| 11.06 Control of international distribution .....           | 4.1     | <b>41</b> |
| 11.07 Production process sophistication .....               | 4.3     | <b>43</b> |
| 11.08 Extent of marketing .....                             | 4.4     | 66        |
| 11.09 Willingness to delegate authority .....               | 3.6     | 87        |
| <b>12th pillar: Innovation</b>                              |         |           |
| 12.01 Capacity for innovation .....                         | 3.8     | 83        |
| 12.02 Quality of scientific research institutions .....     | 3.6     | 82        |
| 12.03 Company spending on R&D .....                         | 3.1     | 79        |
| 12.04 University-industry collaboration in R&D .....        | 3.7     | 61        |
| 12.05 Gov't procurement of advanced tech products .....     | 3.7     | <b>39</b> |
| 12.06 Availability of scientists and engineers .....        | 4.2     | <b>50</b> |
| 12.07 PCT patents, applications/million pop.* .....         | 7.5     | <b>42</b> |

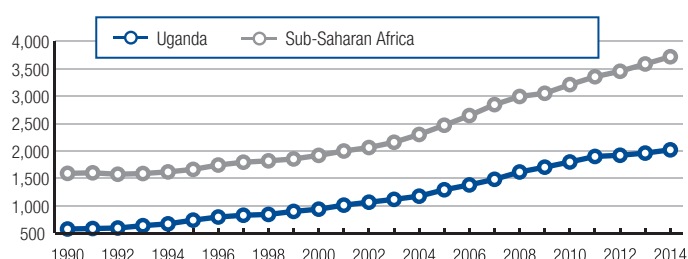
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Uganda

## Key indicators, 2014

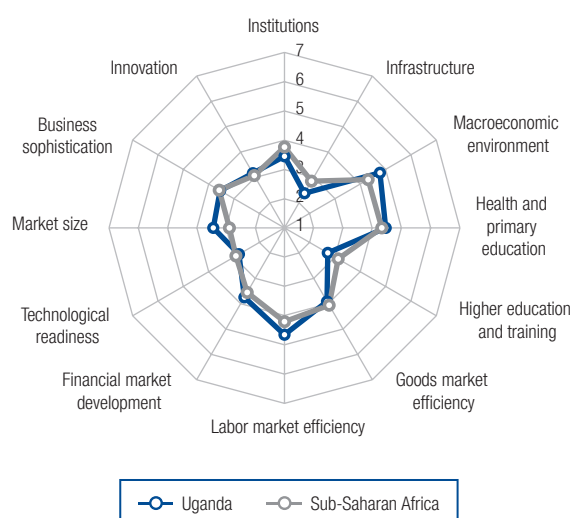
|                                            |      |
|--------------------------------------------|------|
| Population (millions).....                 | 38.0 |
| GDP (US\$ billions).....                   | 27.6 |
| GDP per capita (US\$).....                 | 726  |
| GDP (PPP) as share (%) of world total..... | 0.07 |

GDP (PPP) per capita (int'l \$), 1990–2014

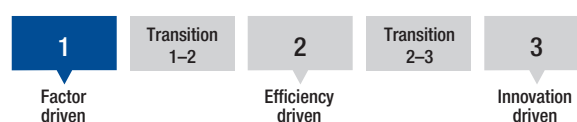


## Global Competitiveness Index

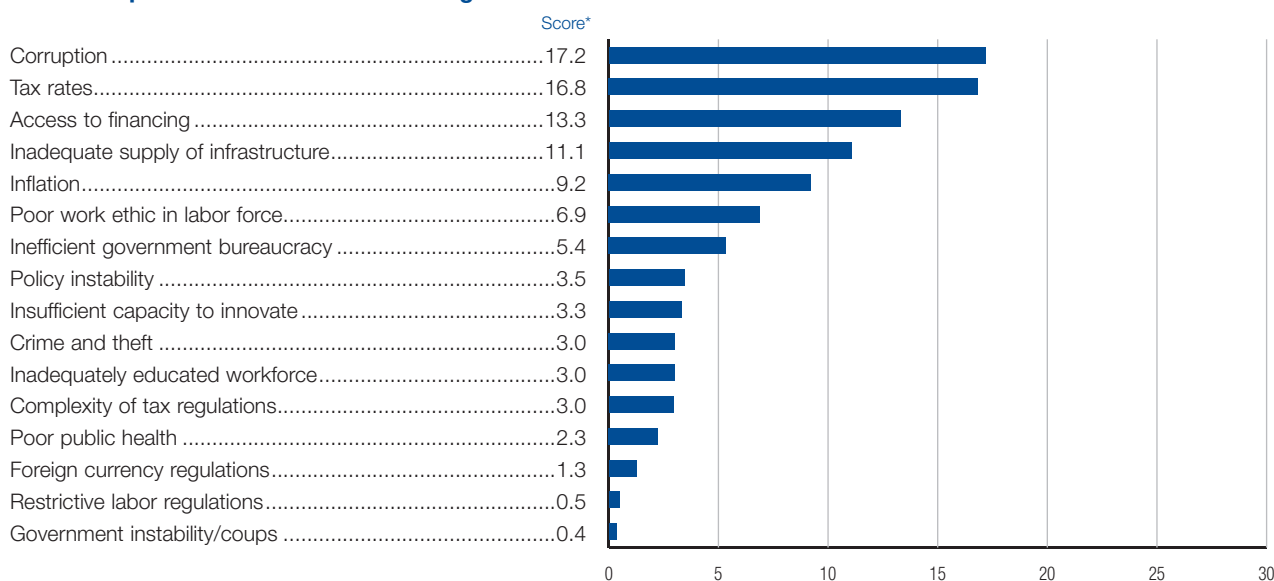
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>115</b>           | <b>3.7</b>     |
| GCI 2014–2015 (out of 144).....                           | 122                  | 3.6            |
| GCI 2013–2014 (out of 148).....                           | 129                  | 3.4            |
| GCI 2012–2013 (out of 144).....                           | 123                  | 3.5            |
| <b>Basic requirements (60.0%)</b> .....                   | <b>117</b>           | <b>3.8</b>     |
| 1st pillar: Institutions.....                             | 101                  | 3.4            |
| 2nd pillar: Infrastructure.....                           | 128                  | 2.4            |
| 3rd pillar: Macroeconomic environment.....                | 67                   | 4.8            |
| 4th pillar: Health and primary education.....             | 120                  | 4.5            |
| <b>Efficiency enhancers (35.0%)</b> .....                 | <b>109</b>           | <b>3.5</b>     |
| 5th pillar: Higher education and training.....            | 130                  | 2.7            |
| 6th pillar: Goods market efficiency.....                  | 120                  | 3.9            |
| 7th pillar: Labor market efficiency.....                  | 27                   | 4.6            |
| 8th pillar: Financial market development.....             | 81                   | 3.7            |
| 9th pillar: Technological readiness.....                  | 117                  | 2.8            |
| 10th pillar: Market size.....                             | 82                   | 3.4            |
| <b>Innovation and sophistication factors (5.0%)</b> ..... | <b>100</b>           | <b>3.3</b>     |
| 11th pillar: Business sophistication.....                 | 107                  | 3.5            |
| 12th pillar: Innovation.....                              | 85                   | 3.2            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Uganda

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 3.9      | 97       |
| 1.02 Intellectual property protection .....                   | 3.3      | 102      |
| 1.03 Diversion of public funds .....                          | 2.4      | 122      |
| 1.04 Public trust in politicians .....                        | 2.6      | 86       |
| 1.05 Irregular payments and bribes .....                      | 2.8      | 125      |
| 1.06 Judicial independence .....                              | 3.4      | 91       |
| 1.07 Favoritism in decisions of government officials .....    | 2.6      | 107      |
| 1.08 Wastefulness of government spending .....                | 2.5      | 108      |
| 1.09 Burden of government regulation .....                    | 3.7      | 43       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.8      | 62       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.6      | 59       |
| 1.12 Transparency of government policymaking .....            | 4.2      | 64       |
| 1.13 Business costs of terrorism .....                        | 3.4      | 129      |
| 1.14 Business costs of crime and violence .....               | 3.5      | 115      |
| 1.15 Organized crime .....                                    | 4.0      | 114      |
| 1.16 Reliability of police services .....                     | 3.7      | 93       |
| 1.17 Ethical behavior of firms .....                          | 3.6      | 93       |
| 1.18 Strength of auditing and reporting standards .....       | 4.0      | 105      |
| 1.19 Efficacy of corporate boards .....                       | 4.9      | 53       |
| 1.20 Protection of minority shareholders' interests .....     | 3.6      | 106      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.8      | 95       |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 3.5      | 95       |
| 2.02 Quality of roads .....                                   | 3.4      | 90       |
| 2.03 Quality of railroad infrastructure .....                 | 1.5      | 101      |
| 2.04 Quality of port infrastructure .....                     | 2.5      | 126      |
| 2.05 Quality of air transport infrastructure .....            | 3.0      | 124      |
| 2.06 Available airline seat km/week, millions* .....          | 51.3     | 97       |
| 2.07 Quality of electricity supply .....                      | 3.1      | 111      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 52.4     | 134      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.8      | 126      |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.9     | 91       |
| 3.02 Gross national savings, % GDP* .....                     | 24.3     | 45       |
| 3.03 Inflation, annual % change* .....                        | 4.7      | 95       |
| 3.04 General government debt, % GDP* .....                    | 30.4     | 34       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 32.7     | 92       |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 24,487.0 | 62       |
| 4.02 Business impact of malaria .....                         | 3.3      | 66       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 166.0    | 110      |
| 4.04 Business impact of tuberculosis .....                    | 4.3      | 111      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 7.4      | 131      |
| 4.06 Business impact of HIV/AIDS .....                        | 3.1      | 138      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 43.8     | 115      |
| 4.08 Life expectancy, years* .....                            | 59.2     | 124      |
| 4.09 Quality of primary education .....                       | 3.0      | 113      |
| 4.10 Primary education enrollment, net %* .....               | 91.5     | 88       |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 26.9     | 138      |
| 5.02 Tertiary education enrollment, gross %* .....            | 4.4      | 128      |
| 5.03 Quality of the education system .....                    | 3.5      | 81       |
| 5.04 Quality of math and science education .....              | 3.2      | 111      |
| 5.05 Quality of management schools .....                      | 3.9      | 93       |
| 5.06 Internet access in schools .....                         | 3.2      | 118      |
| 5.07 Availability of specialized training services .....      | 3.8      | 95       |
| 5.08 Extent of staff training .....                           | 3.6      | 107      |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 5.3      | 51       |
| 6.02 Extent of market dominance .....                         | 3.0      | 122      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.7      | 75       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.2      | 106      |
| 6.05 Total tax rate, % profits* .....                         | 36.5     | 66       |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 15    | 137      |
| 6.07 No. days to start a business* .....                 | 32.0  | 118      |
| 6.08 Agricultural policy costs .....                     | 3.8   | 65       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.5   | 46       |
| 6.10 Trade tariffs, % duty* .....                        | 9.5   | 100      |
| 6.11 Prevalence of foreign ownership .....               | 5.3   | 25       |
| 6.12 Business impact of rules on FDI .....               | 5.0   | 31       |
| 6.13 Burden of customs procedures .....                  | 4.0   | 67       |
| 6.14 Imports as a percentage of GDP* .....               | 32.2  | 105      |
| 6.15 Degree of customer orientation .....                | 4.2   | 99       |
| 6.16 Buyer sophistication .....                          | 2.5   | 130      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.2   | 80       |
| 7.02 Flexibility of wage determination .....             | 6.1   | 5        |
| 7.03 Hiring and firing practices .....                   | 4.4   | 26       |
| 7.04 Redundancy costs, weeks of salary* .....            | 8.7   | 24       |
| 7.05 Effect of taxation on incentives to work .....      | 3.6   | 88       |
| 7.06 Pay and productivity .....                          | 3.4   | 116      |
| 7.07 Reliance on professional management .....           | 3.9   | 87       |
| 7.08 Country capacity to retain talent .....             | 2.9   | 106      |
| 7.09 Country capacity to attract talent .....            | 3.0   | 93       |
| 7.10 Women in labor force, ratio to men* .....           | 0.96  | 9        |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.1   | 85       |
| 8.02 Affordability of financial services .....           | 3.5   | 121      |
| 8.03 Financing through local equity market .....         | 3.3   | 81       |
| 8.04 Ease of access to loans .....                       | 2.5   | 94       |
| 8.05 Venture capital availability .....                  | 2.4   | 100      |
| 8.06 Soundness of banks .....                            | 4.8   | 71       |
| 8.07 Regulation of securities exchanges .....            | 4.1   | 74       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 6     | 44       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.2   | 102      |
| 9.02 Firm-level technology absorption .....              | 4.1   | 110      |
| 9.03 FDI and technology transfer .....                   | 4.5   | 61       |
| 9.04 Individuals using Internet, %* .....                | 17.7  | 108      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.3   | 115      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 4.0   | 122      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 14.7  | 103      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.3   | 79       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.7   | 105      |
| 10.03 GDP (PPP\$ billions)* .....                        | 76.9  | 80       |
| 10.04 Exports as a percentage of GDP* .....              | 17.0  | 128      |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.8   | 35       |
| 11.02 Local supplier quality .....                       | 3.6   | 122      |
| 11.03 State of cluster development .....                 | 3.5   | 88       |
| 11.04 Nature of competitive advantage .....              | 2.9   | 111      |
| 11.05 Value chain breadth .....                          | 3.5   | 101      |
| 11.06 Control of international distribution .....        | 3.4   | 103      |
| 11.07 Production process sophistication .....            | 3.0   | 122      |
| 11.08 Extent of marketing .....                          | 3.9   | 102      |
| 11.09 Willingness to delegate authority .....            | 3.1   | 124      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 3.8   | 86       |
| 12.02 Quality of scientific research institutions .....  | 3.5   | 84       |
| 12.03 Company spending on R&D .....                      | 2.8   | 107      |
| 12.04 University-industry collaboration in R&D .....     | 3.7   | 62       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.5   | 53       |
| 12.06 Availability of scientists and engineers .....     | 3.7   | 92       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 110      |

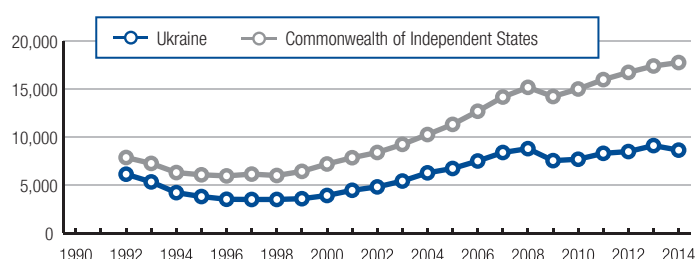
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Ukraine

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 42.8  |
| GDP (US\$ billions).....                   | 130.7 |
| GDP per capita (US\$).....                 | 3,055 |
| GDP (PPP) as share (%) of world total..... | 0.34  |

GDP (PPP) per capita (int'l \$), 1990–2014



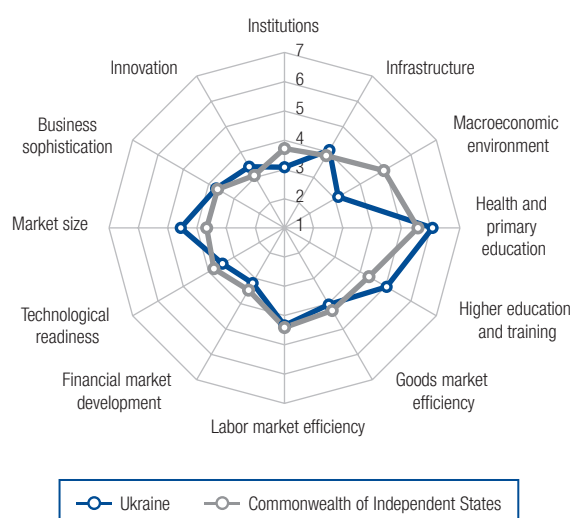
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>79</b>            | <b>4.0</b>     |
| GCI 2014–2015 (out of 144)..... | 76                   | 4.1            |
| GCI 2013–2014 (out of 148)..... | 84                   | 4.1            |
| GCI 2012–2013 (out of 144)..... | 73                   | 4.1            |

|                                               |            |            |
|-----------------------------------------------|------------|------------|
| <b>Basic requirements (40.0%)</b> .....       | <b>101</b> | <b>4.1</b> |
| 1st pillar: Institutions.....                 | 130        | 3.1        |
| 2nd pillar: Infrastructure.....               | 69         | 4.1        |
| 3rd pillar: Macroeconomic environment.....    | 134        | 3.1        |
| 4th pillar: Health and primary education..... | 45         | 6.1        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>65</b> | <b>4.1</b> |
| 5th pillar: Higher education and training..... | 34        | 5.0        |
| 6th pillar: Goods market efficiency.....       | 106       | 4.0        |
| 7th pillar: Labor market efficiency.....       | 56        | 4.3        |
| 8th pillar: Financial market development.....  | 121       | 3.2        |
| 9th pillar: Technological readiness.....       | 86        | 3.4        |
| 10th pillar: Market size.....                  | 45        | 4.5        |

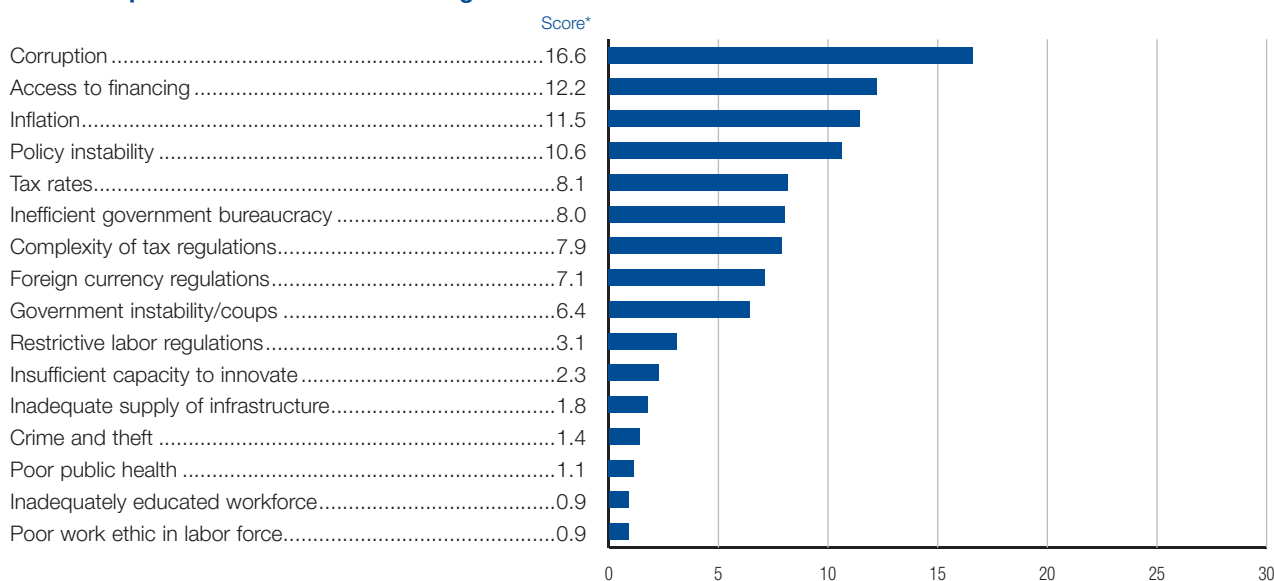
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (10.0%)</b> ..... | <b>72</b> | <b>3.6</b> |
| 11th pillar: Business sophistication.....                  | 91        | 3.7        |
| 12th pillar: Innovation.....                               | 54        | 3.4        |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Ukraine

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 2.9    | 132      |
| 1.02 Intellectual property protection .....                   | 3.1    | 120      |
| 1.03 Diversion of public funds .....                          | 2.7    | 111      |
| 1.04 Public trust in politicians .....                        | 2.8    | 80       |
| 1.05 Irregular payments and bribes .....                      | 2.9    | 122      |
| 1.06 Judicial independence .....                              | 2.3    | 132      |
| 1.07 Favoritism in decisions of government officials .....    | 2.7    | 99       |
| 1.08 Wastefulness of government spending .....                | 1.9    | 134      |
| 1.09 Burden of government regulation .....                    | 3.3    | 87       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 2.8    | 122      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.6    | 123      |
| 1.12 Transparency of government policymaking .....            | 3.7    | 98       |
| 1.13 Business costs of terrorism .....                        | 3.1    | 133      |
| 1.14 Business costs of crime and violence .....               | 3.4    | 116      |
| 1.15 Organized crime .....                                    | 3.4    | 128      |
| 1.16 Reliability of police services .....                     | 2.6    | 133      |
| 1.17 Ethical behavior of firms .....                          | 3.8    | 76       |
| 1.18 Strength of auditing and reporting standards .....       | 3.6    | 124      |
| 1.19 Efficacy of corporate boards .....                       | 4.1    | 125      |
| 1.20 Protection of minority shareholders' interests .....     | 2.9    | 134      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.8    | 95       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 3.8    | 82       |
| 2.02 Quality of roads .....                                   | 2.4    | 132      |
| 2.03 Quality of railroad infrastructure .....                 | 4.2    | 28       |
| 2.04 Quality of port infrastructure .....                     | 3.2    | 108      |
| 2.05 Quality of air transport infrastructure .....            | 3.7    | 97       |
| 2.06 Available airline seat km/week, millions* .....          | 253.9  | 61       |
| 2.07 Quality of electricity supply .....                      | 4.6    | 75       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 144.1  | 32       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 24.6   | 44       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –4.5   | 104      |
| 3.02 Gross national savings, % GDP* .....                     | 10.8   | 124      |
| 3.03 Inflation, annual % change* .....                        | 12.1   | 134      |
| 3.04 General government debt, % GDP* .....                    | 71.2   | 110      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 23.8   | 118      |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 96.0   | 88       |
| 4.04 Business impact of tuberculosis .....                    | 4.8    | 95       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.8    | 104      |
| 4.06 Business impact of HIV/AIDS .....                        | 5.0    | 84       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 8.6    | 53       |
| 4.08 Life expectancy, years* .....                            | 71.2   | 87       |
| 4.09 Quality of primary education .....                       | 4.5    | 45       |
| 4.10 Primary education enrollment, net %* .....               | 97.4   | 33       |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 98.9   | 39       |
| 5.02 Tertiary education enrollment, gross %* .....            | 79.0   | 14       |
| 5.03 Quality of the education system .....                    | 4.0    | 54       |
| 5.04 Quality of math and science education .....              | 4.6    | 38       |
| 5.05 Quality of management schools .....                      | 3.9    | 87       |
| 5.06 Internet access in schools .....                         | 4.8    | 44       |
| 5.07 Availability of specialized training services .....      | 4.0    | 78       |
| 5.08 Extent of staff training .....                           | 3.9    | 74       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 4.7    | 99       |
| 6.02 Extent of market dominance .....                         | 3.4    | 98       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 2.7    | 136      |
| 6.04 Effect of taxation on incentives to invest .....         | 2.7    | 129      |
| 6.05 Total tax rate, % profits* .....                         | 52.9   | 118      |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 6     | 57       |
| 6.07 No. days to start a business* .....                 | 21.0  | 101      |
| 6.08 Agricultural policy costs .....                     | 3.6   | 90       |
| 6.09 Prevalence of non-tariff barriers .....             | 3.9   | 116      |
| 6.10 Trade tariffs, % duty* .....                        | 2.9   | 43       |
| 6.11 Prevalence of foreign ownership .....               | 3.3   | 126      |
| 6.12 Business impact of rules on FDI .....               | 3.6   | 122      |
| 6.13 Burden of customs procedures .....                  | 3.3   | 113      |
| 6.14 Imports as a percentage of GDP* .....               | 50.6  | 59       |
| 6.15 Degree of customer orientation .....                | 4.5   | 72       |
| 6.16 Buyer sophistication .....                          | 3.4   | 68       |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.2   | 87       |
| 7.02 Flexibility of wage determination .....             | 5.0   | 71       |
| 7.03 Hiring and firing practices .....                   | 4.1   | 47       |
| 7.04 Redundancy costs, weeks of salary* .....            | 13.0  | 54       |
| 7.05 Effect of taxation on incentives to work .....      | 3.0   | 121      |
| 7.06 Pay and productivity .....                          | 4.7   | 17       |
| 7.07 Reliance on professional management .....           | 3.7   | 103      |
| 7.08 Country capacity to retain talent .....             | 2.7   | 114      |
| 7.09 Country capacity to attract talent .....            | 2.8   | 97       |
| 7.10 Women in labor force, ratio to men* .....           | 0.85  | 54       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 3.9   | 101      |
| 8.02 Affordability of financial services .....           | 3.5   | 123      |
| 8.03 Financing through local equity market .....         | 2.6   | 118      |
| 8.04 Ease of access to loans .....                       | 2.6   | 87       |
| 8.05 Venture capital availability .....                  | 2.4   | 102      |
| 8.06 Soundness of banks .....                            | 2.6   | 140      |
| 8.07 Regulation of securities exchanges .....            | 2.5   | 135      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 8     | 17       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.3   | 96       |
| 9.02 Firm-level technology absorption .....              | 4.2   | 100      |
| 9.03 FDI and technology transfer .....                   | 3.8   | 117      |
| 9.04 Individuals using Internet, %* .....                | 43.4  | 80       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 8.4   | 72       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 40.7  | 64       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 7.5   | 121      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 4.3   | 46       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 5.3   | 39       |
| 10.03 GDP (PPP\$ billions)* .....                        | 370.8 | 47       |
| 10.04 Exports as a percentage of GDP* .....              | 52.6  | 41       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.6   | 61       |
| 11.02 Local supplier quality .....                       | 4.1   | 80       |
| 11.03 State of cluster development .....                 | 3.0   | 124      |
| 11.04 Nature of competitive advantage .....              | 3.1   | 93       |
| 11.05 Value chain breadth .....                          | 3.8   | 70       |
| 11.06 Control of international distribution .....        | 3.6   | 86       |
| 11.07 Production process sophistication .....            | 3.8   | 68       |
| 11.08 Extent of marketing .....                          | 4.2   | 81       |
| 11.09 Willingness to delegate authority .....            | 3.2   | 123      |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.2   | 52       |
| 12.02 Quality of scientific research institutions .....  | 4.2   | 43       |
| 12.03 Company spending on R&D .....                      | 3.4   | 54       |
| 12.04 University-industry collaboration in R&D .....     | 3.5   | 74       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.0   | 98       |
| 12.06 Availability of scientists and engineers .....     | 4.7   | 29       |
| 12.07 PCT patents, applications/million pop.* .....      | 3.6   | 50       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

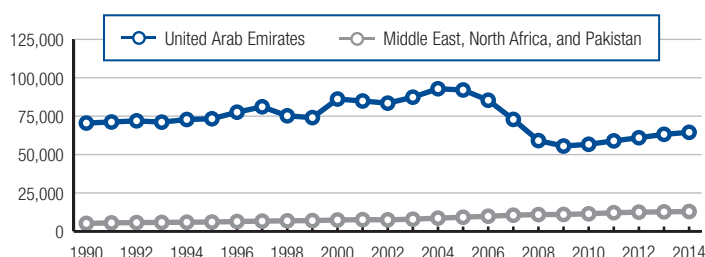


# United Arab Emirates

## Key indicators, 2014

|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 9.3    |
| GDP (US\$ billions).....                   | 401.6  |
| GDP per capita (US\$).....                 | 43,180 |
| GDP (PPP) as share (%) of world total..... | 0.56   |

GDP (PPP) per capita (int'l \$), 1990–2014



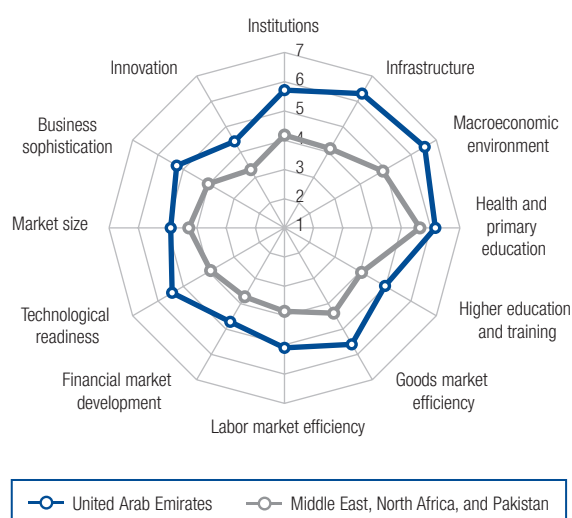
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>17</b>            | <b>5.2</b>     |
| GCI 2014–2015 (out of 144)..... | 12                   | 5.3            |
| GCI 2013–2014 (out of 148)..... | 19                   | 5.1            |
| GCI 2012–2013 (out of 144)..... | 24                   | 5.1            |

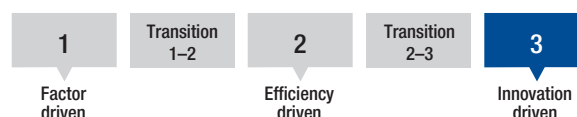
|                                               |          |            |
|-----------------------------------------------|----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>4</b> | <b>6.2</b> |
| 1st pillar: Institutions.....                 | 9        | 5.7        |
| 2nd pillar: Infrastructure.....               | 4        | 6.3        |
| 3rd pillar: Macroeconomic environment.....    | 7        | 6.5        |
| 4th pillar: Health and primary education..... | 38       | 6.2        |

|                                                |           |            |
|------------------------------------------------|-----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>17</b> | <b>5.1</b> |
| 5th pillar: Higher education and training..... | 37        | 5.0        |
| 6th pillar: Goods market efficiency.....       | 3         | 5.6        |
| 7th pillar: Labor market efficiency.....       | 11        | 5.1        |
| 8th pillar: Financial market development.....  | 20        | 4.7        |
| 9th pillar: Technological readiness.....       | 30        | 5.4        |
| 10th pillar: Market size.....                  | 31        | 4.9        |

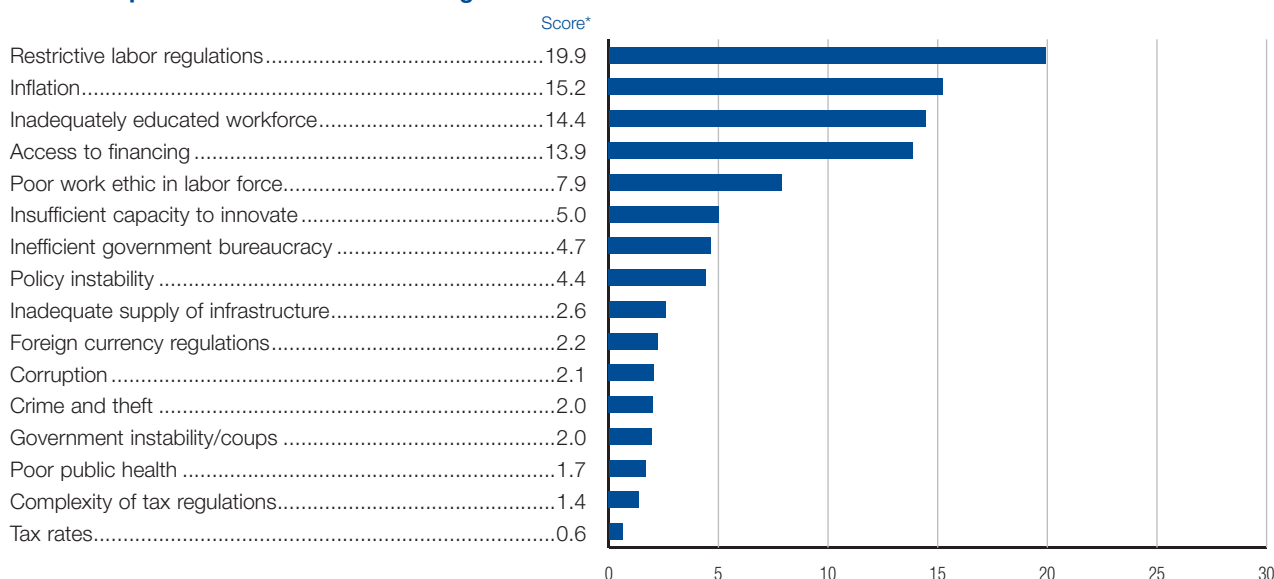
|                                                            |           |            |
|------------------------------------------------------------|-----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>21</b> | <b>4.8</b> |
| 11th pillar: Business sophistication.....                  | 15        | 5.3        |
| 12th pillar: Innovation.....                               | 26        | 4.4        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# United Arab Emirates

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140  |
|---------------------------------------------------------------|---------|-----------|
| <b>1st pillar: Institutions</b>                               |         |           |
| 1.01 Property rights .....                                    | 5.5     | 25        |
| 1.02 Intellectual property protection .....                   | 5.5     | 22        |
| 1.03 Diversion of public funds .....                          | 6.0     | <b>8</b>  |
| 1.04 Public trust in politicians .....                        | 6.0     | <b>2</b>  |
| 1.05 Irregular payments and bribes .....                      | 6.4     | <b>7</b>  |
| 1.06 Judicial independence .....                              | 5.6     | 22        |
| 1.07 Favoritism in decisions of government officials .....    | 5.3     | <b>5</b>  |
| 1.08 Wastefulness of government spending .....                | 6.0     | <b>2</b>  |
| 1.09 Burden of government regulation .....                    | 5.2     | <b>5</b>  |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.2     | 18        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.7     | 21        |
| 1.12 Transparency of government policymaking .....            | 5.4     | <b>16</b> |
| 1.13 Business costs of terrorism .....                        | 6.4     | <b>7</b>  |
| 1.14 Business costs of crime and violence .....               | 6.5     | <b>1</b>  |
| 1.15 Organized crime .....                                    | 6.8     | <b>2</b>  |
| 1.16 Reliability of police services .....                     | 6.2     | <b>7</b>  |
| 1.17 Ethical behavior of firms .....                          | 5.8     | <b>10</b> |
| 1.18 Strength of auditing and reporting standards .....       | 5.5     | 26        |
| 1.19 Efficacy of corporate boards .....                       | 5.5     | 23        |
| 1.20 Protection of minority shareholders' interests .....     | 5.3     | <b>15</b> |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.1     | 42        |
| <b>2nd pillar: Infrastructure</b>                             |         |           |
| 2.01 Quality of overall infrastructure .....                  | 6.4     | <b>2</b>  |
| 2.02 Quality of roads .....                                   | 6.6     | <b>1</b>  |
| 2.03 Quality of railroad infrastructure .....                 | N/Apl.  | n/a       |
| 2.04 Quality of port infrastructure .....                     | 6.5     | <b>3</b>  |
| 2.05 Quality of air transport infrastructure .....            | 6.7     | <b>2</b>  |
| 2.06 Available airline seat km/week, millions* .....          | 5,458.7 | <b>5</b>  |
| 2.07 Quality of electricity supply .....                      | 6.6     | <b>10</b> |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 178.1   | <b>5</b>  |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 22.3    | 48        |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |           |
| 3.01 Government budget balance, % GDP* .....                  | 6.0     | <b>4</b>  |
| 3.02 Gross national savings, % GDP* .....                     | 35.1    | <b>13</b> |
| 3.03 Inflation, annual % change* .....                        | 2.3     | <b>1</b>  |
| 3.04 General government debt, % GDP* .....                    | 12.1    | <b>8</b>  |
| 3.05 Country credit rating, 0–100 (best)* .....               | 77.1    | 25        |
| <b>4th pillar: Health and primary education</b>               |         |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.    | n/a       |
| 4.02 Business impact of malaria .....                         | N/Apl.  | n/a       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 1.8     | <b>1</b>  |
| 4.04 Business impact of tuberculosis .....                    | 6.2     | 45        |
| 4.05 HIV prevalence, % adult pop.* .....                      | <0.2    | <b>1</b>  |
| 4.06 Business impact of HIV/AIDS .....                        | 6.3     | <b>31</b> |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 7.0     | 44        |
| 4.08 Life expectancy, years* .....                            | 77.1    | 40        |
| 4.09 Quality of primary education .....                       | 5.4     | <b>13</b> |
| 4.10 Primary education enrollment, net %* .....               | 91.2    | 94        |
| <b>5th pillar: Higher education and training</b>              |         |           |
| 5.01 Secondary education enrollment, gross %* .....           | 92.3    | 67        |
| 5.02 Tertiary education enrollment, gross %* .....            | 16.8    | 99        |
| 5.03 Quality of the education system .....                    | 5.3     | <b>12</b> |
| 5.04 Quality of math and science education .....              | 5.3     | <b>11</b> |
| 5.05 Quality of management schools .....                      | 5.3     | 20        |
| 5.06 Internet access in schools .....                         | 6.0     | <b>9</b>  |
| 5.07 Availability of specialized training services .....      | 5.4     | 20        |
| 5.08 Extent of staff training .....                           | 5.1     | <b>12</b> |
| <b>6th pillar: Goods market efficiency</b>                    |         |           |
| 6.01 Intensity of local competition .....                     | 6.0     | <b>8</b>  |
| 6.02 Extent of market dominance .....                         | 5.2     | <b>9</b>  |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.3     | <b>7</b>  |
| 6.04 Effect of taxation on incentives to invest .....         | 6.3     | <b>2</b>  |
| 6.05 Total tax rate, % profits* .....                         | 14.8    | <b>7</b>  |

| INDICATOR                                                   | VALUE | RANK/140  |
|-------------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |           |
| 6.06 No. procedures to start a business* .....              | 6     | 57        |
| 6.07 No. days to start a business* .....                    | 8.0   | 42        |
| 6.08 Agricultural policy costs .....                        | 5.0   | <b>5</b>  |
| 6.09 Prevalence of non-tariff barriers .....                | 5.5   | <b>2</b>  |
| 6.10 Trade tariffs, % duty* .....                           | 4.1   | 58        |
| 6.11 Prevalence of foreign ownership .....                  | 5.7   | <b>10</b> |
| 6.12 Business impact of rules on FDI .....                  | 5.7   | <b>7</b>  |
| 6.13 Burden of customs procedures .....                     | 6.0   | <b>3</b>  |
| 6.14 Imports as a percentage of GDP* .....                  | 82.7  | 19        |
| 6.15 Degree of customer orientation .....                   | 5.7   | <b>8</b>  |
| 6.16 Buyer sophistication .....                             | 4.5   | <b>12</b> |
| <b>7th pillar: Labor market efficiency</b>                  |       |           |
| 7.01 Cooperation in labor-employer relations .....          | 5.5   | <b>14</b> |
| 7.02 Flexibility of wage determination .....                | 6.1   | <b>4</b>  |
| 7.03 Hiring and firing practices .....                      | 5.1   | <b>8</b>  |
| 7.04 Redundancy costs, weeks of salary* .....               | 4.3   | <b>7</b>  |
| 7.05 Effect of taxation on incentives to work .....         | 6.2   | <b>1</b>  |
| 7.06 Pay and productivity .....                             | 5.2   | <b>6</b>  |
| 7.07 Reliance on professional management .....              | 5.5   | 20        |
| 7.08 Country capacity to retain talent .....                | 5.5   | <b>5</b>  |
| 7.09 Country capacity to attract talent .....               | 5.9   | <b>3</b>  |
| 7.10 Women in labor force, ratio to men* .....              | 0.51  | 125       |
| <b>8th pillar: Financial market development</b>             |       |           |
| 8.01 Availability of financial services .....               | 5.5   | 22        |
| 8.02 Affordability of financial services .....              | 5.4   | 20        |
| 8.03 Financing through local equity market .....            | 4.7   | 21        |
| 8.04 Ease of access to loans .....                          | 4.7   | <b>3</b>  |
| 8.05 Venture capital availability .....                     | 4.4   | <b>7</b>  |
| 8.06 Soundness of banks .....                               | 5.9   | 21        |
| 8.07 Regulation of securities exchanges .....               | 5.5   | <b>16</b> |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 2     | 106       |
| <b>9th pillar: Technological readiness</b>                  |       |           |
| 9.01 Availability of latest technologies .....              | 6.3   | <b>9</b>  |
| 9.02 Firm-level technology absorption .....                 | 6.0   | <b>7</b>  |
| 9.03 FDI and technology transfer .....                      | 5.8   | <b>3</b>  |
| 9.04 Individuals using Internet, %* .....                   | 90.4  | <b>12</b> |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 11.5  | 63        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 44.5  | 59        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 114.0 | <b>9</b>  |
| <b>10th pillar: Market size</b>                             |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 4.6   | 34        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 5.9   | 20        |
| 10.03 GDP (PPP\$ billions)* .....                           | 599.8 | 32        |
| 10.04 Exports as a percentage of GDP* .....                 | 94.6  | <b>11</b> |
| <b>11th pillar: Business sophistication</b>                 |       |           |
| 11.01 Local supplier quantity .....                         | 5.4   | <b>8</b>  |
| 11.02 Local supplier quality .....                          | 5.3   | 24        |
| 11.03 State of cluster development .....                    | 5.5   | <b>1</b>  |
| 11.04 Nature of competitive advantage .....                 | 4.8   | 24        |
| 11.05 Value chain breadth .....                             | 5.1   | <b>16</b> |
| 11.06 Control of international distribution .....           | 5.3   | <b>5</b>  |
| 11.07 Production process sophistication .....               | 5.1   | 28        |
| 11.08 Extent of marketing .....                             | 5.6   | <b>5</b>  |
| 11.09 Willingness to delegate authority .....               | 5.0   | <b>13</b> |
| <b>12th pillar: Innovation</b>                              |       |           |
| 12.01 Capacity for innovation .....                         | 4.7   | 28        |
| 12.02 Quality of scientific research institutions .....     | 4.8   | 30        |
| 12.03 Company spending on R&D .....                         | 4.3   | 22        |
| 12.04 University-industry collaboration in R&D .....        | 4.7   | 22        |
| 12.05 Gov't procurement of advanced tech products .....     | 5.4   | <b>2</b>  |
| 12.06 Availability of scientists and engineers .....        | 5.2   | <b>7</b>  |
| 12.07 PCT patents, applications/million pop.* .....         | 5.0   | 48        |

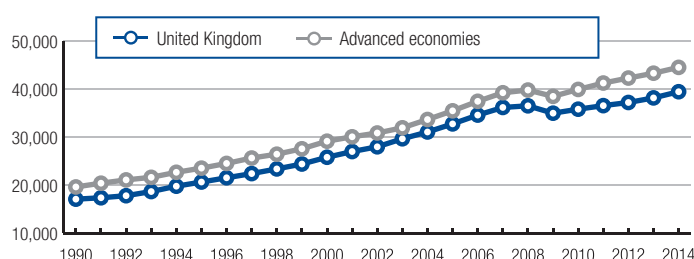
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# United Kingdom

## Key indicators, 2014

|                                            |         |
|--------------------------------------------|---------|
| Population (millions).....                 | 64.5    |
| GDP (US\$ billions).....                   | 2,945.1 |
| GDP per capita (US\$).....                 | 45,653  |
| GDP (PPP) as share (%) of world total..... | 2.36    |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>10</b>            | <b>5.4</b>     |
| GCI 2014–2015 (out of 144)..... | 9                    | 5.4            |
| GCI 2013–2014 (out of 148)..... | 10                   | 5.4            |
| GCI 2012–2013 (out of 144)..... | 8                    | 5.4            |

### Basic requirements (20.0%).....25.....5.5

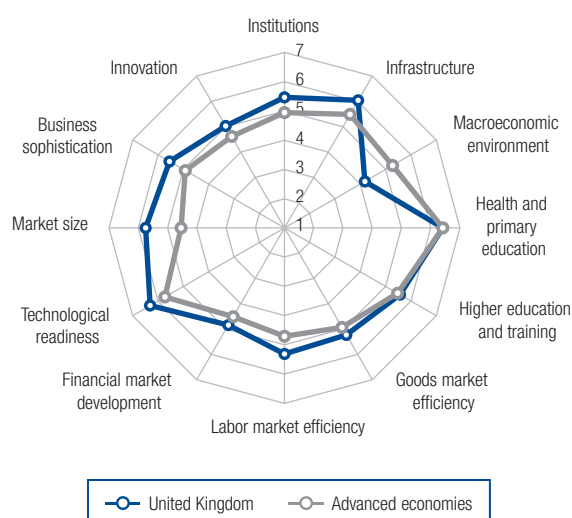
|                                               |     |     |
|-----------------------------------------------|-----|-----|
| 1st pillar: Institutions.....                 | 14  | 5.5 |
| 2nd pillar: Infrastructure.....               | 9   | 6.0 |
| 3rd pillar: Macroeconomic environment.....    | 108 | 4.2 |
| 4th pillar: Health and primary education..... | 18  | 6.4 |

### Efficiency enhancers (50.0%).....5.....5.5

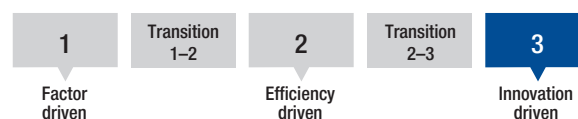
|                                                |    |     |
|------------------------------------------------|----|-----|
| 5th pillar: Higher education and training..... | 18 | 5.6 |
| 6th pillar: Goods market efficiency.....       | 12 | 5.2 |
| 7th pillar: Labor market efficiency.....       | 5  | 5.3 |
| 8th pillar: Financial market development.....  | 16 | 4.8 |
| 9th pillar: Technological readiness.....       | 3  | 6.3 |
| 10th pillar: Market size.....                  | 9  | 5.7 |

### Innovation and sophistication factors (30.0%).....9.....5.3

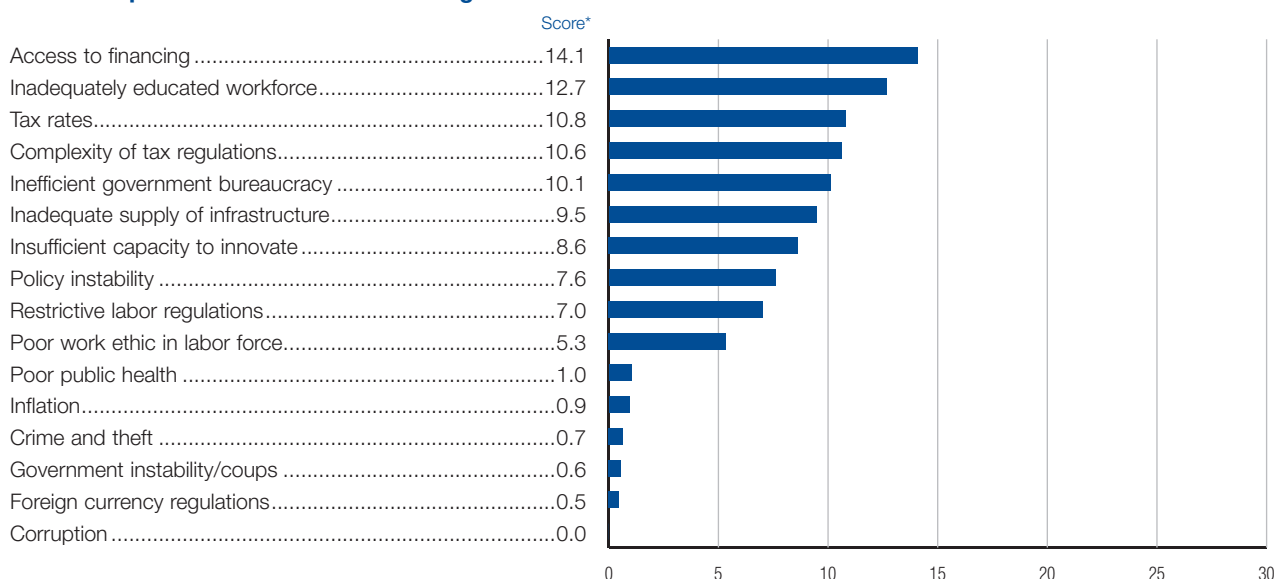
|                                           |    |     |
|-------------------------------------------|----|-----|
| 11th pillar: Business sophistication..... | 6  | 5.5 |
| 12th pillar: Innovation.....              | 12 | 5.0 |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# United Kingdom

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE         | RANK/140  |
|---------------------------------------------------------------|---------------|-----------|
| <b>1st pillar: Institutions</b>                               |               |           |
| 1.01 Property rights .....                                    | 6.3 .....     | <b>3</b>  |
| 1.02 Intellectual property protection .....                   | 6.0 .....     | <b>7</b>  |
| 1.03 Diversion of public funds .....                          | 5.6 .....     | 15        |
| 1.04 Public trust in politicians .....                        | 4.5 .....     | 22        |
| 1.05 Irregular payments and bribes .....                      | 6.0 .....     | 15        |
| 1.06 Judicial independence .....                              | 6.2 .....     | <b>10</b> |
| 1.07 Favoritism in decisions of government officials .....    | 4.5 .....     | 18        |
| 1.08 Wastefulness of government spending .....                | 3.8 .....     | 34        |
| 1.09 Burden of government regulation .....                    | 3.9 .....     | 33        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 5.7 .....     | <b>6</b>  |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 5.3 .....     | <b>9</b>  |
| 1.12 Transparency of government policymaking .....            | 5.5 .....     | 13        |
| 1.13 Business costs of terrorism .....                        | 5.1 .....     | 83        |
| 1.14 Business costs of crime and violence .....               | 5.2 .....     | 44        |
| 1.15 Organized crime .....                                    | 5.7 .....     | 33        |
| 1.16 Reliability of police services .....                     | 5.6 .....     | 25        |
| 1.17 Ethical behavior of firms .....                          | 5.5 .....     | 20        |
| 1.18 Strength of auditing and reporting standards .....       | 5.9 .....     | 15        |
| 1.19 Efficacy of corporate boards .....                       | 5.7 .....     | 16        |
| 1.20 Protection of minority shareholders' interests .....     | 5.4 .....     | <b>10</b> |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 7.8 .....     | <b>4</b>  |
| <b>2nd pillar: Infrastructure</b>                             |               |           |
| 2.01 Quality of overall infrastructure .....                  | 5.3 .....     | 24        |
| 2.02 Quality of roads .....                                   | 5.2 .....     | 29        |
| 2.03 Quality of railroad infrastructure .....                 | 4.8 .....     | 18        |
| 2.04 Quality of port infrastructure .....                     | 5.7 .....     | 11        |
| 2.05 Quality of air transport infrastructure .....            | 5.8 .....     | 19        |
| 2.06 Available airline seat km/week, millions* .....          | 6,888.2 ..... | <b>3</b>  |
| 2.07 Quality of electricity supply .....                      | 6.6 .....     | <b>9</b>  |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 123.6 .....   | 53        |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 52.4 .....    | <b>8</b>  |
| <b>3rd pillar: Macroeconomic environment</b>                  |               |           |
| 3.01 Government budget balance, % GDP* .....                  | –5.7 .....    | 118       |
| 3.02 Gross national savings, % GDP* .....                     | 12.2 .....    | 118       |
| 3.03 Inflation, annual % change* .....                        | 1.5 .....     | <b>1</b>  |
| 3.04 General government debt, % GDP* .....                    | 89.5 .....    | 123       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 88.0 .....    | 14        |
| <b>4th pillar: Health and primary education</b>               |               |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L. ....     | n/a       |
| 4.02 Business impact of malaria .....                         | N/Apl. ....   | n/a       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 13.0 .....    | 31        |
| 4.04 Business impact of tuberculosis .....                    | 6.5 .....     | 25        |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.3 .....     | 63        |
| 4.06 Business impact of HIV/AIDS .....                        | 6.5 .....     | 22        |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 3.9 .....     | 30        |
| 4.08 Life expectancy, years* .....                            | 81.0 .....    | 20        |
| 4.09 Quality of primary education .....                       | 4.9 .....     | 27        |
| 4.10 Primary education enrollment, net %* .....               | 99.9 .....    | <b>3</b>  |
| <b>5th pillar: Higher education and training</b>              |               |           |
| 5.01 Secondary education enrollment, gross %* .....           | 95.4 .....    | 54        |
| 5.02 Tertiary education enrollment, gross %* .....            | 61.9 .....    | 37        |
| 5.03 Quality of the education system .....                    | 4.7 .....     | 21        |
| 5.04 Quality of math and science education .....              | 4.4 .....     | 46        |
| 5.05 Quality of management schools .....                      | 5.9 .....     | <b>3</b>  |
| 5.06 Internet access in schools .....                         | 6.1 .....     | <b>7</b>  |
| 5.07 Availability of specialized training services .....      | 5.8 .....     | <b>7</b>  |
| 5.08 Extent of staff training .....                           | 4.8 .....     | 21        |
| <b>6th pillar: Goods market efficiency</b>                    |               |           |
| 6.01 Intensity of local competition .....                     | 6.0 .....     | <b>3</b>  |
| 6.02 Extent of market dominance .....                         | 4.9 .....     | 15        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.2 .....     | 12        |
| 6.04 Effect of taxation on incentives to invest .....         | 4.4 .....     | 23        |
| 6.05 Total tax rate, % profits* .....                         | 33.7 .....    | 57        |

| INDICATOR                                                   | VALUE         | RANK/140  |
|-------------------------------------------------------------|---------------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |               |           |
| 6.06 No. procedures to start a business* .....              | 6 .....       | 57        |
| 6.07 No. days to start a business* .....                    | 6.0 .....     | 28        |
| 6.08 Agricultural policy costs .....                        | 4.5 .....     | 22        |
| 6.09 Prevalence of non-tariff barriers .....                | 4.7 .....     | 28        |
| 6.10 Trade tariffs, % duty* .....                           | 1.2 .....     | <b>5</b>  |
| 6.11 Prevalence of foreign ownership .....                  | 6.2 .....     | <b>3</b>  |
| 6.12 Business impact of rules on FDI .....                  | 5.9 .....     | <b>5</b>  |
| 6.13 Burden of customs procedures .....                     | 5.4 .....     | 11        |
| 6.14 Imports as a percentage of GDP* .....                  | 29.9 .....    | 115       |
| 6.15 Degree of customer orientation .....                   | 5.4 .....     | 21        |
| 6.16 Buyer sophistication .....                             | 4.6 .....     | <b>10</b> |
| <b>7th pillar: Labor market efficiency</b>                  |               |           |
| 7.01 Cooperation in labor-employer relations .....          | 5.2 .....     | 21        |
| 7.02 Flexibility of wage determination .....                | 5.8 .....     | 15        |
| 7.03 Hiring and firing practices .....                      | 4.8 .....     | 11        |
| 7.04 Redundancy costs, weeks of salary* .....               | 9.3 .....     | 29        |
| 7.05 Effect of taxation on incentives to work .....         | 4.2 .....     | 34        |
| 7.06 Pay and productivity .....                             | 4.6 .....     | 21        |
| 7.07 Reliance on professional management .....              | 5.9 .....     | 12        |
| 7.08 Country capacity to retain talent .....                | 5.3 .....     | <b>9</b>  |
| 7.09 Country capacity to attract talent .....               | 5.9 .....     | <b>4</b>  |
| 7.10 Women in labor force, ratio to men* .....              | 0.86 .....    | 51        |
| <b>8th pillar: Financial market development</b>             |               |           |
| 8.01 Availability of financial services .....               | 6.1 .....     | <b>7</b>  |
| 8.02 Affordability of financial services .....              | 5.5 .....     | 19        |
| 8.03 Financing through local equity market .....            | 5.4 .....     | <b>7</b>  |
| 8.04 Ease of access to loans .....                          | 2.7 .....     | 82        |
| 8.05 Venture capital availability .....                     | 3.9 .....     | 14        |
| 8.06 Soundness of banks .....                               | 5.0 .....     | 63        |
| 8.07 Regulation of securities exchanges .....               | 5.4 .....     | 21        |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 7 .....       | 24        |
| <b>9th pillar: Technological readiness</b>                  |               |           |
| 9.01 Availability of latest technologies .....              | 6.5 .....     | <b>5</b>  |
| 9.02 Firm-level technology absorption .....                 | 5.7 .....     | 14        |
| 9.03 FDI and technology transfer .....                      | 5.2 .....     | 17        |
| 9.04 Individuals using Internet, %* .....                   | 91.6 .....    | <b>8</b>  |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 37.4 .....    | <b>7</b>  |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 429.8 .....   | <b>7</b>  |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 98.7 .....    | 16        |
| <b>10th pillar: Market size</b>                             |               |           |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 5.7 .....     | <b>10</b> |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 6.0 .....     | 15        |
| 10.03 GDP (PPP\$ billions)* .....                           | 2,548.9 ..... | <b>10</b> |
| 10.04 Exports as a percentage of GDP* .....                 | 28.6 .....    | 102       |
| <b>11th pillar: Business sophistication</b>                 |               |           |
| 11.01 Local supplier quantity .....                         | 5.6 .....     | <b>4</b>  |
| 11.02 Local supplier quality .....                          | 5.4 .....     | 16        |
| 11.03 State of cluster development .....                    | 5.3 .....     | <b>8</b>  |
| 11.04 Nature of competitive advantage .....                 | 6.0 .....     | <b>8</b>  |
| 11.05 Value chain breadth .....                             | 5.5 .....     | <b>5</b>  |
| 11.06 Control of international distribution .....           | 5.0 .....     | <b>8</b>  |
| 11.07 Production process sophistication .....               | 5.9 .....     | 11        |
| 11.08 Extent of marketing .....                             | 6.0 .....     | <b>2</b>  |
| 11.09 Willingness to delegate authority .....               | 5.0 .....     | 16        |
| <b>12th pillar: Innovation</b>                              |               |           |
| 12.01 Capacity for innovation .....                         | 5.4 .....     | <b>10</b> |
| 12.02 Quality of scientific research institutions .....     | 6.3 .....     | <b>2</b>  |
| 12.03 Company spending on R&D .....                         | 4.9 .....     | 17        |
| 12.04 University-industry collaboration in R&D .....        | 5.7 .....     | <b>4</b>  |
| 12.05 Gov't procurement of advanced tech products .....     | 3.8 .....     | 34        |
| 12.06 Availability of scientists and engineers .....        | 4.9 .....     | 18        |
| 12.07 PCT patents, applications/million pop.* .....         | 89.9 .....    | 18        |

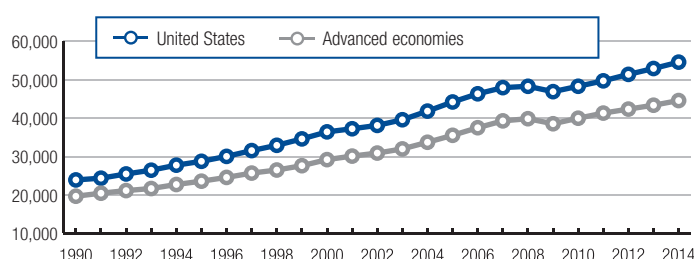
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# United States

## Key indicators, 2014

|                                            |          |
|--------------------------------------------|----------|
| Population (millions).....                 | 319.0    |
| GDP (US\$ billions).....                   | 17,418.9 |
| GDP per capita (US\$).....                 | 54,597   |
| GDP (PPP) as share (%) of world total..... | 16.14    |

GDP (PPP) per capita (int'l \$), 1990–2014



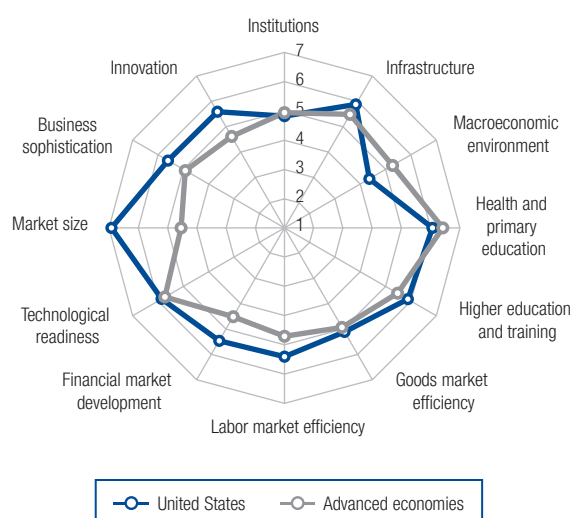
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>3</b>             | <b>5.6</b>     |
| GCI 2014–2015 (out of 144)..... | 3                    | 5.5            |
| GCI 2013–2014 (out of 148)..... | 5                    | 5.5            |
| GCI 2012–2013 (out of 144)..... | 7                    | 5.5            |

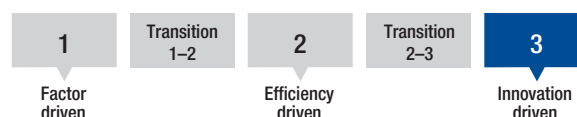
|                                               |           |            |
|-----------------------------------------------|-----------|------------|
| <b>Basic requirements (20.0%)</b> .....       | <b>30</b> | <b>5.3</b> |
| 1st pillar: Institutions.....                 | 28        | 4.8        |
| 2nd pillar: Infrastructure.....               | 11        | 5.9        |
| 3rd pillar: Macroeconomic environment.....    | 96        | 4.3        |
| 4th pillar: Health and primary education..... | 46        | 6.1        |

|                                                |          |            |
|------------------------------------------------|----------|------------|
| <b>Efficiency enhancers (50.0%)</b> .....      | <b>1</b> | <b>5.8</b> |
| 5th pillar: Higher education and training..... | 6        | 5.9        |
| 6th pillar: Goods market efficiency.....       | 16       | 5.1        |
| 7th pillar: Labor market efficiency.....       | 4        | 5.4        |
| 8th pillar: Financial market development.....  | 5        | 5.5        |
| 9th pillar: Technological readiness.....       | 17       | 5.8        |
| 10th pillar: Market size.....                  | 2        | 6.9        |

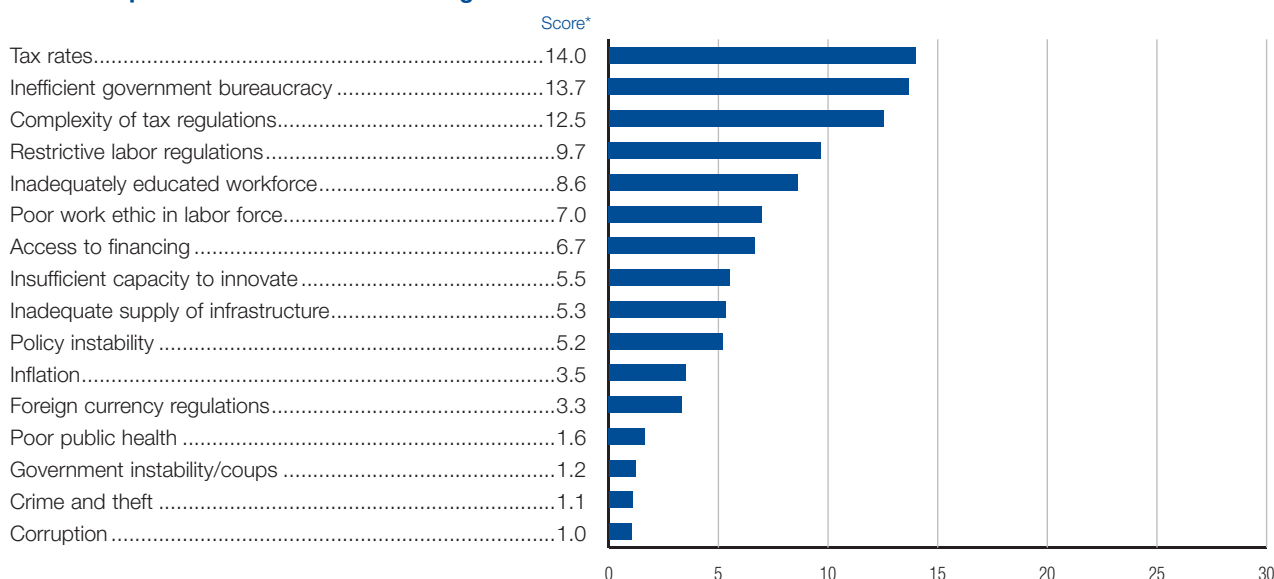
|                                                            |          |            |
|------------------------------------------------------------|----------|------------|
| <b>Innovation and sophistication factors (30.0%)</b> ..... | <b>4</b> | <b>5.6</b> |
| 11th pillar: Business sophistication.....                  | 4        | 5.6        |
| 12th pillar: Innovation.....                               | 4        | 5.6        |



### Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# United States

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 5.5      | 22       |
| 1.02 Intellectual property protection .....                   | 5.8      | 15       |
| 1.03 Diversion of public funds .....                          | 4.7      | 28       |
| 1.04 Public trust in politicians .....                        | 3.5      | 44       |
| 1.05 Irregular payments and bribes .....                      | 5.1      | 32       |
| 1.06 Judicial independence .....                              | 5.2      | 28       |
| 1.07 Favoritism in decisions of government officials .....    | 3.5      | 44       |
| 1.08 Wastefulness of government spending .....                | 3.1      | 75       |
| 1.09 Burden of government regulation .....                    | 3.6      | 51       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.9      | 25       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.8      | 19       |
| 1.12 Transparency of government policymaking .....            | 5.0      | 22       |
| 1.13 Business costs of terrorism .....                        | 4.4      | 114      |
| 1.14 Business costs of crime and violence .....               | 4.5      | 77       |
| 1.15 Organized crime .....                                    | 4.9      | 62       |
| 1.16 Reliability of police services .....                     | 5.7      | 22       |
| 1.17 Ethical behavior of firms .....                          | 4.9      | 27       |
| 1.18 Strength of auditing and reporting standards .....       | 5.7      | 23       |
| 1.19 Efficacy of corporate boards .....                       | 5.8      | 15       |
| 1.20 Protection of minority shareholders' interests .....     | 5.1      | 17       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 6.6      | 25       |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 5.8      | 13       |
| 2.02 Quality of roads .....                                   | 5.7      | 14       |
| 2.03 Quality of railroad infrastructure .....                 | 5.0      | 15       |
| 2.04 Quality of port infrastructure .....                     | 5.7      | 10       |
| 2.05 Quality of air transport infrastructure .....            | 6.2      | 5        |
| 2.06 Available airline seat km/week, millions* .....          | 35,949.7 | 1        |
| 2.07 Quality of electricity supply .....                      | 6.4      | 16       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 98.4     | 99       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 40.1     | 20       |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | –5.3     | 114      |
| 3.02 Gross national savings, % GDP* .....                     | 17.9     | 87       |
| 3.03 Inflation, annual % change* .....                        | 1.6      | 1        |
| 3.04 General government debt, % GDP* .....                    | 104.8    | 129      |
| 3.05 Country credit rating, 0–100 (best)* .....               | 93.8     | 5        |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | M.F.     | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl.   | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 3.3      | 2        |
| 4.04 Business impact of tuberculosis .....                    | 6.0      | 51       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.6      | 92       |
| 4.06 Business impact of HIV/AIDS .....                        | 5.4      | 75       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 5.9      | 42       |
| 4.08 Life expectancy, years* .....                            | 78.8     | 34       |
| 4.09 Quality of primary education .....                       | 4.9      | 29       |
| 4.10 Primary education enrollment, net %* .....               | 91.4     | 91       |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 93.7     | 61       |
| 5.02 Tertiary education enrollment, gross %* .....            | 94.3     | 3        |
| 5.03 Quality of the education system .....                    | 4.9      | 18       |
| 5.04 Quality of math and science education .....              | 4.5      | 44       |
| 5.05 Quality of management schools .....                      | 5.7      | 9        |
| 5.06 Internet access in schools .....                         | 5.9      | 17       |
| 5.07 Availability of specialized training services .....      | 5.6      | 11       |
| 5.08 Extent of staff training .....                           | 5.1      | 14       |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 6.0      | 4        |
| 6.02 Extent of market dominance .....                         | 5.1      | 11       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 5.2      | 10       |
| 6.04 Effect of taxation on incentives to invest .....         | 4.0      | 35       |
| 6.05 Total tax rate, % profits* .....                         | 43.8     | 95       |

| INDICATOR                                                   | VALUE    | RANK/140 |
|-------------------------------------------------------------|----------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |          |          |
| 6.06 No. procedures to start a business* .....              | 6        | 57       |
| 6.07 No. days to start a business* .....                    | 5.6      | 27       |
| 6.08 Agricultural policy costs .....                        | 4.4      | 25       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.5      | 52       |
| 6.10 Trade tariffs, % duty* .....                           | 1.4      | 33       |
| 6.11 Prevalence of foreign ownership .....                  | 5.0      | 40       |
| 6.12 Business impact of rules on FDI .....                  | 4.7      | 53       |
| 6.13 Burden of customs procedures .....                     | 4.9      | 30       |
| 6.14 Imports as a percentage of GDP* .....                  | 16.4     | 136      |
| 6.15 Degree of customer orientation .....                   | 5.6      | 15       |
| 6.16 Buyer sophistication .....                             | 4.5      | 14       |
| <b>7th pillar: Labor market efficiency</b>                  |          |          |
| 7.01 Cooperation in labor-employer relations .....          | 4.8      | 31       |
| 7.02 Flexibility of wage determination .....                | 5.7      | 19       |
| 7.03 Hiring and firing practices .....                      | 5.0      | 10       |
| 7.04 Redundancy costs, weeks of salary* .....               | 0.0      | 1        |
| 7.05 Effect of taxation on incentives to work .....         | 4.2      | 35       |
| 7.06 Pay and productivity .....                             | 5.1      | 8        |
| 7.07 Reliance on professional management .....              | 5.9      | 9        |
| 7.08 Country capacity to retain talent .....                | 5.7      | 2        |
| 7.09 Country capacity to attract talent .....               | 5.8      | 6        |
| 7.10 Women in labor force, ratio to men* .....              | 0.86     | 52       |
| <b>8th pillar: Financial market development</b>             |          |          |
| 8.01 Availability of financial services .....               | 6.2      | 4        |
| 8.02 Affordability of financial services .....              | 5.7      | 10       |
| 8.03 Financing through local equity market .....            | 5.5      | 5        |
| 8.04 Ease of access to loans .....                          | 3.9      | 14       |
| 8.05 Venture capital availability .....                     | 4.5      | 5        |
| 8.06 Soundness of banks .....                               | 5.6      | 39       |
| 8.07 Regulation of securities exchanges .....               | 5.2      | 24       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 11       | 4        |
| <b>9th pillar: Technological readiness</b>                  |          |          |
| 9.01 Availability of latest technologies .....              | 6.5      | 2        |
| 9.02 Firm-level technology absorption .....                 | 6.1      | 3        |
| 9.03 FDI and technology transfer .....                      | 4.9      | 34       |
| 9.04 Individuals using Internet, %* .....                   | 87.4     | 13       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 30.4     | 20       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 71.0     | 41       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 97.9     | 17       |
| <b>10th pillar: Market size</b>                             |          |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 7.0      | 1        |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 6.6      | 2        |
| 10.03 GDP (PPP\$ billions)* .....                           | 17,418.9 | 2        |
| 10.04 Exports as a percentage of GDP* .....                 | 13.3     | 136      |
| <b>11th pillar: Business sophistication</b>                 |          |          |
| 11.01 Local supplier quantity .....                         | 5.4      | 7        |
| 11.02 Local supplier quality .....                          | 5.5      | 10       |
| 11.03 State of cluster development .....                    | 5.5      | 2        |
| 11.04 Nature of competitive advantage .....                 | 5.6      | 16       |
| 11.05 Value chain breadth .....                             | 5.5      | 7        |
| 11.06 Control of international distribution .....           | 5.3      | 6        |
| 11.07 Production process sophistication .....               | 6.1      | 7        |
| 11.08 Extent of marketing .....                             | 6.0      | 1        |
| 11.09 Willingness to delegate authority .....               | 5.2      | 9        |
| <b>12th pillar: Innovation</b>                              |          |          |
| 12.01 Capacity for innovation .....                         | 5.9      | 2        |
| 12.02 Quality of scientific research institutions .....     | 6.1      | 4        |
| 12.03 Company spending on R&D .....                         | 5.6      | 3        |
| 12.04 University-industry collaboration in R&D .....        | 5.8      | 2        |
| 12.05 Gov't procurement of advanced tech products .....     | 4.3      | 11       |
| 12.06 Availability of scientists and engineers .....        | 5.4      | 4        |
| 12.07 PCT patents, applications/million pop.* .....         | 160.3    | 11       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

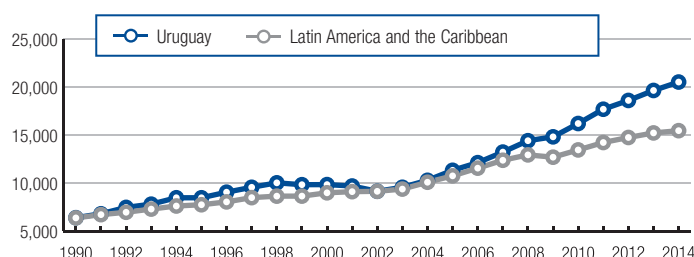


# Uruguay

## Key indicators, 2014

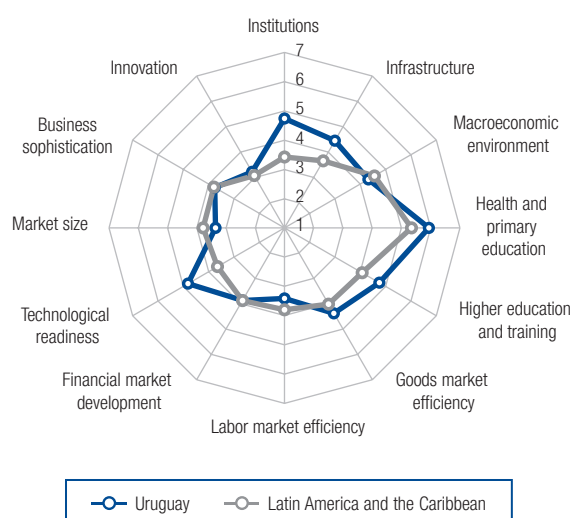
|                                            |        |
|--------------------------------------------|--------|
| Population (millions).....                 | 3.4    |
| GDP (US\$ billions).....                   | 55.1   |
| GDP per capita (US\$).....                 | 16,199 |
| GDP (PPP) as share (%) of world total..... | 0.07   |

GDP (PPP) per capita (int'l \$), 1990–2014

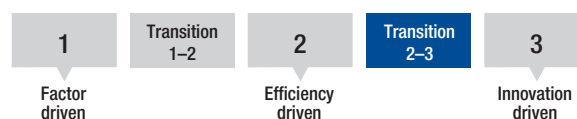


## Global Competitiveness Index

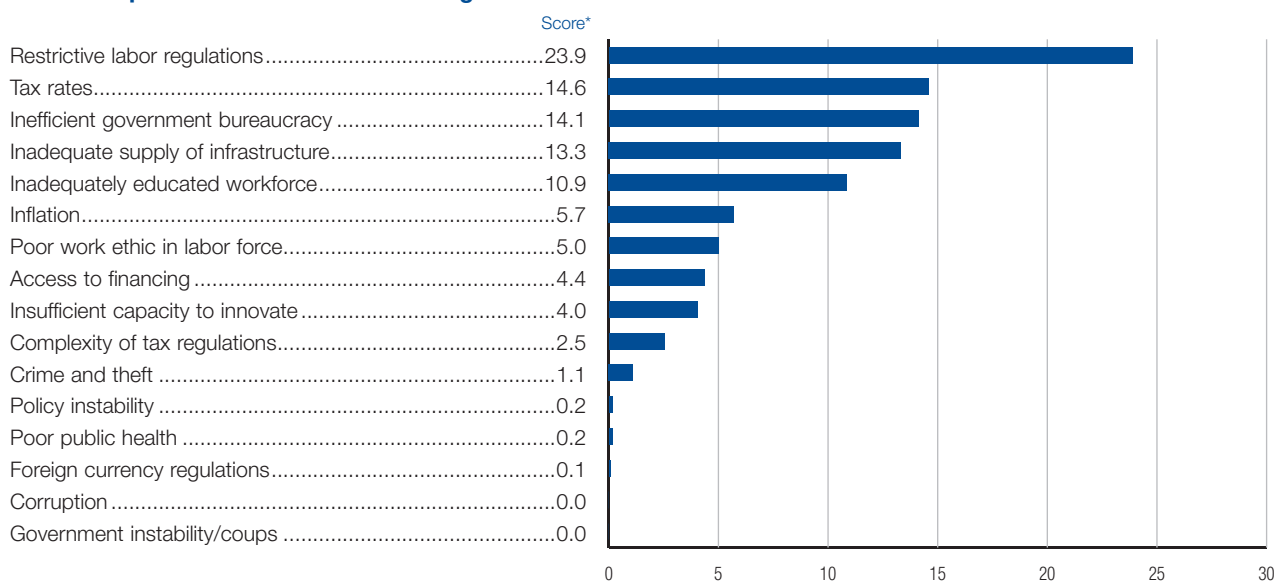
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016.....</b>                                 | <b>73</b>            | <b>4.1</b>     |
| GCI 2014–2015 (out of 144).....                           | 80                   | 4.0            |
| GCI 2013–2014 (out of 148).....                           | 85                   | 4.1            |
| GCI 2012–2013 (out of 144).....                           | 74                   | 4.1            |
| <b>Basic requirements (22.0%).....</b>                    | <b>48</b>            | <b>4.9</b>     |
| 1st pillar: Institutions.....                             | 30                   | 4.7            |
| 2nd pillar: Infrastructure.....                           | 52                   | 4.4            |
| 3rd pillar: Macroeconomic environment.....                | 99                   | 4.3            |
| 4th pillar: Health and primary education.....             | 57                   | 5.9            |
| <b>Efficiency enhancers (50.0%).....</b>                  | <b>66</b>            | <b>4.1</b>     |
| 5th pillar: Higher education and training.....            | 48                   | 4.7            |
| 6th pillar: Goods market efficiency.....                  | 59                   | 4.4            |
| 7th pillar: Labor market efficiency.....                  | 128                  | 3.4            |
| 8th pillar: Financial market development.....             | 69                   | 3.9            |
| 9th pillar: Technological readiness.....                  | 40                   | 4.8            |
| 10th pillar: Market size.....                             | 86                   | 3.4            |
| <b>Innovation and sophistication factors (28.0%).....</b> | <b>83</b>            | <b>3.5</b>     |
| 11th pillar: Business sophistication.....                 | 83                   | 3.8            |
| 12th pillar: Innovation.....                              | 80                   | 3.2            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Uruguay

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE  | RANK/140 |
|---------------------------------------------------------------|--------|----------|
| <b>1st pillar: Institutions</b>                               |        |          |
| 1.01 Property rights .....                                    | 5.1    | 31       |
| 1.02 Intellectual property protection .....                   | 4.5    | 38       |
| 1.03 Diversion of public funds .....                          | 5.0    | 23       |
| 1.04 Public trust in politicians .....                        | 4.7    | 16       |
| 1.05 Irregular payments and bribes .....                      | 5.5    | 26       |
| 1.06 Judicial independence .....                              | 5.7    | 20       |
| 1.07 Favoritism in decisions of government officials .....    | 4.1    | 26       |
| 1.08 Wastefulness of government spending .....                | 2.6    | 103      |
| 1.09 Burden of government regulation .....                    | 3.3    | 85       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.0    | 51       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 4.2    | 35       |
| 1.12 Transparency of government policymaking .....            | 4.9    | 25       |
| 1.13 Business costs of terrorism .....                        | 6.5    | 3        |
| 1.14 Business costs of crime and violence .....               | 3.7    | 108      |
| 1.15 Organized crime .....                                    | 5.6    | 36       |
| 1.16 Reliability of police services .....                     | 4.1    | 72       |
| 1.17 Ethical behavior of firms .....                          | 4.9    | 29       |
| 1.18 Strength of auditing and reporting standards .....       | 5.2    | 34       |
| 1.19 Efficacy of corporate boards .....                       | 4.8    | 68       |
| 1.20 Protection of minority shareholders' interests .....     | 4.6    | 35       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.8    | 95       |
| <b>2nd pillar: Infrastructure</b>                             |        |          |
| 2.01 Quality of overall infrastructure .....                  | 3.7    | 87       |
| 2.02 Quality of roads .....                                   | 3.3    | 95       |
| 2.03 Quality of railroad infrastructure .....                 | 1.3    | 108      |
| 2.04 Quality of port infrastructure .....                     | 4.7    | 43       |
| 2.05 Quality of air transport infrastructure .....            | 3.6    | 102      |
| 2.06 Available airline seat km/week, millions* .....          | 61.3   | 94       |
| 2.07 Quality of electricity supply .....                      | 5.8    | 35       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 160.8  | 11       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 31.7   | 34       |
| <b>3rd pillar: Macroeconomic environment</b>                  |        |          |
| 3.01 Government budget balance, % GDP* .....                  | –3.4   | 75       |
| 3.02 Gross national savings, % GDP* .....                     | 17.3   | 93       |
| 3.03 Inflation, annual % change* .....                        | 8.9    | 129      |
| 3.04 General government debt, % GDP* .....                    | 62.8   | 99       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 58.2   | 53       |
| <b>4th pillar: Health and primary education</b>               |        |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | S.L.   | n/a      |
| 4.02 Business impact of malaria .....                         | N/Apl. | n/a      |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 30.0   | 56       |
| 4.04 Business impact of tuberculosis .....                    | 6.5    | 24       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.7    | 98       |
| 4.06 Business impact of HIV/AIDS .....                        | 6.2    | 32       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 9.5    | 55       |
| 4.08 Life expectancy, years* .....                            | 77.1   | 42       |
| 4.09 Quality of primary education .....                       | 3.4    | 94       |
| 4.10 Primary education enrollment, net %* .....               | 99.5   | 6        |
| <b>5th pillar: Higher education and training</b>              |        |          |
| 5.01 Secondary education enrollment, gross %* .....           | 90.3   | 71       |
| 5.02 Tertiary education enrollment, gross %* .....            | 63.2   | 33       |
| 5.03 Quality of the education system .....                    | 3.0    | 113      |
| 5.04 Quality of math and science education .....              | 2.9    | 122      |
| 5.05 Quality of management schools .....                      | 4.4    | 52       |
| 5.06 Internet access in schools .....                         | 5.7    | 22       |
| 5.07 Availability of specialized training services .....      | 4.5    | 49       |
| 5.08 Extent of staff training .....                           | 3.8    | 85       |
| <b>6th pillar: Goods market efficiency</b>                    |        |          |
| 6.01 Intensity of local competition .....                     | 4.7    | 92       |
| 6.02 Extent of market dominance .....                         | 3.8    | 63       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.5    | 102      |
| 6.04 Effect of taxation on incentives to invest .....         | 3.6    | 67       |
| 6.05 Total tax rate, % profits* .....                         | 41.8   | 88       |

| INDICATOR                                                   | VALUE | RANK/140 |
|-------------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>        |       |          |
| 6.06 No. procedures to start a business* .....              | 5     | 38       |
| 6.07 No. days to start a business* .....                    | 6.5   | 36       |
| 6.08 Agricultural policy costs .....                        | 4.8   | 11       |
| 6.09 Prevalence of non-tariff barriers .....                | 4.5   | 39       |
| 6.10 Trade tariffs, % duty* .....                           | 8.1   | 92       |
| 6.11 Prevalence of foreign ownership .....                  | 5.2   | 31       |
| 6.12 Business impact of rules on FDI .....                  | 5.5   | 11       |
| 6.13 Burden of customs procedures .....                     | 4.4   | 48       |
| 6.14 Imports as a percentage of GDP* .....                  | 26.5  | 124      |
| 6.15 Degree of customer orientation .....                   | 4.3   | 89       |
| 6.16 Buyer sophistication .....                             | 3.4   | 63       |
| <b>7th pillar: Labor market efficiency</b>                  |       |          |
| 7.01 Cooperation in labor-employer relations .....          | 3.3   | 138      |
| 7.02 Flexibility of wage determination .....                | 2.5   | 138      |
| 7.03 Hiring and firing practices .....                      | 2.7   | 131      |
| 7.04 Redundancy costs, weeks of salary* .....               | 20.8  | 96       |
| 7.05 Effect of taxation on incentives to work .....         | 2.9   | 126      |
| 7.06 Pay and productivity .....                             | 2.8   | 135      |
| 7.07 Reliance on professional management .....              | 4.1   | 77       |
| 7.08 Country capacity to retain talent .....                | 3.4   | 79       |
| 7.09 Country capacity to attract talent .....               | 2.8   | 99       |
| 7.10 Women in labor force, ratio to men* .....              | 0.79  | 77       |
| <b>8th pillar: Financial market development</b>             |       |          |
| 8.01 Availability of financial services .....               | 4.2   | 79       |
| 8.02 Affordability of financial services .....              | 4.1   | 69       |
| 8.03 Financing through local equity market .....            | 2.4   | 127      |
| 8.04 Ease of access to loans .....                          | 2.8   | 70       |
| 8.05 Venture capital availability .....                     | 2.7   | 73       |
| 8.06 Soundness of banks .....                               | 5.6   | 36       |
| 8.07 Regulation of securities exchanges .....               | 4.8   | 40       |
| 8.08 Legal rights index, 0–12 (best)* .....                 | 4     | 80       |
| <b>9th pillar: Technological readiness</b>                  |       |          |
| 9.01 Availability of latest technologies .....              | 4.8   | 69       |
| 9.02 Firm-level technology absorption .....                 | 4.3   | 93       |
| 9.03 FDI and technology transfer .....                      | 5.0   | 23       |
| 9.04 Individuals using Internet, %* .....                   | 61.5  | 53       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* ..... | 24.6  | 35       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....         | 60.8  | 44       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....         | 59.8  | 42       |
| <b>10th pillar: Market size</b>                             |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....         | 3.2   | 85       |
| 10.02 Foreign market size index, 1–7 (best)* .....          | 3.8   | 101      |
| 10.03 GDP (PPP\$ billions)* .....                           | 70.0  | 84       |
| 10.04 Exports as a percentage of GDP* .....                 | 22.4  | 118      |
| <b>11th pillar: Business sophistication</b>                 |       |          |
| 11.01 Local supplier quantity .....                         | 3.9   | 117      |
| 11.02 Local supplier quality .....                          | 4.1   | 87       |
| 11.03 State of cluster development .....                    | 3.3   | 101      |
| 11.04 Nature of competitive advantage .....                 | 3.8   | 46       |
| 11.05 Value chain breadth .....                             | 3.8   | 69       |
| 11.06 Control of international distribution .....           | 3.5   | 98       |
| 11.07 Production process sophistication .....               | 3.6   | 83       |
| 11.08 Extent of marketing .....                             | 4.2   | 78       |
| 11.09 Willingness to delegate authority .....               | 3.4   | 102      |
| <b>12th pillar: Innovation</b>                              |       |          |
| 12.01 Capacity for innovation .....                         | 3.6   | 97       |
| 12.02 Quality of scientific research institutions .....     | 3.9   | 61       |
| 12.03 Company spending on R&D .....                         | 3.0   | 93       |
| 12.04 University-industry collaboration in R&D .....        | 3.6   | 70       |
| 12.05 Gov't procurement of advanced tech products .....     | 3.2   | 81       |
| 12.06 Availability of scientists and engineers .....        | 3.4   | 105      |
| 12.07 PCT patents, applications/million pop.* .....         | 3.3   | 52       |

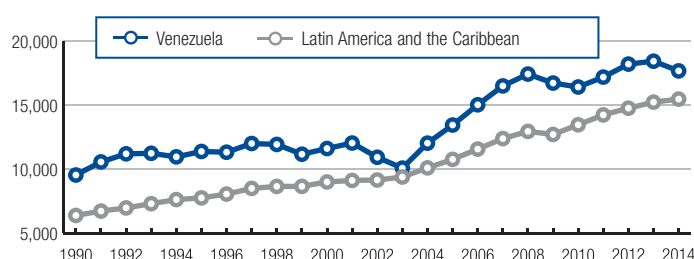
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Venezuela

## Key indicators, 2014

|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 30.5  |
| GDP (US\$ billions).....                   | 205.8 |
| GDP per capita (US\$).....                 | 6,757 |
| GDP (PPP) as share (%) of world total..... | 0.50  |

GDP (PPP) per capita (int'l \$), 1990–2014



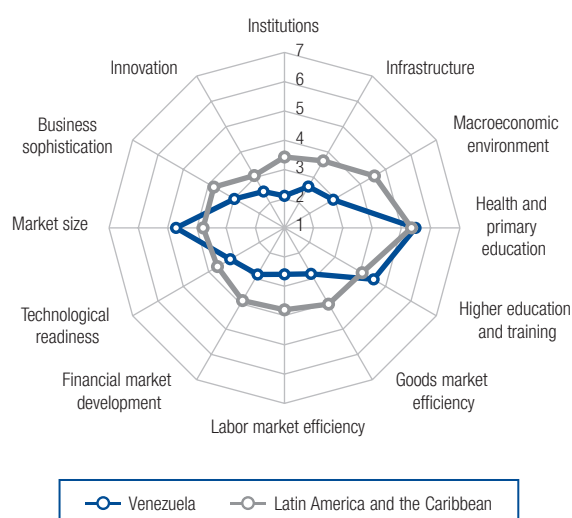
## Global Competitiveness Index

|                                 | Rank<br>(out of 140) | Score<br>(1–7) |
|---------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....      | <b>132</b>           | <b>3.3</b>     |
| GCI 2014–2015 (out of 144)..... | 131                  | 3.3            |
| GCI 2013–2014 (out of 148)..... | 134                  | 3.4            |
| GCI 2012–2013 (out of 144)..... | 126                  | 3.5            |

|                                               |            |            |
|-----------------------------------------------|------------|------------|
| <b>Basic requirements (46.5%)</b> .....       | <b>133</b> | <b>3.3</b> |
| 1st pillar: Institutions.....                 | 140        | 2.1        |
| 2nd pillar: Infrastructure.....               | 119        | 2.6        |
| 3rd pillar: Macroeconomic environment.....    | 135        | 2.9        |
| 4th pillar: Health and primary education..... | 85         | 5.5        |

|                                                |            |            |
|------------------------------------------------|------------|------------|
| <b>Efficiency enhancers (45.1%)</b> .....      | <b>119</b> | <b>3.4</b> |
| 5th pillar: Higher education and training..... | 61         | 4.5        |
| 6th pillar: Goods market efficiency.....       | 140        | 2.8        |
| 7th pillar: Labor market efficiency.....       | 140        | 2.6        |
| 8th pillar: Financial market development.....  | 129        | 2.8        |
| 9th pillar: Technological readiness.....       | 101        | 3.1        |
| 10th pillar: Market size.....                  | 38         | 4.7        |

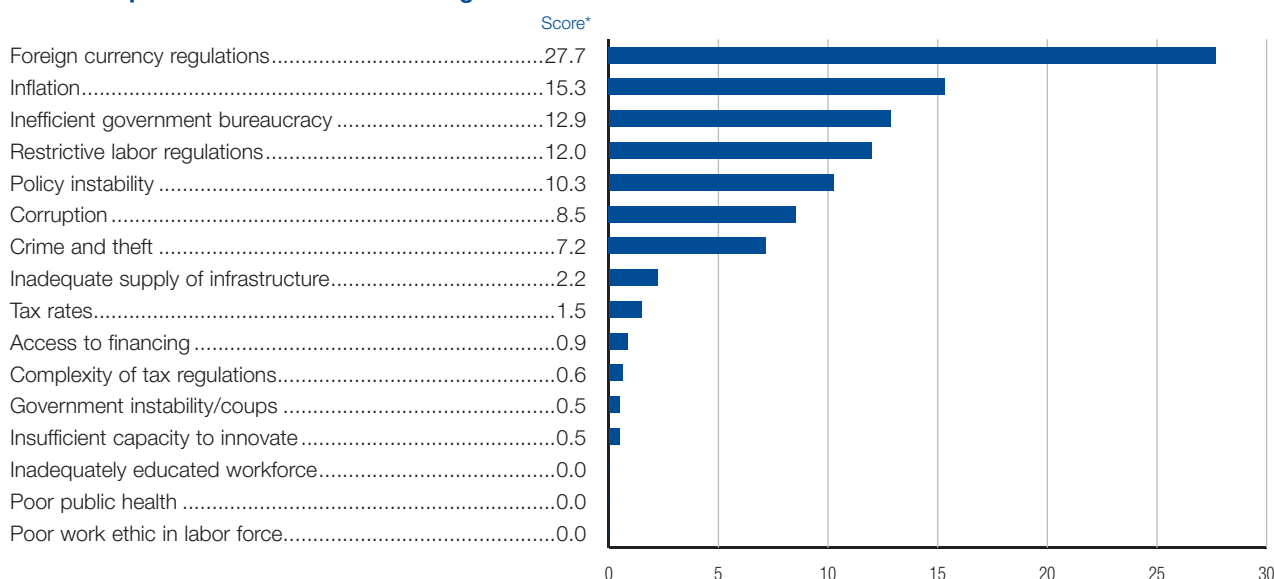
|                                                           |            |            |
|-----------------------------------------------------------|------------|------------|
| <b>Innovation and sophistication factors (8.4%)</b> ..... | <b>135</b> | <b>2.7</b> |
| 11th pillar: Business sophistication.....                 | 134        | 3.0        |
| 12th pillar: Innovation.....                              | 136        | 2.4        |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Venezuela

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140 |
|---------------------------------------------------------------|-------|----------|
| <b>1st pillar: Institutions</b>                               |       |          |
| 1.01 Property rights .....                                    | 1.6   | 140      |
| 1.02 Intellectual property protection .....                   | 1.7   | 140      |
| 1.03 Diversion of public funds .....                          | 1.2   | 140      |
| 1.04 Public trust in politicians .....                        | 1.3   | 140      |
| 1.05 Irregular payments and bribes .....                      | 2.4   | 134      |
| 1.06 Judicial independence .....                              | 1.1   | 140      |
| 1.07 Favoritism in decisions of government officials .....    | 1.4   | 140      |
| 1.08 Wastefulness of government spending .....                | 1.2   | 140      |
| 1.09 Burden of government regulation .....                    | 1.3   | 140      |
| 1.10 Efficiency of legal framework in settling disputes ..... | 1.5   | 140      |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 1.3   | 140      |
| 1.12 Transparency of government policymaking .....            | 1.8   | 140      |
| 1.13 Business costs of terrorism .....                        | 4.9   | 90       |
| 1.14 Business costs of crime and violence .....               | 1.6   | 140      |
| 1.15 Organized crime .....                                    | 2.5   | 139      |
| 1.16 Reliability of police services .....                     | 1.7   | 140      |
| 1.17 Ethical behavior of firms .....                          | 2.8   | 139      |
| 1.18 Strength of auditing and reporting standards .....       | 4.2   | 93       |
| 1.19 Efficacy of corporate boards .....                       | 4.6   | 77       |
| 1.20 Protection of minority shareholders' interests .....     | 2.9   | 135      |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 2.9   | 135      |
| <b>2nd pillar: Infrastructure</b>                             |       |          |
| 2.01 Quality of overall infrastructure .....                  | 2.6   | 130      |
| 2.02 Quality of roads .....                                   | 2.7   | 128      |
| 2.03 Quality of railroad infrastructure .....                 | 1.5   | 104      |
| 2.04 Quality of port infrastructure .....                     | 2.6   | 125      |
| 2.05 Quality of air transport infrastructure .....            | 2.6   | 134      |
| 2.06 Available airline seat km/week, millions* .....          | 178.2 | 68       |
| 2.07 Quality of electricity supply .....                      | 1.9   | 131      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 99.0  | 97       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 25.3  | 43       |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |          |
| 3.01 Government budget balance, % GDP* .....                  | –14.8 | 140      |
| 3.02 Gross national savings, % GDP* .....                     | 20.8  | 68       |
| 3.03 Inflation, annual % change* .....                        | 62.2  | 139      |
| 3.04 General government debt, % GDP* .....                    | 45.6  | 74       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 29.8  | 104      |
| <b>4th pillar: Health and primary education</b>               |       |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 287.1 | 40       |
| 4.02 Business impact of malaria .....                         | 5.4   | 23       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 33.0  | 60       |
| 4.04 Business impact of tuberculosis .....                    | 5.4   | 77       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.6   | 92       |
| 4.06 Business impact of HIV/AIDS .....                        | 5.1   | 82       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 12.9  | 67       |
| 4.08 Life expectancy, years* .....                            | 74.6  | 63       |
| 4.09 Quality of primary education .....                       | 3.0   | 107      |
| 4.10 Primary education enrollment, net %* .....               | 91.4  | 89       |
| <b>5th pillar: Higher education and training</b>              |       |          |
| 5.01 Secondary education enrollment, gross %* .....           | 93.0  | 65       |
| 5.02 Tertiary education enrollment, gross %* .....            | 77.9  | 15       |
| 5.03 Quality of the education system .....                    | 2.5   | 129      |
| 5.04 Quality of math and science education .....              | 3.1   | 116      |
| 5.05 Quality of management schools .....                      | 4.3   | 67       |
| 5.06 Internet access in schools .....                         | 3.5   | 111      |
| 5.07 Availability of specialized training services .....      | 3.6   | 109      |
| 5.08 Extent of staff training .....                           | 3.4   | 112      |
| <b>6th pillar: Goods market efficiency</b>                    |       |          |
| 6.01 Intensity of local competition .....                     | 2.7   | 140      |
| 6.02 Extent of market dominance .....                         | 2.8   | 132      |
| 6.03 Effectiveness of anti-monopoly policy .....              | 2.3   | 140      |
| 6.04 Effect of taxation on incentives to invest .....         | 2.9   | 125      |
| 6.05 Total tax rate, % profits* .....                         | 65.5  | 130      |

| INDICATOR                                                | VALUE        | RANK/140 |
|----------------------------------------------------------|--------------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |              |          |
| 6.06 No. procedures to start a business* .....           | 17           | 140      |
| 6.07 No. days to start a business* .....                 | 144.0        | 140      |
| 6.08 Agricultural policy costs .....                     | 1.8          | 140      |
| 6.09 Prevalence of non-tariff barriers .....             | 3.6          | 128      |
| 6.10 Trade tariffs, % duty* .....                        | 11.9         | 121      |
| 6.11 Prevalence of foreign ownership .....               | 3.2          | 132      |
| 6.12 Business impact of rules on FDI .....               | 2.1          | 139      |
| 6.13 Burden of customs procedures .....                  | 1.9          | 140      |
| 6.14 Imports as a percentage of GDP* .....               | 29.6         | 117      |
| 6.15 Degree of customer orientation .....                | 3.5          | 135      |
| 6.16 Buyer sophistication .....                          | 2.7          | 122      |
| <b>7th pillar: Labor market efficiency</b>               |              |          |
| 7.01 Cooperation in labor-employer relations .....       | 3.2          | 139      |
| 7.02 Flexibility of wage determination .....             | 4.2          | 113      |
| 7.03 Hiring and firing practices .....                   | 1.4          | 140      |
| 7.04 Redundancy costs, weeks of salary* .....            | not possible | 139      |
| 7.05 Effect of taxation on incentives to work .....      | 3.0          | 125      |
| 7.06 Pay and productivity .....                          | 2.7          | 138      |
| 7.07 Reliance on professional management .....           | 4.2          | 73       |
| 7.08 Country capacity to retain talent .....             | 1.7          | 139      |
| 7.09 Country capacity to attract talent .....            | 1.4          | 140      |
| 7.10 Women in labor force, ratio to men* .....           | 0.66         | 104      |
| <b>8th pillar: Financial market development</b>          |              |          |
| 8.01 Availability of financial services .....            | 3.6          | 123      |
| 8.02 Affordability of financial services .....           | 3.9          | 87       |
| 8.03 Financing through local equity market .....         | 2.1          | 136      |
| 8.04 Ease of access to loans .....                       | 2.3          | 111      |
| 8.05 Venture capital availability .....                  | 2.3          | 110      |
| 8.06 Soundness of banks .....                            | 4.4          | 98       |
| 8.07 Regulation of securities exchanges .....            | 2.6          | 134      |
| 8.08 Legal rights index, 0–12 (best)* .....              | 1            | 129      |
| <b>9th pillar: Technological readiness</b>               |              |          |
| 9.01 Availability of latest technologies .....           | 3.3          | 134      |
| 9.02 Firm-level technology absorption .....              | 3.9          | 122      |
| 9.03 FDI and technology transfer .....                   | 2.7          | 140      |
| 9.04 Individuals using Internet, %* .....                | 57.0         | 59       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 7.8          | 75       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 14.4         | 90       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 43.9         | 67       |
| <b>10th pillar: Market size</b>                          |              |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 4.5          | 36       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 5.3          | 37       |
| 10.03 GDP (PPP\$ billions)* .....                        | 538.9        | 34       |
| 10.04 Exports as a percentage of GDP* .....              | 39.9         | 65       |
| <b>11th pillar: Business sophistication</b>              |              |          |
| 11.01 Local supplier quantity .....                      | 2.4          | 140      |
| 11.02 Local supplier quality .....                       | 3.2          | 136      |
| 11.03 State of cluster development .....                 | 2.3          | 139      |
| 11.04 Nature of competitive advantage .....              | 2.3          | 137      |
| 11.05 Value chain breadth .....                          | 2.9          | 131      |
| 11.06 Control of international distribution .....        | 3.2          | 117      |
| 11.07 Production process sophistication .....            | 3.0          | 123      |
| 11.08 Extent of marketing .....                          | 3.6          | 122      |
| 11.09 Willingness to delegate authority .....            | 3.3          | 117      |
| <b>12th pillar: Innovation</b>                           |              |          |
| 12.01 Capacity for innovation .....                      | 2.9          | 136      |
| 12.02 Quality of scientific research institutions .....  | 3.0          | 114      |
| 12.03 Company spending on R&D .....                      | 2.5          | 125      |
| 12.04 University-industry collaboration in R&D .....     | 3.1          | 106      |
| 12.05 Gov't procurement of advanced tech products .....  | 1.6          | 140      |
| 12.06 Availability of scientists and engineers .....     | 3.2          | 116      |
| 12.07 PCT patents, applications/million pop.* .....      | 0.3          | 89       |

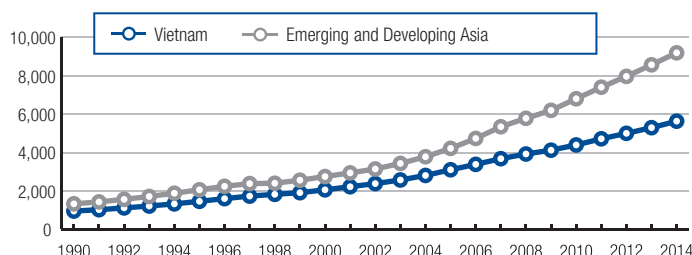
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Vietnam

## Key indicators, 2014

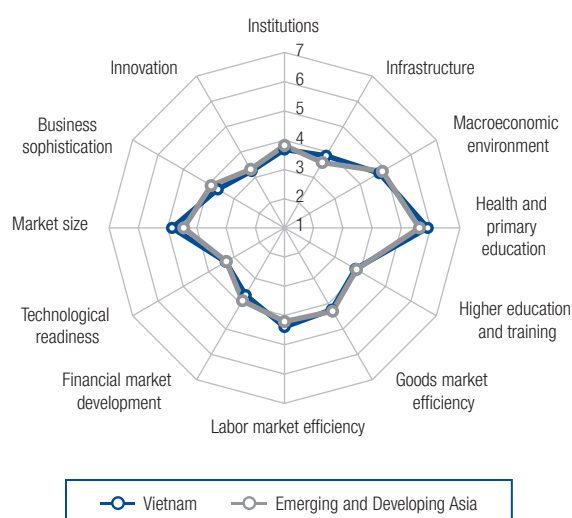
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 90.6  |
| GDP (US\$ billions).....                   | 186.0 |
| GDP per capita (US\$).....                 | 2,053 |
| GDP (PPP) as share (%) of world total..... | 0.47  |

GDP (PPP) per capita (int'l \$), 1990–2014



## Global Competitiveness Index

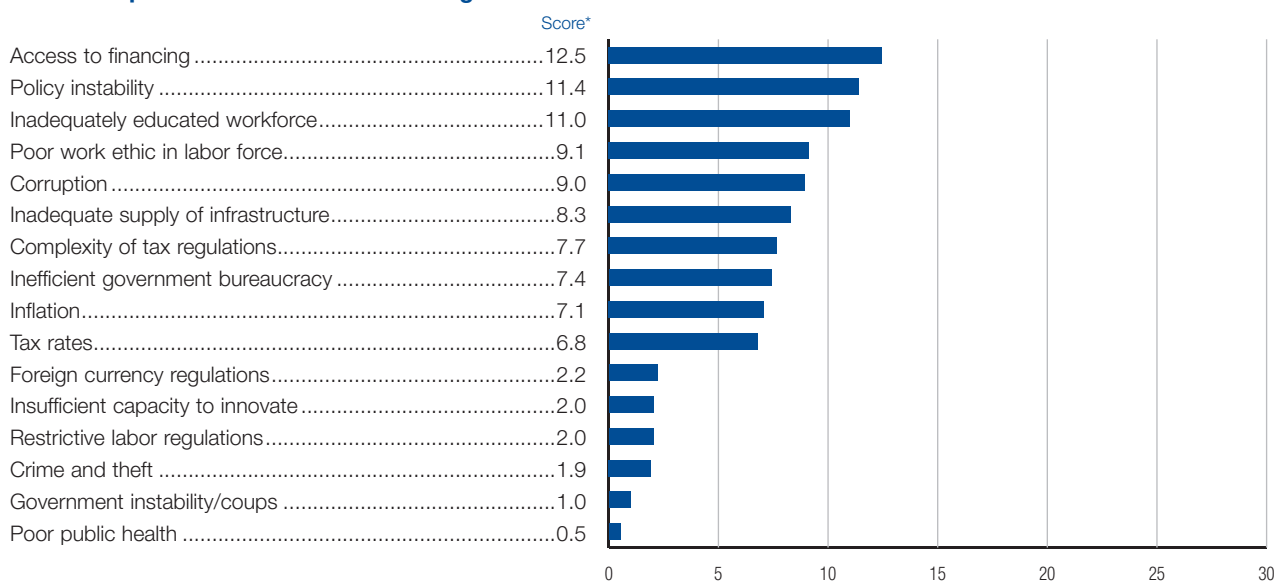
|                                                           | Rank<br>(out of 140) | Score<br>(1–7) |
|-----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016</b> .....                                | <b>56</b>            | <b>4.3</b>     |
| GCI 2014–2015 (out of 144).....                           | 68                   | 4.2            |
| GCI 2013–2014 (out of 148).....                           | 70                   | 4.2            |
| GCI 2012–2013 (out of 144).....                           | 75                   | 4.1            |
| <b>Basic requirements (58.9%)</b> .....                   | <b>72</b>            | <b>4.5</b>     |
| 1st pillar: Institutions.....                             | 85                   | 3.7            |
| 2nd pillar: Infrastructure.....                           | 76                   | 3.8            |
| 3rd pillar: Macroeconomic environment.....                | 69                   | 4.7            |
| 4th pillar: Health and primary education.....             | 61                   | 5.9            |
| <b>Efficiency enhancers (35.8%)</b> .....                 | <b>70</b>            | <b>4.0</b>     |
| 5th pillar: Higher education and training.....            | 95                   | 3.8            |
| 6th pillar: Goods market efficiency.....                  | 83                   | 4.2            |
| 7th pillar: Labor market efficiency.....                  | 52                   | 4.4            |
| 8th pillar: Financial market development.....             | 84                   | 3.7            |
| 9th pillar: Technological readiness.....                  | 92                   | 3.3            |
| 10th pillar: Market size.....                             | 33                   | 4.8            |
| <b>Innovation and sophistication factors (5.3%)</b> ..... | <b>88</b>            | <b>3.4</b>     |
| 11th pillar: Business sophistication.....                 | 100                  | 3.6            |
| 12th pillar: Innovation.....                              | 73                   | 3.2            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

# Vietnam

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE | RANK/140  |
|---------------------------------------------------------------|-------|-----------|
| <b>1st pillar: Institutions</b>                               |       |           |
| 1.01 Property rights .....                                    | 3.9   | 96        |
| 1.02 Intellectual property protection .....                   | 3.6   | 88        |
| 1.03 Diversion of public funds .....                          | 3.4   | 67        |
| 1.04 Public trust in politicians .....                        | 3.5   | <b>45</b> |
| 1.05 Irregular payments and bribes .....                      | 3.2   | 106       |
| 1.06 Judicial independence .....                              | 3.5   | 86        |
| 1.07 Favoritism in decisions of government officials .....    | 3.2   | 65        |
| 1.08 Wastefulness of government spending .....                | 2.9   | 85        |
| 1.09 Burden of government regulation .....                    | 3.2   | 90        |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.7   | 69        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.4   | 79        |
| 1.12 Transparency of government policymaking .....            | 3.8   | 89        |
| 1.13 Business costs of terrorism .....                        | 5.0   | 87        |
| 1.14 Business costs of crime and violence .....               | 4.6   | 69        |
| 1.15 Organized crime .....                                    | 4.8   | 75        |
| 1.16 Reliability of police services .....                     | 3.7   | 97        |
| 1.17 Ethical behavior of firms .....                          | 3.6   | 101       |
| 1.18 Strength of auditing and reporting standards .....       | 3.6   | 130       |
| 1.19 Efficacy of corporate boards .....                       | 4.0   | 127       |
| 1.20 Protection of minority shareholders' interests .....     | 3.6   | 109       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 4.7   | 100       |
| <b>2nd pillar: Infrastructure</b>                             |       |           |
| 2.01 Quality of overall infrastructure .....                  | 3.5   | 99        |
| 2.02 Quality of roads .....                                   | 3.3   | 93        |
| 2.03 Quality of railroad infrastructure .....                 | 3.2   | 48        |
| 2.04 Quality of port infrastructure .....                     | 3.9   | 76        |
| 2.05 Quality of air transport infrastructure .....            | 4.2   | 75        |
| 2.06 Available airline seat km/week, millions* .....          | 917.7 | <b>30</b> |
| 2.07 Quality of electricity supply .....                      | 4.1   | 87        |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 147.1 | <b>28</b> |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 6.0   | 100       |
| <b>3rd pillar: Macroeconomic environment</b>                  |       |           |
| 3.01 Government budget balance, % GDP* .....                  | –5.4  | 115       |
| 3.02 Gross national savings, % GDP* .....                     | 31.1  | <b>18</b> |
| 3.03 Inflation, annual % change* .....                        | 4.1   | 85        |
| 3.04 General government debt, % GDP* .....                    | 58.7  | 94        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 44.0  | 71        |
| <b>4th pillar: Health and primary education</b>               |       |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 29.7  | 26        |
| 4.02 Business impact of malaria .....                         | 4.7   | 40        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 144.0 | 104       |
| 4.04 Business impact of tuberculosis .....                    | 4.5   | 103       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 0.4   | 74        |
| 4.06 Business impact of HIV/AIDS .....                        | 4.5   | 109       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 19.0  | 85        |
| 4.08 Life expectancy, years* .....                            | 75.8  | 51        |
| 4.09 Quality of primary education .....                       | 3.7   | 83        |
| 4.10 Primary education enrollment, net %* .....               | 98.0  | <b>27</b> |
| <b>5th pillar: Higher education and training</b>              |       |           |
| 5.01 Secondary education enrollment, gross %* .....           | 75.2  | 96        |
| 5.02 Tertiary education enrollment, gross %* .....            | 24.6  | 87        |
| 5.03 Quality of the education system .....                    | 3.5   | 78        |
| 5.04 Quality of math and science education .....              | 4.2   | 65        |
| 5.05 Quality of management schools .....                      | 3.5   | 113       |
| 5.06 Internet access in schools .....                         | 4.6   | 57        |
| 5.07 Availability of specialized training services .....      | 3.6   | 111       |
| 5.08 Extent of staff training .....                           | 3.9   | 73        |
| <b>6th pillar: Goods market efficiency</b>                    |       |           |
| 6.01 Intensity of local competition .....                     | 5.0   | 71        |
| 6.02 Extent of market dominance .....                         | 3.8   | 64        |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.7   | 77        |
| 6.04 Effect of taxation on incentives to invest .....         | 3.6   | 69        |
| 6.05 Total tax rate, % profits* .....                         | 40.8  | 86        |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 10    | 116       |
| 6.07 No. days to start a business* .....                 | 34.0  | 119       |
| 6.08 Agricultural policy costs .....                     | 4.0   | <b>50</b> |
| 6.09 Prevalence of non-tariff barriers .....             | 4.1   | 100       |
| 6.10 Trade tariffs, % duty* .....                        | 7.4   | 86        |
| 6.11 Prevalence of foreign ownership .....               | 4.2   | 93        |
| 6.12 Business impact of rules on FDI .....               | 4.6   | 63        |
| 6.13 Burden of customs procedures .....                  | 3.6   | 90        |
| 6.14 Imports as a percentage of GDP* .....               | 87.9  | <b>13</b> |
| 6.15 Degree of customer orientation .....                | 4.1   | 102       |
| 6.16 Buyer sophistication .....                          | 3.4   | 70        |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 4.3   | 71        |
| 7.02 Flexibility of wage determination .....             | 5.0   | 67        |
| 7.03 Hiring and firing practices .....                   | 4.2   | <b>44</b> |
| 7.04 Redundancy costs, weeks of salary* .....            | 24.6  | 108       |
| 7.05 Effect of taxation on incentives to work .....      | 3.7   | 83        |
| 7.06 Pay and productivity .....                          | 4.3   | <b>45</b> |
| 7.07 Reliance on professional management .....           | 3.6   | 109       |
| 7.08 Country capacity to retain talent .....             | 3.2   | 87        |
| 7.09 Country capacity to attract talent .....            | 3.3   | 77        |
| 7.10 Women in labor force, ratio to men* .....           | 0.92  | <b>23</b> |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 3.9   | 103       |
| 8.02 Affordability of financial services .....           | 3.6   | 115       |
| 8.03 Financing through local equity market .....         | 3.9   | <b>48</b> |
| 8.04 Ease of access to loans .....                       | 2.6   | 88        |
| 8.05 Venture capital availability .....                  | 3.0   | <b>46</b> |
| 8.06 Soundness of banks .....                            | 3.7   | 124       |
| 8.07 Regulation of securities exchanges .....            | 3.6   | 108       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 7     | <b>24</b> |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 4.0   | 112       |
| 9.02 Firm-level technology absorption .....              | 3.9   | 121       |
| 9.03 FDI and technology transfer .....                   | 4.2   | 81        |
| 9.04 Individuals using Internet, %* .....                | 48.3  | 73        |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 6.5   | 79        |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 20.7  | 86        |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 31.0  | 83        |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 4.5   | <b>35</b> |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 5.7   | <b>25</b> |
| 10.03 GDP (PPP\$ billions)* .....                        | 510.7 | <b>36</b> |
| 10.04 Exports as a percentage of GDP* .....              | 86.7  | <b>15</b> |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 4.5   | 70        |
| 11.02 Local supplier quality .....                       | 3.8   | 105       |
| 11.03 State of cluster development .....                 | 3.8   | 59        |
| 11.04 Nature of competitive advantage .....              | 2.9   | 107       |
| 11.05 Value chain breadth .....                          | 3.4   | 109       |
| 11.06 Control of international distribution .....        | 3.7   | 80        |
| 11.07 Production process sophistication .....            | 3.4   | 101       |
| 11.08 Extent of marketing .....                          | 3.9   | 104       |
| 11.09 Willingness to delegate authority .....            | 3.3   | 112       |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 3.8   | 81        |
| 12.02 Quality of scientific research institutions .....  | 3.3   | 95        |
| 12.03 Company spending on R&D .....                      | 3.3   | 57        |
| 12.04 University-industry collaboration in R&D .....     | 3.3   | 92        |
| 12.05 Gov't procurement of advanced tech products .....  | 3.9   | <b>28</b> |
| 12.06 Availability of scientists and engineers .....     | 3.9   | 75        |
| 12.07 PCT patents, applications/million pop.* .....      | 0.2   | 91        |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

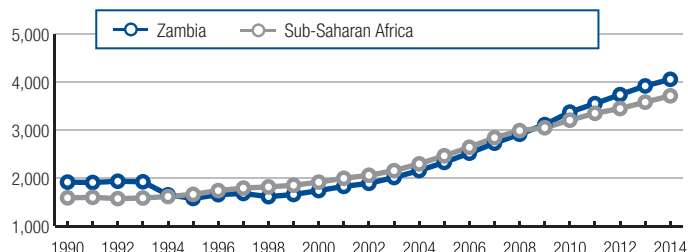


# Zambia

## Key indicators, 2014

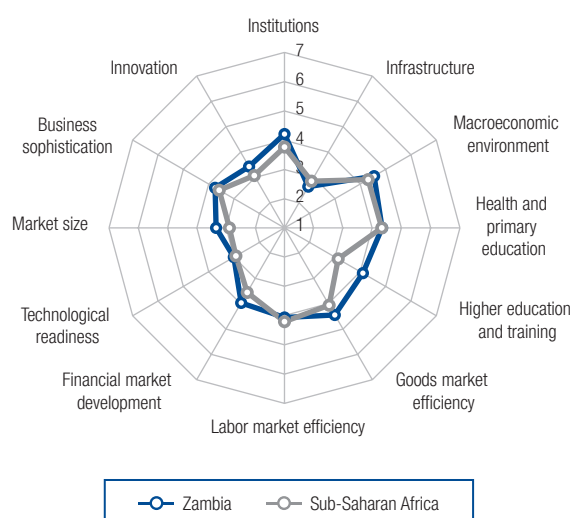
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 15.0  |
| GDP (US\$ billions).....                   | 26.8  |
| GDP per capita (US\$).....                 | 1,781 |
| GDP (PPP) as share (%) of world total..... | 0.06  |

GDP (PPP) per capita (int'l \$), 1990–2014

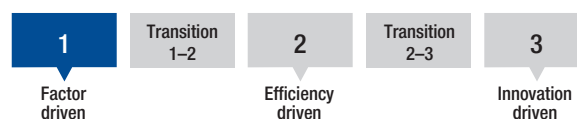


## Global Competitiveness Index

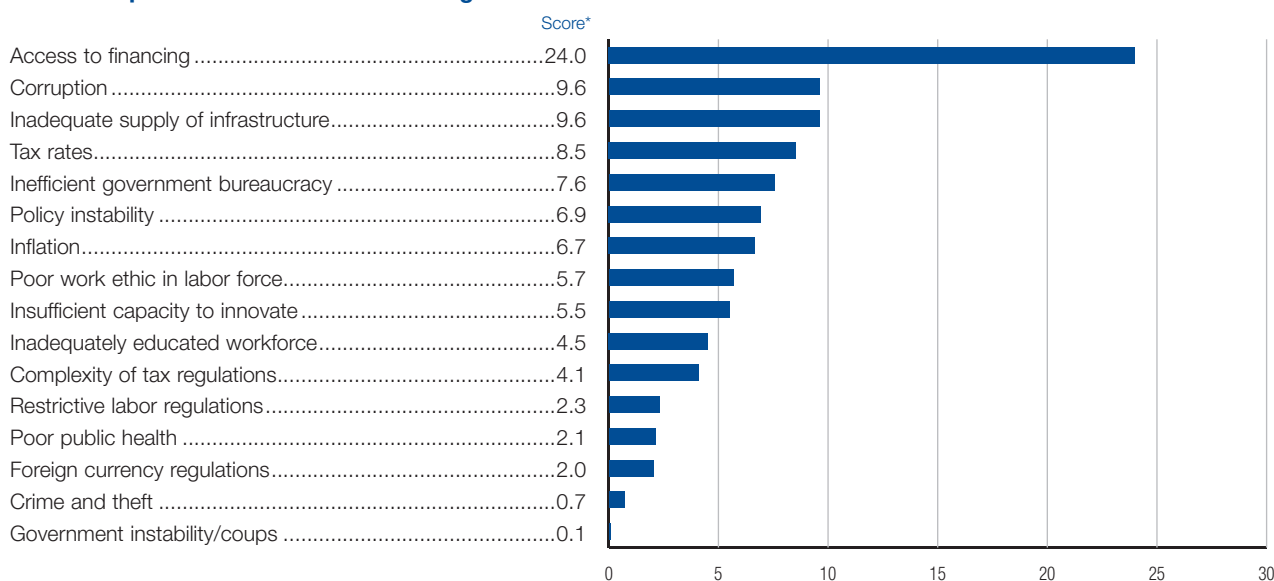
|                                                          | Rank<br>(out of 140) | Score<br>(1–7) |
|----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016.....</b>                                | <b>96</b>            | <b>3.9</b>     |
| GCI 2014–2015 (out of 144).....                          | 96                   | 3.9            |
| GCI 2013–2014 (out of 148).....                          | 93                   | 3.9            |
| GCI 2012–2013 (out of 144).....                          | 102                  | 3.8            |
| <b>Basic requirements (60.0%).....</b>                   | <b>110</b>           | <b>3.9</b>     |
| 1st pillar: Institutions.....                            | 46                   | 4.2            |
| 2nd pillar: Infrastructure.....                          | 120                  | 2.6            |
| 3rd pillar: Macroeconomic environment.....               | 83                   | 4.5            |
| 4th pillar: Health and primary education.....            | 122                  | 4.3            |
| <b>Efficiency enhancers (35.0%).....</b>                 | <b>87</b>            | <b>3.8</b>     |
| 5th pillar: Higher education and training.....           | 78                   | 4.1            |
| 6th pillar: Goods market efficiency.....                 | 53                   | 4.4            |
| 7th pillar: Labor market efficiency.....                 | 87                   | 4.1            |
| 8th pillar: Financial market development.....            | 62                   | 4.0            |
| 9th pillar: Technological readiness.....                 | 108                  | 3.0            |
| 10th pillar: Market size.....                            | 89                   | 3.3            |
| <b>Innovation and sophistication factors (5.0%).....</b> | <b>68</b>            | <b>3.6</b>     |
| 11th pillar: Business sophistication.....                | 85                   | 3.7            |
| 12th pillar: Innovation.....                             | 52                   | 3.4            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Zambia

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE    | RANK/140 |
|---------------------------------------------------------------|----------|----------|
| <b>1st pillar: Institutions</b>                               |          |          |
| 1.01 Property rights .....                                    | 4.5      | 46       |
| 1.02 Intellectual property protection .....                   | 4.3      | 46       |
| 1.03 Diversion of public funds .....                          | 3.3      | 69       |
| 1.04 Public trust in politicians .....                        | 3.0      | 62       |
| 1.05 Irregular payments and bribes .....                      | 3.8      | 74       |
| 1.06 Judicial independence .....                              | 4.0      | 62       |
| 1.07 Favoritism in decisions of government officials .....    | 3.2      | 62       |
| 1.08 Wastefulness of government spending .....                | 3.6      | 48       |
| 1.09 Burden of government regulation .....                    | 3.6      | 49       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 4.3      | 37       |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 3.8      | 48       |
| 1.12 Transparency of government policymaking .....            | 4.6      | 33       |
| 1.13 Business costs of terrorism .....                        | 6.2      | 16       |
| 1.14 Business costs of crime and violence .....               | 5.0      | 50       |
| 1.15 Organized crime .....                                    | 5.6      | 40       |
| 1.16 Reliability of police services .....                     | 4.0      | 77       |
| 1.17 Ethical behavior of firms .....                          | 4.2      | 45       |
| 1.18 Strength of auditing and reporting standards .....       | 4.4      | 75       |
| 1.19 Efficacy of corporate boards .....                       | 5.2      | 38       |
| 1.20 Protection of minority shareholders' interests .....     | 4.5      | 38       |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.4      | 77       |
| <b>2nd pillar: Infrastructure</b>                             |          |          |
| 2.01 Quality of overall infrastructure .....                  | 3.6      | 93       |
| 2.02 Quality of roads .....                                   | 3.7      | 81       |
| 2.03 Quality of railroad infrastructure .....                 | 2.3      | 80       |
| 2.04 Quality of port infrastructure .....                     | 2.2      | 131      |
| 2.05 Quality of air transport infrastructure .....            | 3.4      | 112      |
| 2.06 Available airline seat km/week, millions* .....          | 32.4     | 111      |
| 2.07 Quality of electricity supply .....                      | 3.3      | 103      |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 67.3     | 129      |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 0.8      | 127      |
| <b>3rd pillar: Macroeconomic environment</b>                  |          |          |
| 3.01 Government budget balance, % GDP* .....                  | –5.6     | 116      |
| 3.02 Gross national savings, % GDP* .....                     | 30.6     | 20       |
| 3.03 Inflation, annual % change* .....                        | 7.9      | 124      |
| 3.04 General government debt, % GDP* .....                    | 31.1     | 37       |
| 3.05 Country credit rating, 0–100 (best)* .....               | 34.8     | 90       |
| <b>4th pillar: Health and primary education</b>               |          |          |
| 4.01 Malaria cases/100,000 pop.* .....                        | 26,650.2 | 65       |
| 4.02 Business impact of malaria .....                         | 3.9      | 56       |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 410.0    | 132      |
| 4.04 Business impact of tuberculosis .....                    | 4.3      | 112      |
| 4.05 HIV prevalence, % adult pop.* .....                      | 12.5     | 134      |
| 4.06 Business impact of HIV/AIDS .....                        | 3.9      | 126      |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 55.8     | 127      |
| 4.08 Life expectancy, years* .....                            | 58.1     | 126      |
| 4.09 Quality of primary education .....                       | 3.4      | 93       |
| 4.10 Primary education enrollment, net %* .....               | 91.4     | 90       |
| <b>5th pillar: Higher education and training</b>              |          |          |
| 5.01 Secondary education enrollment, gross %* .....           | 100.8    | 29       |
| 5.02 Tertiary education enrollment, gross %* .....            | 2.4      | 133      |
| 5.03 Quality of the education system .....                    | 4.3      | 35       |
| 5.04 Quality of math and science education .....              | 3.9      | 81       |
| 5.05 Quality of management schools .....                      | 4.3      | 58       |
| 5.06 Internet access in schools .....                         | 3.8      | 94       |
| 5.07 Availability of specialized training services .....      | 4.4      | 52       |
| 5.08 Extent of staff training .....                           | 4.0      | 72       |
| <b>6th pillar: Goods market efficiency</b>                    |          |          |
| 6.01 Intensity of local competition .....                     | 5.5      | 26       |
| 6.02 Extent of market dominance .....                         | 4.0      | 42       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 4.0      | 53       |
| 6.04 Effect of taxation on incentives to invest .....         | 3.5      | 80       |
| 6.05 Total tax rate, % profits* .....                         | 14.8     | 7        |

| INDICATOR                                                | VALUE | RANK/140 |
|----------------------------------------------------------|-------|----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |          |
| 6.06 No. procedures to start a business* .....           | 5     | 38       |
| 6.07 No. days to start a business* .....                 | 6.5   | 36       |
| 6.08 Agricultural policy costs .....                     | 3.9   | 62       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.8   | 21       |
| 6.10 Trade tariffs, % duty* .....                        | 10.5  | 113      |
| 6.11 Prevalence of foreign ownership .....               | 5.7   | 9        |
| 6.12 Business impact of rules on FDI .....               | 5.3   | 19       |
| 6.13 Burden of customs procedures .....                  | 3.8   | 81       |
| 6.14 Imports as a percentage of GDP* .....               | 41.6  | 82       |
| 6.15 Degree of customer orientation .....                | 4.4   | 79       |
| 6.16 Buyer sophistication .....                          | 3.0   | 109      |
| <b>7th pillar: Labor market efficiency</b>               |       |          |
| 7.01 Cooperation in labor-employer relations .....       | 4.4   | 61       |
| 7.02 Flexibility of wage determination .....             | 5.2   | 51       |
| 7.03 Hiring and firing practices .....                   | 4.6   | 18       |
| 7.04 Redundancy costs, weeks of salary* .....            | 50.5  | 134      |
| 7.05 Effect of taxation on incentives to work .....      | 4.0   | 51       |
| 7.06 Pay and productivity .....                          | 3.6   | 97       |
| 7.07 Reliance on professional management .....           | 4.4   | 50       |
| 7.08 Country capacity to retain talent .....             | 3.7   | 51       |
| 7.09 Country capacity to attract talent .....            | 4.2   | 26       |
| 7.10 Women in labor force, ratio to men* .....           | 0.85  | 56       |
| <b>8th pillar: Financial market development</b>          |       |          |
| 8.01 Availability of financial services .....            | 4.3   | 72       |
| 8.02 Affordability of financial services .....           | 3.9   | 93       |
| 8.03 Financing through local equity market .....         | 3.8   | 52       |
| 8.04 Ease of access to loans .....                       | 2.5   | 99       |
| 8.05 Venture capital availability .....                  | 2.2   | 115      |
| 8.06 Soundness of banks .....                            | 4.5   | 88       |
| 8.07 Regulation of securities exchanges .....            | 4.7   | 44       |
| 8.08 Legal rights index, 0–12 (best)* .....              | 7     | 24       |
| <b>9th pillar: Technological readiness</b>               |       |          |
| 9.01 Availability of latest technologies .....           | 4.6   | 76       |
| 9.02 Firm-level technology absorption .....              | 4.7   | 65       |
| 9.03 FDI and technology transfer .....                   | 4.7   | 47       |
| 9.04 Individuals using Internet, %* .....                | 17.3  | 112      |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 0.1   | 124      |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 4.2   | 121      |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 1.0   | 134      |
| <b>10th pillar: Market size</b>                          |       |          |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 3.1   | 89       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 4.1   | 88       |
| 10.03 GDP (PPP\$ billions)* .....                        | 61.0  | 90       |
| 10.04 Exports as a percentage of GDP* .....              | 39.4  | 69       |
| <b>11th pillar: Business sophistication</b>              |       |          |
| 11.01 Local supplier quantity .....                      | 4.7   | 41       |
| 11.02 Local supplier quality .....                       | 3.7   | 110      |
| 11.03 State of cluster development .....                 | 4.1   | 38       |
| 11.04 Nature of competitive advantage .....              | 2.9   | 110      |
| 11.05 Value chain breadth .....                          | 3.5   | 100      |
| 11.06 Control of international distribution .....        | 3.1   | 121      |
| 11.07 Production process sophistication .....            | 3.0   | 119      |
| 11.08 Extent of marketing .....                          | 4.3   | 72       |
| 11.09 Willingness to delegate authority .....            | 4.0   | 47       |
| <b>12th pillar: Innovation</b>                           |       |          |
| 12.01 Capacity for innovation .....                      | 4.0   | 65       |
| 12.02 Quality of scientific research institutions .....  | 3.5   | 85       |
| 12.03 Company spending on R&D .....                      | 3.2   | 66       |
| 12.04 University-industry collaboration in R&D .....     | 3.5   | 75       |
| 12.05 Gov't procurement of advanced tech products .....  | 3.9   | 25       |
| 12.06 Availability of scientists and engineers .....     | 4.4   | 39       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.0   | 119      |

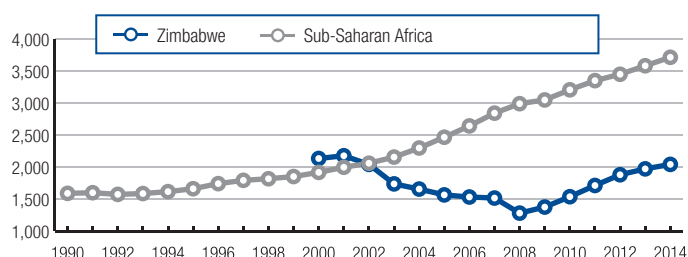
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.

# Zimbabwe

## Key indicators, 2014

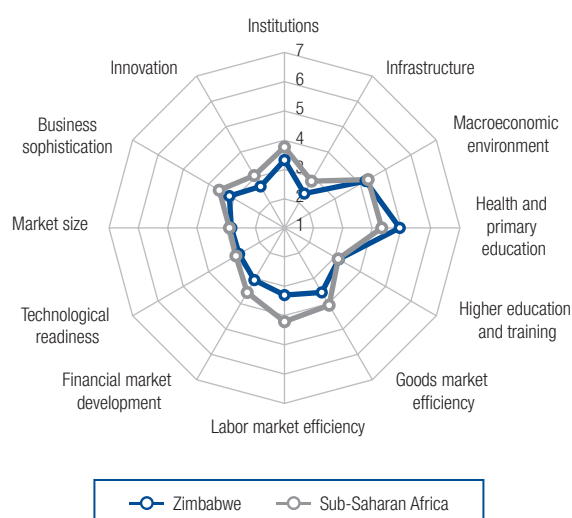
|                                            |       |
|--------------------------------------------|-------|
| Population (millions).....                 | 13.3  |
| GDP (US\$ billions).....                   | 13.7  |
| GDP per capita (US\$).....                 | 1,031 |
| GDP (PPP) as share (%) of world total..... | 0.03  |

GDP (PPP) per capita (int'l \$), 1990–2014

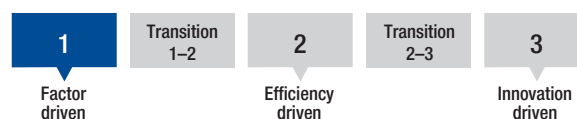


## Global Competitiveness Index

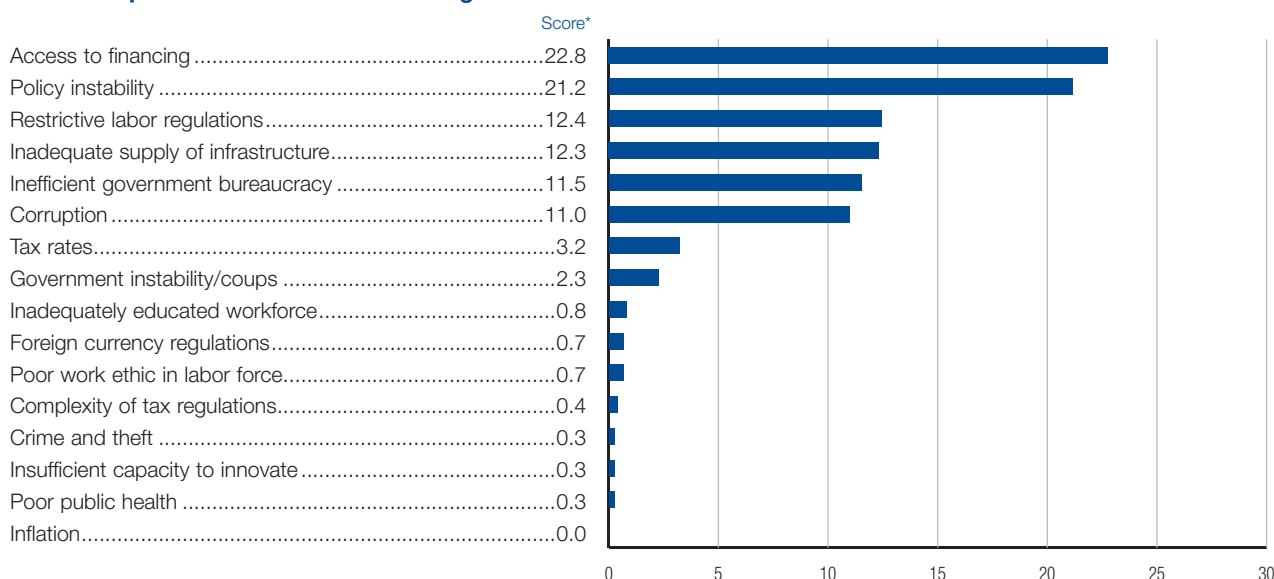
|                                                          | Rank<br>(out of 140) | Score<br>(1–7) |
|----------------------------------------------------------|----------------------|----------------|
| <b>GCI 2015–2016.....</b>                                | <b>125</b>           | <b>3.5</b>     |
| GCI 2014–2015 (out of 144).....                          | 124                  | 3.5            |
| GCI 2013–2014 (out of 148).....                          | 131                  | 3.4            |
| GCI 2012–2013 (out of 144).....                          | 132                  | 3.3            |
| <b>Basic requirements (60.0%).....</b>                   | <b>120</b>           | <b>3.7</b>     |
| 1st pillar: Institutions.....                            | 112                  | 3.3            |
| 2nd pillar: Infrastructure.....                          | 129                  | 2.4            |
| 3rd pillar: Macroeconomic environment.....               | 104                  | 4.2            |
| 4th pillar: Health and primary education.....            | 106                  | 4.9            |
| <b>Efficiency enhancers (35.0%).....</b>                 | <b>134</b>           | <b>3.1</b>     |
| 5th pillar: Higher education and training.....           | 117                  | 3.1            |
| 6th pillar: Goods market efficiency.....                 | 131                  | 3.5            |
| 7th pillar: Labor market efficiency.....                 | 134                  | 3.3            |
| 8th pillar: Financial market development.....            | 124                  | 3.1            |
| 9th pillar: Technological readiness.....                 | 118                  | 2.8            |
| 10th pillar: Market size.....                            | 115                  | 2.8            |
| <b>Innovation and sophistication factors (5.0%).....</b> | <b>130</b>           | <b>2.9</b>     |
| 11th pillar: Business sophistication.....                | 130                  | 3.2            |
| 12th pillar: Innovation.....                             | 128                  | 2.6            |



## Stage of development



## The most problematic factors for doing business



\* From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

## Zimbabwe

## The Global Competitiveness Index in detail

| INDICATOR                                                     | VALUE   | RANK/140  |
|---------------------------------------------------------------|---------|-----------|
| <b>1st pillar: Institutions</b>                               |         |           |
| 1.01 Property rights .....                                    | 2.4     | 139       |
| 1.02 Intellectual property protection .....                   | 3.4     | 96        |
| 1.03 Diversion of public funds .....                          | 2.6     | 113       |
| 1.04 Public trust in politicians .....                        | 1.7     | 134       |
| 1.05 Irregular payments and bribes .....                      | 3.4     | 96        |
| 1.06 Judicial independence .....                              | 2.7     | 115       |
| 1.07 Favoritism in decisions of government officials .....    | 2.1     | 133       |
| 1.08 Wastefulness of government spending .....                | 2.1     | 132       |
| 1.09 Burden of government regulation .....                    | 2.6     | 129       |
| 1.10 Efficiency of legal framework in settling disputes ..... | 3.3     | 92        |
| 1.11 Efficiency of legal framework in challenging regs. ....  | 2.7     | 121       |
| 1.12 Transparency of government policymaking .....            | 3.6     | 105       |
| 1.13 Business costs of terrorism .....                        | 6.5     | <b>2</b>  |
| 1.14 Business costs of crime and violence .....               | 4.7     | 66        |
| 1.15 Organized crime .....                                    | 5.6     | <b>37</b> |
| 1.16 Reliability of police services .....                     | 3.0     | 121       |
| 1.17 Ethical behavior of firms .....                          | 3.5     | 105       |
| 1.18 Strength of auditing and reporting standards .....       | 5.1     | <b>40</b> |
| 1.19 Efficacy of corporate boards .....                       | 4.4     | 87        |
| 1.20 Protection of minority shareholders' interests .....     | 4.1     | 70        |
| 1.21 Strength of investor protection, 0–10 (best)* .....      | 5.3     | 81        |
| <b>2nd pillar: Infrastructure</b>                             |         |           |
| 2.01 Quality of overall infrastructure .....                  | 3.0     | 121       |
| 2.02 Quality of roads .....                                   | 3.3     | 98        |
| 2.03 Quality of railroad infrastructure .....                 | 2.2     | 83        |
| 2.04 Quality of port infrastructure .....                     | 3.2     | 102       |
| 2.05 Quality of air transport infrastructure .....            | 3.3     | 115       |
| 2.06 Available airline seat km/week, millions* .....          | 21.8    | 120       |
| 2.07 Quality of electricity supply .....                      | 1.9     | 132       |
| 2.08 Mobile telephone subscriptions/100 pop.* .....           | 80.8    | 115       |
| 2.09 Fixed-telephone lines/100 pop.* .....                    | 2.3     | 114       |
| <b>3rd pillar: Macroeconomic environment</b>                  |         |           |
| 3.01 Government budget balance, % GDP* .....                  | –1.5    | <b>39</b> |
| 3.02 Gross national savings, % GDP* .....                     | –9.0    | 139       |
| 3.03 Inflation, annual % change* .....                        | –0.2    | 75        |
| 3.04 General government debt, % GDP* .....                    | 54.0    | 88        |
| 3.05 Country credit rating, 0–100 (best)* .....               | 5.9     | 140       |
| <b>4th pillar: Health and primary education</b>               |         |           |
| 4.01 Malaria cases/100,000 pop.* .....                        | 8,452.6 | 54        |
| 4.02 Business impact of malaria .....                         | 4.9     | 36        |
| 4.03 Tuberculosis cases/100,000 pop.* .....                   | 552.0   | 135       |
| 4.04 Business impact of tuberculosis .....                    | 4.3     | 114       |
| 4.05 HIV prevalence, % adult pop.* .....                      | 15.0    | 136       |
| 4.06 Business impact of HIV/AIDS .....                        | 3.9     | 123       |
| 4.07 Infant mortality, deaths/1,000 live births* .....        | 55.0    | 126       |
| 4.08 Life expectancy, years* .....                            | 59.8    | 122       |
| 4.09 Quality of primary education .....                       | 4.5     | <b>47</b> |
| 4.10 Primary education enrollment, net %* .....               | 93.9    | 71        |
| <b>5th pillar: Higher education and training</b>              |         |           |
| 5.01 Secondary education enrollment, gross %* .....           | 47.2    | 121       |
| 5.02 Tertiary education enrollment, gross %* .....            | 5.8     | 123       |
| 5.03 Quality of the education system .....                    | 4.2     | <b>42</b> |
| 5.04 Quality of math and science education .....              | 4.4     | 54        |
| 5.05 Quality of management schools .....                      | 4.0     | 83        |
| 5.06 Internet access in schools .....                         | 3.2     | 117       |
| 5.07 Availability of specialized training services .....      | 3.8     | 92        |
| 5.08 Extent of staff training .....                           | 3.8     | 87        |
| <b>6th pillar: Goods market efficiency</b>                    |         |           |
| 6.01 Intensity of local competition .....                     | 4.8     | 88        |
| 6.02 Extent of market dominance .....                         | 3.1     | 116       |
| 6.03 Effectiveness of anti-monopoly policy .....              | 3.5     | 98        |
| 6.04 Effect of taxation on incentives to invest .....         | 3.2     | 109       |
| 6.05 Total tax rate, % profits* .....                         | 32.8    | 52        |

| INDICATOR                                                | VALUE | RANK/140  |
|----------------------------------------------------------|-------|-----------|
| <b>6th pillar: Goods market efficiency (cont'd.)</b>     |       |           |
| 6.06 No. procedures to start a business* .....           | 9     | 104       |
| 6.07 No. days to start a business* .....                 | 90.0  | 136       |
| 6.08 Agricultural policy costs .....                     | 2.2   | 139       |
| 6.09 Prevalence of non-tariff barriers .....             | 4.5   | <b>38</b> |
| 6.10 Trade tariffs, % duty* .....                        | 14.4  | 134       |
| 6.11 Prevalence of foreign ownership .....               | 4.0   | 103       |
| 6.12 Business impact of rules on FDI .....               | 2.0   | 140       |
| 6.13 Burden of customs procedures .....                  | 3.0   | 132       |
| 6.14 Imports as a percentage of GDP* .....               | 43.0  | 80        |
| 6.15 Degree of customer orientation .....                | 3.7   | 124       |
| 6.16 Buyer sophistication .....                          | 2.9   | 115       |
| <b>7th pillar: Labor market efficiency</b>               |       |           |
| 7.01 Cooperation in labor-employer relations .....       | 3.9   | 110       |
| 7.02 Flexibility of wage determination .....             | 2.8   | 136       |
| 7.03 Hiring and firing practices .....                   | 2.0   | 139       |
| 7.04 Redundancy costs, weeks of salary* .....            | 82.3  | 138       |
| 7.05 Effect of taxation on incentives to work .....      | 3.8   | 73        |
| 7.06 Pay and productivity .....                          | 2.7   | 136       |
| 7.07 Reliance on professional management .....           | 4.6   | <b>43</b> |
| 7.08 Country capacity to retain talent .....             | 2.4   | 128       |
| 7.09 Country capacity to attract talent .....            | 2.4   | 125       |
| 7.10 Women in labor force, ratio to men* .....           | 0.93  | <b>17</b> |
| <b>8th pillar: Financial market development</b>          |       |           |
| 8.01 Availability of financial services .....            | 3.8   | 107       |
| 8.02 Affordability of financial services .....           | 3.1   | 131       |
| 8.03 Financing through local equity market .....         | 3.0   | 103       |
| 8.04 Ease of access to loans .....                       | 1.7   | 133       |
| 8.05 Venture capital availability .....                  | 1.5   | 140       |
| 8.06 Soundness of banks .....                            | 2.9   | 135       |
| 8.07 Regulation of securities exchanges .....            | 4.0   | 81        |
| 8.08 Legal rights index, 0–12 (best)* .....              | 5     | 63        |
| <b>9th pillar: Technological readiness</b>               |       |           |
| 9.01 Availability of latest technologies .....           | 4.1   | 104       |
| 9.02 Firm-level technology absorption .....              | 4.1   | 111       |
| 9.03 FDI and technology transfer .....                   | 2.8   | 139       |
| 9.04 Individuals using Internet, %* .....                | 19.9  | 102       |
| 9.05 Fixed-broadband Internet subscriptions/100 pop.* .. | 1.0   | 108       |
| 9.06 Int'l Internet bandwidth, kb/s per user* .....      | 3.9   | 124       |
| 9.07 Mobile-broadband subscriptions/100 pop.* .....      | 39.2  | 73        |
| <b>10th pillar: Market size</b>                          |       |           |
| 10.01 Domestic market size index, 1–7 (best)* .....      | 2.6   | 116       |
| 10.02 Foreign market size index, 1–7 (best)* .....       | 3.5   | 114       |
| 10.03 GDP (PPP\$ billions)* .....                        | 27.1  | 114       |
| 10.04 Exports as a percentage of GDP* .....              | 34.0  | 83        |
| <b>11th pillar: Business sophistication</b>              |       |           |
| 11.01 Local supplier quantity .....                      | 3.6   | 133       |
| 11.02 Local supplier quality .....                       | 3.4   | 127       |
| 11.03 State of cluster development .....                 | 2.7   | 134       |
| 11.04 Nature of competitive advantage .....              | 2.5   | 133       |
| 11.05 Value chain breadth .....                          | 2.8   | 137       |
| 11.06 Control of international distribution .....        | 3.2   | 118       |
| 11.07 Production process sophistication .....            | 2.5   | 136       |
| 11.08 Extent of marketing .....                          | 3.6   | 123       |
| 11.09 Willingness to delegate authority .....            | 3.6   | 90        |
| <b>12th pillar: Innovation</b>                           |       |           |
| 12.01 Capacity for innovation .....                      | 3.2   | 130       |
| 12.02 Quality of scientific research institutions .....  | 3.0   | 115       |
| 12.03 Company spending on R&D .....                      | 2.4   | 132       |
| 12.04 University-industry collaboration in R&D .....     | 2.8   | 120       |
| 12.05 Gov't procurement of advanced tech products .....  | 2.2   | 139       |
| 12.06 Availability of scientists and engineers .....     | 3.5   | 104       |
| 12.07 PCT patents, applications/million pop.* .....      | 0.1   | 100       |

**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 89.



# Technical Notes and Sources

The data in this *Report* represent the best available estimates from various national authorities, international agencies, and private sources at the time the *Report* was prepared. It is possible that some data will have been revised or updated by the sources after publication. The following notes provide sources for all the indicators listed in the Country/Economy Profiles. The title of each indicator appears on the first line, preceded by its number to allow for quick reference. The numbering is consistent with the one adopted in the appendix of Chapter 1.1. Below is a description of each indicator or, in the case of Executive Opinion Survey data, the full question and associated answers. If necessary, additional information is provided underneath.

## Pillar 1: Institutions

### 1.01 Property rights

*In your country, to what extent are property rights, including financial assets, protected? [1 = not at all; 7 = to a great extent] | 2014–15 weighted average*

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

### 1.02 Intellectual property protection

*In your country, to what extent is intellectual property protected? [1 = not at all; 7 = to a great extent] | 2014–15 weighted average*

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

### 1.03 Diversion of public funds

*In your country, how common is illegal diversion of public funds to companies, individuals, or groups? [1 = very commonly occurs; 7 = never occurs] | 2014–15 weighted average*

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

### 1.04 Public trust in politicians

*In your country, how do you rate the ethical standards of politicians? [1 = extremely low; 7 = extremely high] | 2014–15 weighted average*

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

### 1.05 Irregular payments and bribes

*Average score across the five components of the following Executive Opinion Survey question: In your country, how common is it for firms to make undocumented extra payments or bribes connected with (a) imports and exports; (b) public utilities; (c) annual tax payments; (d) awarding of public contracts and licenses; (e) obtaining favorable judicial decisions? In each case, the answer ranges from 1 [very common] to 7 [never occurs] | 2014–15 weighted average*

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

### 1.06 Judicial independence

*In your country, how independent is the judicial system from influences of the government, individuals, or companies? [1 = not independent at all; 7 = entirely independent] | 2014–15 weighted average*

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

### 1.07 Favoritism in decisions of government officials

*In your country, to what extent do government officials show favoritism to well-connected firms and individuals when deciding upon policies and contracts? [1 = show favoritism to a great extent; 7 = do not show favoritism at all] | 2014–15 weighted average*

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

### 1.08 Wastefulness of government spending

*In your country, how efficiently does the government spend public revenue? [1 = extremely inefficient; 7 = extremely efficient in providing goods and services] | 2013–14 weighted average*

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

### 1.09 Burden of government regulation

*In your country, how burdensome is it for companies to comply with public administration's requirements (e.g., permits, regulations, reporting)? [1 = extremely burdensome; 7 = not burdensome at all] | 2014–15 weighted average*

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

### 1.10 Efficiency of legal framework in settling disputes

*In your country, how efficient are the legal and judicial systems for companies in settling disputes? [1 = extremely inefficient; 7 = extremely efficient] | 2014–15 weighted average*

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*



**1.11 Efficiency of legal framework in challenging regulations**

In your country, to what extent can individuals, institutions (civil society), and businesses obtain justice through the judicial system against arbitrary government decisions? [1 = not at all; 7 = to a great extent] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**1.12 Transparency of government policymaking**

In your country, how easy is it for companies to obtain information about changes in government policies and regulations affecting their activities? [1 = extremely difficult; 7 = extremely easy] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**1.13 Business costs of terrorism**

In your country, to what extent does the threat of terrorism impose costs on businesses? [1 = to a great extent; 7 = not at all] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**1.14 Business costs of crime and violence**

In your country, to what extent does the incidence of crime and violence impose costs on businesses? [1 = to a great extent; 7 = not at all] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**1.15 Organized crime**

In your country, to what extent does organized crime (mafia-oriented racketeering, extortion) impose costs on businesses? [1 = to a great extent; 7 = not at all] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**1.16 Reliability of police services**

In your country, to what extent can police services be relied upon to enforce law and order? [1 = not at all; 7 = to a great extent] | 2013–14 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**1.17 Ethical behavior of firms**

In your country, how do you rate the corporate ethics of companies (ethical behavior in interactions with public officials, politicians, and other firms)? [1 = extremely poor—among the worst in the world; 7 = excellent—among the best in the world] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**1.18 Strength of auditing and reporting standards**

In your country, how strong are financial auditing and reporting standards? [1 = extremely weak; 7 = extremely strong] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**1.19 Efficacy of corporate boards**

In your country, to what extent is management accountable to investors and boards of directors? [1 = not at all; 7 = to a great extent] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**1.20 Protection of minority shareholders' interests**

In your country, to what extent are the interests of minority shareholders protected by the legal system? [1 = not protected at all; 7 = fully protected] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**1.21 Strength of investor protection**

Strength of Investor Protection Index on a 0–10 (best) scale | 2014

This variable is a combination of the Extent of disclosure index (transparency of transactions), the Extent of director liability index (liability for self-dealing), and the Ease of shareholder suit index (shareholders' ability to sue officers and directors for misconduct). For more details about the methodology employed and the assumptions made to compute this indicator, visit <http://www.doingbusiness.org/methodology/surveys/>.

Source: World Bank/International Finance Corporation, *Doing Business 2015: Going Beyond Efficiency*

**Pillar 2: Infrastructure****2.01 Quality of overall infrastructure**

How do you assess the general state of infrastructure (e.g., transport, communications, and energy) in your country? [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**2.02 Quality of roads**

In your country, how do you assess the quality of the roads? [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**2.03 Quality of railroad infrastructure**

In your country, how would you assess the quality of the railroad system? [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world] | 2014–15 weighted average

In the Country/Economy Profiles, *N/Appl.* is used for economies where there is no regular train service or where the network covers only a negligible portion of the territory. Assessment of the existence of a network was conducted by the World Economic Forum based on various sources.

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**2.04 Quality of port infrastructure**

In your country, how do you assess the quality of seaports (for landlocked countries, assess access to seaports) [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**2.05 Quality of air transport infrastructure**

In your country, how do you assess the quality of air transport? [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**2.06 Available airline seat kilometers**

[Airline seat kilometers \(in millions\) available on all flights \(domestic and international service\) originating in country per week \(year average\) | 2015](#)

This indicator measures the total passenger-carrying capacity of all scheduled flights, including domestic flights, originating in a country. It is computed by multiplying the number of seats available on each flight by the flight distance in kilometers and summing the result across all scheduled flights in a week. The final value represents the weekly average for the year (Jan–Dec), taking into account flights scheduled beforehand by airline companies.

Source: International Air Transport Association, SRS Analyser

**2.07 Quality of electricity supply**

[In your country, how reliable is the electricity supply \(lack of interruptions and lack of voltage fluctuations\)? \[1 = extremely unreliable; 7 = extremely reliable\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**2.08 Mobile-cellular telephone subscriptions**

[Number of mobile-cellular telephone subscriptions per 100 population | 2014](#)

*Mobile-cellular telephone subscriptions* refers to the number of subscriptions to a public mobile telephone service that provides access to the public switched telephone network (PSTN) using cellular technology. It includes both the number of postpaid subscriptions and the number of active prepaid accounts (i.e., that have been active during the past three months). It includes all mobile-cellular subscriptions that offer voice communications. It excludes subscriptions via data cards or USB modems; subscriptions to public mobile data services; and private trunked mobile radio, telepoint, radio paging, and telemetry services.

Source: International Telecommunication Union, *ITU World Telecommunication/ICT Indicators Database 2015* (June 2015 edition)

**2.09 Fixed-telephone lines**

[Number of fixed-telephone lines per 100 population | 2014](#)

*Fixed-telephone subscriptions* refers to the sum of active analogue fixed-telephone lines, voice over IP (VoIP) subscriptions, fixed wireless local loop (WLL) subscriptions, ISDN voice-channel equivalents, and fixed-public payphones. It includes all accesses over fixed infrastructure supporting voice telephony using copper wire, voice services using Internet Protocol (IP) delivered over fixed (wired)-broadband infrastructure (e.g., DSL, fiber optic), and voice services provided over coaxial-cable television networks (cable modem). It also includes fixed wireless local loop (WLL) connections, which are defined as services provided by licensed fixed-line telephone operators that provide last-mile access to the subscriber using radio technology, when the call is then routed over a fixed-line telephone network (and not a mobile-cellular network). In the case of VoIP, it refers to subscriptions that offer the ability to place and receive calls at any time and do not require a computer. VoIP is also known as voice-over-broadband (VoB), and includes subscriptions through fixed-wireless, DSL, cable, fiber optic, and other fixed-broadband platforms that provide fixed telephony using IP.

Source: International Telecommunication Union, *ITU World Telecommunication/ICT Indicators Database 2015* (June 2015 edition)

**Pillar 3: Macroeconomic environment****3.01 Government budget balance**

[General government budget balance as a percentage of GDP | 2014](#)

General government budget balance is calculated as general government revenue minus total expenditure. This is a core Government Finance Statistics (GFS) balance that measures the extent to which the general government is either putting financial resources at the disposal of other sectors in the economy and nonresidents (net lending), or utilizing the financial resources generated by other sectors and nonresidents (net borrowing). This balance may be viewed as an indicator of the financial impact of general government activity on the rest of the economy and nonresidents. Revenue consists of taxes, social contributions, grants receivable, and other revenue. Revenue increases a government's net worth, which is the difference between its assets and liabilities. General government total expenditure consists of total expenses and the net acquisition of nonfinancial assets.

Source: International Monetary Fund, *World Economic Outlook Database* (April 2015 edition)

**3.02 Gross national savings**

[Gross national savings as a percentage of GDP | 2014](#)

*Aggregate national savings* is defined as public- and private-sector savings as a percentage of nominal GDP. National savings equals gross domestic investment plus the current-account balance.

Sources: International Monetary Fund, *World Economic Outlook Database* (April 2015 edition); Central Intelligence Agency (CIA), *The World Factbook* (accessed June 22, 2015)

**3.03 Inflation**

[Annual percent change in consumer price index \(year average\) | 2014](#)

Source: International Monetary Fund, *World Economic Outlook Database* (April 2015 edition)

**3.04 Government debt**

[Gross general government debt as a percentage of GDP | 2014](#)

*Gross debt* consists of all liabilities that require payment or payments of interest and/or principal by the debtor to the creditor at a date or dates in the future. This includes debt liabilities in the form of special drawing rights, currency and deposits, debt securities, loans, insurance, pensions and standardized guarantee schemes, and other accounts payable. Thus, all liabilities in the *Government Finance Statistics Manual (GFSM) 2001* system are debt, except for equity and investment fund shares, financial derivatives, and employee stock options. For Australia, Belgium, Canada, Hong Kong SAR, Iceland, New Zealand, and Sweden, government debt coverage also includes insurance technical reserves, following the GFSM 2001 definition.

Sources: International Monetary Fund, *World Economic Outlook Database* (April 2015 edition) and *Public Information Notices* (various issues)

### 3.05 Country credit rating

[Institutional Investor's Country Credit Ratings™ assessing the probability of sovereign debt default on a 0–100 \(lowest probability\) scale | March 2015](#)

*Institutional Investor's Country Credit Ratings™* developed by Institutional Investor are based on information provided by senior economists and sovereign-debt analysts at leading global banks and money management and security firms. Twice a year, the respondents grade each country on a scale of 0 to 100, with 100 representing the least chance of default.

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## Pillar 4: Health and primary education

### 4.01 Malaria incidence

[Estimated number of malaria cases per 100,000 population | 2012 or most recent year available](#)

In the Country/Economy Profiles, *M.F.* indicates that the economy was declared free of malaria by the World Health Organization (WHO), except in the case of Hong Kong SAR, for which malaria assessment by CDC was used. *S.L.* means the economy was added to the WHO's supplementary list of areas where malaria has never existed or has disappeared without specific measures.

Sources: The World Health Organization, *World Malaria Report 2013*; United States Centers for Disease Control and Prevention (CDC), Malaria Information and Prophylaxis information (accessed July 11, 2014)

### 4.02 Business impact of malaria

[How serious an impact do you consider malaria will have on your company in the next five years \(e.g., death, disability, medical and funeral expenses, productivity and absenteeism, recruitment and training expenses, revenues\)? \[1 = a serious impact; 7 = no impact at all\] | 2013–14 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

### 4.03 Tuberculosis incidence

[Estimated number of tuberculosis cases per 100,000 population | 2013](#)

Incidence of tuberculosis is the estimated number of new pulmonary, smear positive, and extra-pulmonary tuberculosis cases.

Sources: The World Bank, *World Development Indicators* (accessed May 8, 2015); national sources

### 4.04 Business impact of tuberculosis

[How serious an impact do you consider tuberculosis will have on your company in the next five years \(e.g., death, disability, medical and funeral expenses, productivity and absenteeism, recruitment and training expenses, revenues\)? \[1 = a serious impact; 7 = no impact at all\] | 2013–14 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

### 4.05 HIV prevalence

[HIV prevalence as a percentage of adults aged 15–49 years | 2013 or most recent year available](#)

*HIV prevalence* refers to the percentage of people aged 15–49 who are infected with HIV at a particular point in time, no matter when infection occurred.

Sources: The World Bank, *World Development Indicators* (accessed June 18, 2014, and May 18, 2015); UNAIDS, *Global Report on the Global AIDS Epidemic* (2008, 2010, 2012, and 2013 editions); national sources

### 4.06 Business impact of HIV/AIDS

[How serious an impact do you consider HIV/AIDS will have on your company in the next five years \(e.g., death, disability, medical and funeral expenses, productivity and absenteeism, recruitment and training expenses, revenues\)? \[1 = a serious impact; 7 = no impact at all\] | 2013–14 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

### 4.07 Infant mortality

[Infant \(children aged 0–12 months\) mortality per 1,000 live births | 2013 or most recent year available](#)

*Infant mortality rate* is the number of infants dying before reaching one year of age per 1,000 live births in a given year.

Sources: The World Bank, *World Development Indicators* (accessed May 8, 2015); national sources

### 4.08 Life expectancy

[Life expectancy at birth \(years\) | 2013](#)

*Life expectancy at birth* indicates the number of years a newborn infant would live if prevailing patterns of mortality at the time of its birth were to stay the same throughout its life.

Sources: The World Bank, *World Development Indicators* (accessed May 11, 2015); national sources

### 4.09 Quality of primary education

[In your country, how do you assess the quality of primary schools? \[1 = extremely poor—among the worst in the world; 7 = excellent—among the best in the world\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

### 4.10 Primary education enrollment rate

[Net primary education enrollment rate | 2013 or most recent year available](#)

The reported value corresponds to the ratio of children of official primary school age (as defined by the national education system) who are enrolled in primary school. Primary education (ISCED level 1) provides children with basic reading, writing, and mathematics skills along with an elementary understanding of such subjects as history, geography, natural science, social science, art, and music.

Sources: UNESCO Institute for Statistics, *Data Centre* (accessed July 2, 2015); Organisation for Economic Co-operation and Development (OECD), *Education at a Glance 2014*; Sistema de Información de tendencias Educativas de América Latina (SITEAL); The World Bank *Education Statistics*; United Nations Development Programme (UNDP); UNICEF; national sources

## Pillar 5: Higher education and training

### 5.01 Secondary education enrollment rate

[Gross secondary education enrollment rate | 2013 or most recent year available](#)

The reported value corresponds to the ratio of total secondary enrollment, regardless of age, to the population of the age group that officially corresponds to the secondary education level. Secondary education (ISCED levels 2 and 3) completes the provision of basic education that began at the primary level, and aims to lay the foundations for lifelong learning and human development by offering more subject- or skills-oriented instruction using more specialized teachers.

Sources: UNESCO Institute for Statistics, *Data Centre* (accessed May 6, 2015) and *Education for All Global Monitoring Monitor 2013/4*; UNICEF, *Education Statistics*; Sistema de Información de tendencias Educativas de América Latina (SITEAL); national sources

**5.02 Tertiary education enrollment rate**

[Gross tertiary education enrollment rate | 2013 or most recent year available](#)

The reported value corresponds to the ratio of total tertiary enrollment, regardless of age, to the population of the age group that officially corresponds to the tertiary education level. Tertiary education (ISCED levels 5 and 6), whether or not leading to an advanced research qualification, normally requires, as a minimum condition of admission, the successful completion of education at the secondary level.

Sources: UNESCO Institute for Statistics, *Data Centre* (accessed June 21, 2014 and May 6, 2015); UNICEF; national sources

**5.03 Quality of the education system**

[In your country, how well does the education system meet the needs of a competitive economy? \[1 = not well at all; 7 = extremely well\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**5.04 Quality of math and science education**

[In your country, how do you assess the quality of math and science education? \[1 = extremely poor—among the worst in the world; 7 = excellent—among the best in the world\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**5.05 Quality of management schools**

[In your country, how do you assess the quality of business schools? \[1 = extremely poor—among the worst in the world; 7 = excellent—among the best in the world\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**5.06 Internet access in schools**

[In your country, to what extent is the Internet used in schools for learning purposes? \[1 = not at all; 7 = to a great extent\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**5.07 Local availability of specialized training services**

[In your country, how available are high-quality, professional training services? \[1 = not available at all; 7 = widely available\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**5.08 Extent of staff training**

[In your country, to what extent do companies invest in training and employee development? \[1 = not at all; 7 = to a great extent\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**Pillar 6: Goods market efficiency****6.01 Intensity of local competition**

[In your country, how intense is competition in the local markets? \[1 = not intense at all; 7 = extremely intense\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**6.02 Extent of market dominance**

[In your country, how do you characterize corporate activity? \[1 = dominated by a few business groups; 7 = spread among many firms\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**6.03 Effectiveness of anti-monopoly policy**

[In your country, how effective are anti-monopoly policies at ensuring fair competition? \[1 = not effective at all; 7 = extremely effective\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**6.04 Effect of taxation on incentives to invest**

[In your country, to what extent do taxes reduce the incentive to invest? \[1 = to a great extent; 7 = not at all\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**6.05 Total tax rate**

[This variable is a combination of profit tax \(% of profits\), labor tax and contribution \(% of profits\), and other taxes \(% of profits\) | 2013](#)

The total tax rate measures the amount of taxes and mandatory contributions payable by a business in the second year of operation, expressed as a share of commercial profits. The total amount of taxes is the sum of five different types of taxes and contributions payable after accounting for deductions and exemptions: profit or corporate income tax, social contributions and labor taxes paid by the employer, property taxes, turnover taxes, and other small taxes. For more details about the methodology employed and the assumptions made to compute this indicator, visit <http://www.doingbusiness.org/methodologysurveys/>.

Source: World Bank/International Finance Corporation, *Doing Business 2015: Paying Taxes*

**6.06 Number of procedures required to start a business**

[Number of procedures required to start a business | 2014](#)

For details about the methodology employed and the assumptions made to compute this indicator, visit <http://www.doingbusiness.org/methodologysurveys/>.

Source: World Bank/International Finance Corporation, *Doing Business 2015: Going Beyond Efficiency*

**6.07 Time required to start a business**

[Number of days required to start a business | 2014](#)

For details about the methodology employed and the assumptions made to compute this indicator, visit <http://www.doingbusiness.org/methodologysurveys/>.

Source: World Bank/International Finance Corporation, *Doing Business 2015: Going Beyond Efficiency*

**6.08 Agricultural policy costs**

[In your country, how do you assess the agricultural policy? \[1 = excessively burdensome for the economy; 7 = balances well the interests of taxpayers, consumers, and producers\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*



**6.09 Prevalence of non-tariff barriers**

In your country, to what extent do non-tariff barriers (e.g. health and product standards, technical and labeling requirements, etc.) limit the ability of imported goods to compete in the domestic market? [1 = strongly limit; 7 = do not limit at all] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**6.10 Trade tariffs**

Trade-weighted average tariff rate | 2014 or most recent year available

An *applied tariff* is a customs duty that is levied on imports of merchandise goods. This indicator is calculated as a weighted average of all the applied tariff rates, including preferential rates that a country applies to the rest of the world. The weights are the trade patterns of the importing country's reference group.

Source: International Trade Centre

**6.11 Prevalence of foreign ownership**

In your country, how prevalent is foreign ownership of companies? [1 = extremely rare; 7 = extremely prevalent] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**6.12 Business impact of rules on FDI**

In your country, how restrictive are rules and regulations on foreign direct investment (FDI)? [1 = extremely restrictive; 7 = not restrictive at all] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**6.13 Burden of customs procedures**

In your country, how efficient are customs procedures (related to the entry and exit of merchandise)? [1 = extremely inefficient; 7 = extremely efficient] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**6.14 Imports as a percentage of GDP**

Imports of goods and services as a percentage of gross domestic product | 2014 or most recent year available

*Total imports* is the sum of total imports of merchandise and commercial services.

Sources: World Trade Organization, *Statistical Database: Time Series on Merchandise and Commercial Services* (accessed May 11, 2015); International Monetary Fund, *World Economic Outlook Database* (April 2015 edition)

**6.15 Degree of customer orientation**

In your country, how well do companies treat customers? [1 = poorly – mostly indifferent to customer satisfaction; 7 = extremely well – highly responsive to customers and seek customer retention] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**6.16 Buyer sophistication**

In your country, on what basis do buyers make purchasing decisions? [1 = based solely on the lowest price; 7 = based on sophisticated performance attributes] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**Pillar 7: Labor market efficiency****7.01 Cooperation in labor-employer relations**

In your country, how do you characterize labor-employer relations? [1 = generally confrontational; 7 = generally cooperative] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**7.02 Flexibility of wage determination**

In your country, how are wages generally set? [1 = by a centralized bargaining process; 7 = by each individual company] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**7.03 Hiring and firing practices**

In your country, to what extent do regulations allow flexible hiring and firing of workers? [1 = not at all; 7 = to a great extent] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**7.04 Redundancy costs**

Redundancy costs in weeks of salary | 2014

This variable estimates the cost of advance notice requirements, severance payments, and penalties due when terminating a redundant worker, expressed in weekly wages. For more details about the methodology employed and the assumptions made to compute this indicator, visit <http://www.doingbusiness.org/methodologysurveys/>.

Sources: World Bank/International Finance Corporation, *Doing Business 2015: Going Beyond Efficiency*; World Economic Forum's calculations

**7.05 Effect of taxation on incentives to work**

In your country, to what extent do taxes and social contributions reduce the incentive to work? [1 = to a great extent; 7 = not at all] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**7.06 Pay and productivity**

In your country, to what extent is pay related to employee productivity? [1 = not at all; 7 = to a great extent] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**7.07 Reliance on professional management**

In your country, who holds senior management positions? [1 = usually relatives or friends without regard to merit; 7 = mostly professional managers chosen for merit and qualifications] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**7.08 Country capacity to retain talent**

To what extent does your country retain talented people? [1 = not at all—the best and brightest leave to pursue opportunities abroad; 7 = to a great extent—the best and brightest stay and pursue opportunities in the country] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**7.09 Country capacity to attract talent**

To what extent does your country attract talented people from abroad? [1 = not at all; 7 = to a great extent – attracts the best and brightest from around the world] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**7.10 Female participation in the labor force**

Ratio of women to men in the labor force\* | 2013 or most recent year available

This measure is the percentage of women aged 15–64 participating in the labor force divided by the percentage of men aged 15–64 participating in the labor force.

Sources: International Labour Organization, *Key Indicators of the Labour Markets, 8th Edition*; national sources

**Pillar 8: Financial market development****8.01 Availability of financial services**

In your country, to what extent does the financial sector provide a wide range of financial products and services to businesses? [1 = not at all; 7 = provides a wide variety] | 2013–14 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**8.02 Affordability of financial services**

In your country, to what extent are financial services affordable for businesses? [1 = not affordable at all; 7 = affordable] | 2013–14 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**8.03 Financing through local equity market**

In your country, to what extent can companies raise money by issuing shares and/or bonds on the capital market? [1 = not at all; 7 = to a great extent] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**8.04 Ease of access to loans**

In your country, how easy is it to obtain a bank loan with only a good business plan and no collateral? [1 = extremely difficult; 7 = extremely easy] | 2013–14 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**8.05 Venture capital availability**

In your country, how easy is it for start-up entrepreneurs with innovative but risky projects to obtain equity funding? [1 = extremely difficult; 7 = extremely easy] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**8.06 Soundness of banks**

In your country, how do you assess the soundness of banks? [1 = extremely low—banks may require recapitalization; 7 = extremely high—banks are generally healthy with sound balance sheets] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**8.07 Regulation of securities exchanges**

In your country, to what extent do regulators ensure the stability of the financial market? [1 = not at all; 7 = to a great extent] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**8.08 Legal rights index**

Degree of legal protection of borrowers' and lenders' rights on a 0–12 (best) scale | 2014

This index measures the degree to which collateral and bankruptcy laws protect borrowers' and lenders' rights and thus facilitate lending. For more details about the methodology employed and the assumptions made to compute this indicator, visit <http://www.doingbusiness.org/methodologysurveys/>.

Source: World Bank/International Finance Corporation, *Doing Business 2015: Going Beyond Efficiency*

**Pillar 9: Technological readiness****9.01 Availability of latest technologies**

In your country, to what extent are the latest technologies available? [1 = not at all; 7 = to a great extent] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**9.02 Firm-level technology absorption**

In your country, to what extent do businesses adopt new technology? [1 = not at all; 7 = adopt extensively] | 2013–14 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**9.03 FDI and technology transfer**

To what extent does foreign direct investment (FDI) bring new technology into your country? [1 = not at all; 7 = to a great extent] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**9.04 Internet users**

Percentage of individuals using the Internet | 2014

*Individuals using the Internet* refers to people who used the Internet from any location and for any purpose, irrespective of the device and network used, in the last three months. It can be via a computer (i.e., desktop computer, laptop computer or tablet, or similar handheld computer), mobile phone, games machine, digital TV, etc.). Access can be via a fixed or mobile network.

Source: International Telecommunication Union, *World Telecommunication/ICT Indicators 2014* (June 2015 edition)

**9.05 Fixed-broadband Internet subscriptions**

Fixed-broadband Internet subscriptions per 100 population | 2014 or most recent year available

*Fixed (wired)-broadband subscriptions* refers to the number of subscriptions for high-speed access to the public Internet (a TCP/IP connection). *Highspeed access* is defined as downstream speeds equal to, or greater than, 256 kbit/s. Fixed (wired)-broadband includes cable modem, DSL, fiber, and other fixed (wired)-broadband technologies—such as Ethernet LAN, and broadband over powerline (BPL) communications. Subscriptions with access to data communications (including the Internet) via mobile-cellular networks are excluded.

Source: International Telecommunication Union, *World Telecommunication/ICT Indicators 2015* (June 2015 edition)



**9.06 Internet bandwidth**

[International Internet bandwidth \(kb/s\) per Internet user | 2014 or most recent year available](#)

*International Internet bandwidth* refers to the total used capacity of international Internet bandwidth, in megabits per second (Mbit/s). It is measured as the sum of used capacity of all Internet exchanges offering international bandwidth. If capacity is asymmetric, then the incoming capacity is used. *International Internet bandwidth (kb/s) per Internet user* is calculated by converting to kilobits per second and dividing by the total number of Internet users.

Source: International Telecommunication Union, *World Telecommunication/ICT Indicators 2015* (June 2015 edition)

**9.07 Mobile-broadband subscriptions**

[Active mobile-broadband subscriptions per 100 population | 2014](#)

*Active mobile-broadband subscriptions* refers to the sum of standard mobile-broadband subscriptions and dedicated mobile-broadband data subscriptions to the public Internet. It covers actual subscribers, not potential subscribers, even though the latter may have broadband-enabled handsets. *Standard mobile-broadband subscriptions* refers to active mobile-cellular subscriptions with advertised data speeds of 256 kbit/s or greater that allow access to the greater Internet via HTTP and that have been used to set up an Internet data connection using Internet Protocol (IP) in the past three months. Standard SMS and MMS messaging do not count as an active Internet data connection, even if the messages are delivered via IP. *Dedicated mobile-broadband data subscriptions* refers to subscriptions to dedicated data services (over a mobile network) that allow access to the greater Internet and that are purchased separately from voice services, either as a standalone service (e.g., using a data card such as a USB modem/dongle) or as an add-on data package to voice services that requires an additional subscription. All dedicated mobile-broadband subscriptions with recurring subscription fees are included regardless of actual use. Prepaid mobile-broadband plans require use if there is no monthly subscription. This indicator could also include mobile WiMAX subscriptions.

Source: International Telecommunication Union, *World Telecommunication/ICT Indicators 2015* (June 2015 edition)

**Pillar 10: Market size****10.01 Domestic market size index**

[Sum of gross domestic product plus value of imports of goods and services, minus value of exports of goods and services, normalized on a 1–7 \(best\) scale | 2014](#)

The size of the domestic market is calculated as the natural log of the sum of the gross domestic product valued at PPP plus the total value (PPP estimates) of imports of goods and services, minus the total value (PPP estimates) of exports of goods and services. Data are then normalized on a 1–7 scale. PPP estimates of imports and exports are obtained by taking the product of exports as a percentage of GDP and GDP valued at PPP.

Source: World Economic Forum. For more details, refer to the appendix of Chapter 1.1 of *The Global Competitiveness Report 2015–2016*

**10.02 Foreign market size index**

[Value of exports of goods and services, normalized on a 1–7 \(best\) scale | 2014](#)

The size of the foreign market is estimated as the natural log of the total value (PPP estimates) of exports of goods and services, normalized on a 1–7 scale. PPP estimates of exports are obtained by taking the product of exports as a percentage of GDP and GDP valued at PPP.

Source: World Economic Forum. For more details, refer to the appendix of Chapter 1.1 of *The Global Competitiveness Report 2015–2016*

**10.03 GDP (PPP)**

[Gross domestic product valued at purchasing power parity in billions of international dollars | 2014](#)

Source: International Monetary Fund, *World Economic Outlook Database* (April 2015 edition)

**10.04 Exports as a percentage of GDP**

[Exports of goods and services as a percentage of gross domestic product | 2014 or most recent year available](#)

*Total exports* is the sum of total exports of merchandise and commercial services.

Sources: World Trade Organization, *Statistical Database: Time Series on Merchandise and Commercial Services* (accessed May 11, 2015); International Monetary Fund, *World Economic Outlook Database* (April 2015 edition).

**Pillar 11: Business sophistication****11.01 Local supplier quantity**

[In your country, how numerous are local suppliers? \[1 = largely nonexistent; 7 = extremely numerous\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**11.02 Local supplier quality**

[In your country, how do you assess the quality of local suppliers? \[1 = extremely poor quality; 7 = extremely high quality\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**11.03 State of cluster development**

[In your country, how widespread are well-developed and deep clusters \(geographic concentrations of firms, suppliers, producers of related products and services, and specialized institutions in a particular field\)? \[1 = nonexistent; 7 = widespread in many fields\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**11.04 Nature of competitive advantage**

[On what is the competitive advantage of your country's companies in international markets based? \[1 = primarily low-cost labor or natural resources; 7 = primarily unique products and processes\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**11.05 Value chain breadth**

[In your country, how broad is companies' presence in the value chain? \[1 = narrow, primarily involved in individual steps of the value chain \(e.g., resource extraction or production\); 7 = broad, present across the entire value chain \(e.g., including production and marketing, distribution, design, etc.\)\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**11.06 Control of international distribution**

[In your country, to what extent do domestic companies control the international distribution of their products? \[1 = not at all; 7 = to a great extent\] | 2014–15 weighted average](#)

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**11.07 Production process sophistication**

In your country, how sophisticated are production processes? [1 = not at all—production uses labor-intensive processes; 7 = highly—production uses latest technologies] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**11.08 Extent of marketing**

In your country, how successful are companies in using marketing to differentiate their products and services? [1 = not successful at all; 7 = extremely successful] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**11.09 Willingness to delegate authority**

In your country, how do you assess the willingness to delegate authority to subordinates? [1 = not willing at all—senior management takes all important decisions; 7 = very willing—authority is mostly delegated to business unit heads and other lower-level managers] | 2013–14 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**Pillar 12: Innovation****12.01 Capacity for innovation**

In your country, to what extent do companies have the capacity to innovate? [1 = not at all; 7 = to a great extent] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**12.02 Quality of scientific research institutions**

In your country, how do you assess the quality of scientific research institutions? [1 = extremely poor—among the worst in the world; 7 = extremely good—among the best in the world] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**12.03 Company spending on R&D**

In your country, to what extent do companies invest in research and development (R&D)? [1 = do not invest at all in R&D; 7 = invest heavily in R&D] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**12.04 University-industry collaboration in R&D**

In your country, to what extent do business and universities collaborate on research and development (R&D)? [1 = do not collaborate at all; 7 = collaborate extensively] | 2013–14 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**12.05 Government procurement of advanced technology products**

In your country, to what extent do government purchasing decisions foster innovation? [1 = not at all; 7 = to a great extent] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**12.06 Availability of scientists and engineers**

In your country, to what extent are scientists and engineers available? [1 = not at all; 7 = widely available] | 2014–15 weighted average

Source: World Economic Forum, Executive Opinion Survey. For more details, refer to Chapter 1.3 of this *Report*

**12.07 PCT patent applications**

Number of applications filed under the Patent Cooperation Treaty (PCT) per million population | 2011–2012 average

This indicator measures the total count of applications filed under the Patent Cooperation Treaty (PCT), by priority date and inventor nationality, using fractional count if an application is filed by multiple inventors. The average count of applications filed in 2011 and 2012 is divided by population figures for 2012.

In the absence of reliable data on PCT applications for Taiwan (China) and Hong Kong SAR, two advanced economies that are not signatories of the Treaty, the number of applications is estimated as follows: first, we compute the average number of all utility patent applications filed with the United States Patents and Trademarks Office (USPTO) for 2011 and 2012. We then compute the average number of PCT applications for 2011 and 2012, before computing the ratio of the two averages (1.59). For the computation of the two averages, only economies with a two-year average number of at least 100 USPTO applications and 50 PCT applications are considered. Taiwan and Hong Kong are excluded in both cases. We then divide the 2011–2012 average number of USPTO applications filed by residents of Taiwan (19,951.5) and Hong Kong (1,061.5), respectively, by the ratio above in order to produce estimates for PCT applications. As a final step, we compute the estimates per million population—that is, 537.2 for Taiwan and 90.3 for Hong Kong. The estimates are used in the computation of the respective Innovation pillar scores of the two economies.

Sources: Organisation for Economic Co-operation and Development (OECD), *Patent Database*, (situation as of June 2015); For population: International Monetary Fund, *World Economic Outlook Database* (April 2015 edition); World Economic Forum's calculations



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Published since 1979, the *Global Competitiveness Report* series is today the world's most comprehensive assessment of national competitiveness. This year's edition is being released at a time when the world economy is evolving against the background of the "new normal" of lower economic growth, lower productivity growth, and high unemployment and when several downside risks loom on the horizon: the normalization of monetary policies in the United States, exchange rate and commodity price fluctuations, geopolitical tensions, and political instability.

Governments have largely exhausted their toolkit of short-term policies available to cushion the crisis. Productivity-enhancing policies are needed to ensure long-term prosperity, high-quality jobs, and inclusive growth. To craft effective reforms, policymakers and business and civil society leaders need to understand the complex and interrelated forces that drive productivity and competitiveness. *The Global Competitiveness Report 2015–2016* aims to support these stakeholders in establishing a collaborative approach and identifying assets on which they can build as well as areas of concern that need to be addressed.

Produced in collaboration with leading academics and a global network of Partner Institutes, *The Global Competitiveness Report 2015–2016* offers users a unique dataset of a broad array of competitiveness indicators for 140 economies. The data used in the *Report* are obtained from leading international sources as well as from the World Economic Forum's annual Executive Opinion Survey, a distinctive source that captures the perspectives of more than 14,000 business leaders on topics related to national competitiveness.

The *Report* presents the rankings of the Global Competitiveness Index (GCI). The GCI is based on 12 pillars that provide a comprehensive picture of the competitiveness landscape in countries around the world at different stages of economic development. The *Report* contains detailed profiles highlighting competitive strengths and weaknesses for each of the 140 economies featured.

The *Report* and an interactive data platform are available at [www.weforum.org/gcr](http://www.weforum.org/gcr).